



Grievance Redressal Policy

(Revised as on 04-12-2014)

1. Introduction

- 1.1.** National Housing Bank (NHB) has been established under the National Housing Bank Act, 1987 to operate as a principal agency to promote housing finance institutions and to provide financial and other support to such institutions. The Act enjoin NHB to act as a developmental financial institution in the housing finance sector as also play the role of a regulator for the housing finance companies (HFCs).
- 1.2.** Being a financial institution, there will be occasions when its constituents will have complaints against its working like any other institution. NHB being the regulator of HFCs, there will also be occasions when the customers of HFCs would approach NHB for resolution of their grievances against them. It has been consistent endeavour of NHB to provide efficient service to all its constituents, including customers of HFCs that are under its regulatory ambit. NHB believes that the grievance redressal mechanism of an institution is the gauge to measure its efficiency and effectiveness as it provides important feedback on the working of the institution and the entities regulated by it.
- 1.3.** Usage of IT platform and application of email communication, helps NHB in attending the complaints received against the functioning of its various Departments/HFCs efficiently.
- 1.4.** The Bank also appointed one of the Executive Directors as the Chief Grievance Redressal Officer. It has also set up a Complaint Redressal Cell (CRC), mainly to cater to the complaints received against the HFCs. In order to consolidate all practices and procedures, the Bank has formulated the Grievance Redressal Policy (GRP) and placed the same on its website. Accordingly, the grievance redressal mechanism would endeavour that the redressal sought is just and fair, within the given framework of the GRP.

2. Policy Objective

- 2.1** The objective of this Policy is to provide an efficient and effective grievance redressal mechanism to the constituents of NHB, as also to the customers of HFCs regulated by it.
- 2.2** The Grievance Redressal Mechanism put in place aims to provide a simple, speedy and cost effective mechanism to the aggrieved parties. The escalation provided is to sensitize that the concerned higher up/s in the NHB/HFC is/are made aware of the grievance of the aggrieved party and take a considered view in the matter. However, this is in no way a substitute to the

existing judicial or quasi-judicial forum/s available to the aggrieved person to get his grievance adjudicated or redressed. The Complainant, therefore, is at liberty to approach the available forum/s at any stage i.e. even before resorting to the above mechanism or during the pendency of the complaint or when she/he is not satisfied with the outcome.

2.3 The Complaints received by NHB have been classified into two categories, viz. (i) against NHB, and (ii) against HFCs.

3. Complaint against NHB

3.1 Coverage

The Policy covers grievance raised by the stakeholder of NHB viz., borrower, lender, depositor, service provider, employee, etc. in connection with action taken, lack of action, standard of service, deficiency in service, etc. by NHB.

3.2 Classification of Complaint

Complaint against NHB may be classified as under:

- (i) **Complaint against the activities of Resource Mobilization Department-** NHB resource mobilization activity include issuing of bonds/debentures/certificate of deposits/commercial papers, borrowings from banks/financial institutions, receiving deposits from retail investors. In the process, it interacts with investors/depositors, banks/financial institutions, credit rating agencies, stock exchanges, etc. Aggrieved party, which has grievance against NHB may make complaint to NHB for redressal.
- (ii) **Complaint against activities of Refinance Operations Department and Project Finance and Technology Promotion Department-** NHB extends financial support by way of refinance to primary lending institutions like banks, HFCs, UCBs, RRBs ARDBs, ACHFS, etc. NHB also extends project finance to public agencies for various types of projects, directly. Any borrowing institution aggrieved by the pre or post sanctioning processes of NHB, which has grievance against the procedures and practices followed by NHB may make complaint to NHB for redressal.
- (iii) **Other Complaints-** In addition to the complaint relating to the activities of borrowings and deployment of funds of NHB, there may be complaints concerned with functioning of other Departments viz., Human Resources, Administration & Premises (HRD/Admin/Premises); Market Research, Consultancy and Policy Department (MRCPD); Business Planning and Promotion (BPPD); Advertisement and Publicity; etc. Aggrieved party including the employee of NHB, who has grievance against NHB may make complaint to NHB for redressal.

3.3 Grievance Redressal Process for complaint against NHB

- (i) **Submission of complaint-** Complainant may submit his/her complaint in writing to the NHB (in the prescribed format) or lodge online through Grievance Registration & Information database System (GRIDS) using NHB's website. A specimen of the format of 'Form of Complaint' is annexed as Annexure-A.
- (ii) **Sending an acknowledgement-** Online complaints will be automatically acknowledged through GRIDS. The concerned Department will upload the offline complaint immediately on GRIDS, to facilitate the generating of the unique complaint number for his/her reference and to send an automatic acknowledgement to the Complainant.
- (iii) **Rederssal of the complaint-** An Officer of the concerned Department, who is not below the rank of Deputy General Manager, will ensure to register the Complaint in GRIDS, examine it, and endeavour to resolve it, within the specified disposal time. He/She will also report the status of complaints received, resolved and pending to the Board/Executive Committee of the Board, through the Chief Grievance Redressal Officer of NHB, on a periodical basis.
- (iv) **Time frame -** The Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of an institution. It shall be the endeavour of the concerned Department to resolve the complaint within a maximum period of 30 days and in case more time is required due to technical reasons or otherwise, interim reply will be sent to the aggrieved complainant.

3.4 Internal Machinery to handle customer complaint against NHB

Complaints received against NHB, directly at CRC will be segregated and forwarded to the respective departments, through GRIDS. All other complaints directly received by the departments will be uploaded in GRIDS in offline mode by the respective departments. The Complaint will then be processed and disposed off by the respective department, and the disposal will be made by an Officer of the concerned Department, who is not below the rank of a Deputy General Manager. Thereafter, the respective department will update the final status of the complaint in GRIDS.

3.5 Appeal Process

In case the complainant is not satisfied with the outcome, he may prefer an appeal to the Chief Grievance Redressal Officer of NHB designated for the purpose, within 30 days from the date of status intimation to the complainant. Where the complainant is also not satisfied with the decision of the Chief Grievance Redressal Officer, he/she may prefer an appeal to the Chairman and Managing Director of NHB within 30 days from the date of decision intimation to the appellant. The contact details of the Chief Grievance Redressal Officer, and the Chairman & Managing Director of NHB are

available on NHB's website. In case, the complainant is not satisfied with the outcome or his complaint is not resolved within a given period, he/she can approach other forms of remedies, including escalation to the Director (Public Grievances), Department of Administrative Reforms and Public Grievances, Government of India, Sardar Patel Bhawan, Parliament Street, New Delhi - 110001 or legal or other recourses.

4. Complaint against HFC

4.1 Coverage

The Policy covers the grievance of the customer of the HFC regulated by NHB, where the complainant failed to secure resolution of his/her complaint after taking up the same directly with concerned HFC.

4.2 Classification of Complaint

Complaint against HFCs may be classified as under:

- (i) **Deposit related complaint-** NHB has issued directions/ guidelines concerning deposit acceptance activities by HFCs under the National Housing Bank Act, 1987. Delay in repayment of deposit on due date, non-payment of interest on deposit, deduction of tax on deposit, payment of deposit to the nominees, etc. are the areas where the complaint against HFC is generally made by depositor of HFC.
- (ii) **Loan related complaint-** NHB also receives complaints against HFC with regard to their lending operations. The complaint mainly relates to levy of pre-payment charges, non-refund of processing fees, arbitrary increase in rates of interest, non-sanction of loan, failure to return original documents after repayment of the loan, takeover of possession without following due procedures, etc.
- (iii) **Others-** Complaint is also received against HFC in connection with their other activities and operations.

4.3 Grievance Redressal Process for complaint against HFC

- (i) **Submission of complaint-** Aggrieved customer of HFC may submit his/her complaint in writing to the NHB (in the prescribed format) or lodge online through GRIDS using NHB's website. A specimen of the format of 'Form of Complaint' is annexed as Annexure-A.
- (ii) **Sending an acknowledgement-** Online complaints will be automatically acknowledged through GRIDS. CRC will upload the offline complaint immediately on receipt to GRIDS, to facilitate the generating of the unique complaint number for his/her reference and to send a system generated acknowledgement to the complainant.
- (iii) **Rederssal of the complaint-** The CRC will examine the prima facie fitness of the complaint and then forward the complaint to concerned

HFC through GRIDS, if deemed fit, with an advice to resolve the issue and update the status in GRIDS, after sending a suitable reply to the complainant. The complaint, which is not related to HFC or incomplete or beyond the purview of this policy (like employee and employer relationship, etc.) may be disposed-off directly by CRC.

It may be mentioned here that deposit related complaints will be examined to ascertain whether the HFC has violated any provisions of the National Housing Bank Act, 1987 (Central Act No. 53 of 1987) or the Housing Finance Companies (NHB) Directions, 2010 or any Guidelines issued there under from time to time. Where such violations are observed, action as permissible under the said Act will be taken against the concerned HFC and also on the person(s)/official(s) of the HFC responsible for such violations.

On loan related complaints, the CRC will play a facilitative role by taking up the complaint with the concerned HFC as the rate of interest including any increase or reduction therein, pre-payment or loan closure charges, loan disbursements, recovery on defaults in payments and other covenants in the loan agreement are not usually being regulated by NHB. A loan transaction is essentially a contract between the lender and the borrower and both the parties are governed by the same. NHB will handle deposit and loan related complaint keeping the above in view.

- (iv) **Time frame-** The Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of concerned HFC. It shall be the endeavour of the CRC to resolve the complaint within the maximum period of 60 days and in case more time is required due to technical reasons or otherwise, interim reply will be sent to the aggrieved complainant.

4.4 Internal Machinery to handle complaint made by the customer of HFC

As mentioned earlier, NHB also receives complaint against HFC regulated by it. These complaints pertain to HFCs' deposits as well as lending operations. The complainant of HFC is advised to approach the concerned HFC in the first instance for redressal of his/her complaint. If he/she does not receive the response from the HFC concerned, within 30 days of filing his/ her complaint, or are dissatisfied with the response, he/she may file the complaint with the CRC at NHB either electronically through GRIDS or physically in the prescribed format. Physical complaints received from the customer of HFC will be first entered into GRIDS, before further processing.

An Officer in-charge (OIC) of the CRC/Department of Regulation & Supervision, who is not below the rank of Deputy General Manager, will ensure CRC examines the response from HFC on GRIDS, and upload the same online with an intimation to complainant from GRIDS, after OIC's approval on being satisfied with the response. OIC will also report the status of complaints received, resolved and pending to the Board/Executive

Committee of the Board, through the Chief Grievance Redressal Officer of NHB, on a periodical basis.

4.5 Appeal Process

In case the complainant is not satisfied with the outcome, he/she may prefer an appeal to the Chief Grievance Redressal Officer of NHB designated for the purpose, within 30 days from the date of status of intimation to the complainant. Where the complainant is also not satisfied with the decision of the Chief Grievance Redressal Officer, he/she may prefer an appeal to the Chairman and Managing Director of NHB within 30 days from the date of decision intimation to the appellant. The contact details of the Chief Grievance Redressal Officer, and the Chairman & Managing Director of NHB are available on NHB's website. Still the complainant is not satisfied with the outcome or his complaint is not resolved within a given period, he/she can approach other forms of remedies, including legal or other recourses.

5. Closure of Complaint

The complaint shall be considered as disposed-off and closed when:

- a) NHB/ HFC have acceded to the request of the complainant fully;
- b) Complainant has indicated acceptance of the response of the NHB/HFC in writing;
- c) Complainant has withdrawn the complaint, in writing;
- d) Complainant has not responded to NHB within four weeks from the date of of reply by the HFC or date of intimation by NHB; and
- e) OIC or any officer superior to him/her in NHB has, after considering the facts of the case, closed the complaint.

6. Exclusions

The following complaint/allegation shall not be construed or taken up for consideration and disposal as 'Customer Complaint':

- a) Anonymous complaints or frivolous cases in respect of which inadequate supporting details are provided;
- b) Cases involving decisions/ policy matters in which the complainant has not been affected directly/indirectly;
- c) Cases where quasi-judicial procedures are prescribed for deciding matters or cases that are sub-judice or where any quasi-judicial/ judicial authority had passed an order;
- d) Cases which have been reported as fraud and/or is under investigation by government authority like Police, Tax, etc. or where the authority has already taken a view on the subject matter, after investigation;
- e) A complaint which has already been disposed-off by the CRC of NHB; and
- f) Complaint of corruption involving NHB's Official.

7. Preservation of records

With the adoption of GRIDS, the complaints are electronically captured including those which are received in physical form. The physical records pertaining to complaint shall be preserved for period of three years from the date of final intimation made to the complainant in respect of his/ her complaint/ appeal, whichever is later. This shall not preclude preservation of said records in electronic, magnetic or any other media. Other provisions regarding preservation or destruction of old records shall be in accordance with Bank's Records management Policy dated 20-11-2003. The norms for record preservation shall not apply to records which are subject matter of litigation. Such records shall be preserved till the final disposal of the subject matter of litigation at NHB level by full satisfaction of decree/ awards/ orders thereto by payment or on full and final settlement.

8. Customer Service Committee

An internal Customer Service Committee has been constituted in November, 2005 by the Bank as per the RBI Circular and submits the quarterly report to the Board. This Committee comprises of senior officers of the Bank responsible for examining the issues of the customers. The Committee could also examine the issues of effectiveness of the grievance redressal mechanism adopted by the Bank at periodic intervals.

9. Electronic Channels Available

The Bank's endeavour is to make maximum use of Information and Communication Technology for redressal of grievances. Towards this end, it has implemented on-line, web based, 24x7 GRIDS, and also provided online downloadable Complaint Form through its website to facilitate the customers to log in complaints using the standard format at ease. Besides, it is also trying to maximize the use of electronic communication for interaction with HFCs and Customers to reduce the Turn Around Time.

10. Sensitizing the officers on complaint handling

NHB will also impart training to its officers and also to the officers of HFCs to enable them to attend complaint properly.

11. Reporting and Dissemination

The CRC of NHB through Chief Grievance Redressal Officer will submit quarterly status of the complaints received and redressed as well as pending status to the Board/Executive Committee of NHB.

The Grievance Redressal System Flow Chart is enclosed as Annexure-B. This Policy will be hosted on the website of NHB for the perusal, understanding and implementation by every stakeholder.

FORM OF COMPLAINT
(To be filled up by the complainant)

To,
Complaint Redressal Cell
Department of Regulation and Supervision,
National Housing Bank,
Core 5 A, India Habitat Center, Lodhi Road,
New Delhi - 110 003

Dear Sir/Madam

Sub: Complaint against HFC/ NHB (if HFC, please specify name) *

1. Name of the Complainant/s * :

2. Full Address of the Complainant/s * :

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Pin Code :Phone No./ Fax No. :Email :

3. Date of Birth/ PAN No./ Aadhar No./ Driving license No./ Passport No./ Voter Id No./ Identity Card No./ (Any one) * :

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4. Full address of the concerned branch/ office of the HFC/NHB :

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Pin Code : Phone No./ Fax No. :

5. Brief particulars of Complaint (along with concerned deposit/ loan account No.) * :

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6. Date of representation made to the HFC/NHB and reminder, if any of the same :
(Please enclose a copy of the representation)

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7. Whether any reply has been received from the HFC/NHB? Yes/ No
(if yes, please enclose a copy of the reply)

8. If the Complainant is not satisfied with the reply, give brief reasons thereof :

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9. List of documents enclosed (Please enclose a copy of relevant documents).

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Yours faithfully,

(Signature of Complainant) *

Note: The fields marked with asterisk (*) are compulsory and incomplete filled in form may not be taken up as complaint.

शिकायत प्रपत्र
(शिकायतकर्ता द्वारा भरा जाए)

सेवा में,
शिकायत निवारण कक्ष
विनियमन और पर्यवेक्षण विभाग
राष्ट्रीय आवास बैंक
कोर 5 ए, भारत पर्यावास केन्द्र, लोधी रोड
नई दिल्ली - 110 003

महोदय/ महोदया,

विषय: आ.वि.कं./ रा.आ. बैंक के विरुद्ध शिकायत (यदि आ.वि.कं., तो कृपया नाम बताएं)

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1. शिकायतकर्ता का नाम*
2. शिकायतकर्ता का पूरा पता*
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- पिन कोड.....फोन सं./ फ़ैक्स सं. ईमेल.....
3. जन्म तिथि/ पैन सं./ आधार सं./ ड्राइविंग लाइसेंस सं./ पासपोर्ट सं./ वोटर आईडी सं./ पहचान पत्र सं. (कोई एक)*
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4. आ.वि.कं./ रा.आ. बैंक की संबंधित शाखा/ कार्यालय का पूरा पता
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- पिन कोड.....फोन सं./ फ़ैक्स सं.
5. शिकायत का संक्षिप्त विवरण* (जमा/ ऋण खाता संख्या सहित)
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6. आ.वि.कं./ रा.आ. बैंक को किए गए अभ्यावेदन की तिथि और अनुस्मारक, यदि इनमें से कोई हो तो (कृपया अभ्यावेदन की एक प्रति संलग्न करें)

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7. क्या आ.वि.कं./ रा.आ. बैंक से कोई प्रत्युत्तर प्राप्त हुआ है? हाँ/ नहीं
(यदि हाँ, तो कृपया प्रत्युत्तर की प्रति संलग्न करें)

8. यदि शिकायतकर्ता प्रत्युत्तर से संतुष्ट नहीं है, तो उसका संक्षिप्त कारण दें।

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9. संलग्न दस्तावेजों की सूची (कृपया प्रासंगिक दस्तावेजों की एक प्रति संलग्न करें)

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भवदीय,

(शिकायतकर्ता के हस्ताक्षर)*

नोट: तारांकित (*) से चिह्नित विवरण अनिवार्य हैं तथा अधूरा भरा हुआ प्रपत्र, शिकायत के रूप में स्वीकार नहीं किया जाएगा।

(GRIEVANCE REDRESSAL SYSTEM FLOW CHART)



