

GRIEVANCE REDRESSAL POLICY

I. INTRODUCTION

As per Para 23 of Master Direction – Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024 (Fair Practices Code), Arcil should constitute a grievance redressal machinery within the organisation. The name and contact number of the designated grievance redressal officer of the ARC should be mentioned in the communication with the borrowers. The designated officer should ensure that genuine grievances are redressed promptly. Arcil's grievance redressal machinery shall also deal with the issues relating to services provided by the outsourced agency and recovery agents, if any.

II. OBJECTIVE

Asset Reconstruction Company (India) Limited (Arcil/ Company) aims to reiterate one of its core values "Responsibility" by laying down a structured system which would ensure availability of multiple channels for grievance redressal.

Through this Grievance Redressal Policy, Arcil shall ensure that a suitable mechanism exists for receiving and redressing the grievances with specific emphasis on resolving such grievance fairly and expeditiously.

This Policy shall not only ensure that all the complaints received are recorded and resolved but shall also ensure effective monitoring so as to make sure that none of the complaints remain unresolved. Queries are excluded from the purview of this Policy. For example, query pertaining to repayment of the loan, waiver of charges, require statement of accounts, require the contact details of the person handling the case or similar queries etc., shall be treated as a query for the purpose of this Policy. However, the same shall be forwarded to the concerned departments for doing the redressal.

This Policy is also available on the website of the Company viz. <https://arcil.co.in>

III. REGISTRATION OF COMPLAINTS

(a) A 'Complaint' means a representation in writing or through electronic means or any other mode containing a grievance alleging deficiency in services provided by Arcil.

(b) The Complainant shall mean any person/vendor including borrower/guarantors or purchaser of the assets sold by Arcil or any other third person who shall be directly or indirectly aggrieved by any act of Arcil excluding whistleblower as defined under Clause II.16 of Whistleblower Policy of Arcil.

(c) The Complaint can be registered by the Complainant by delivering it at the to any office of Arcil through any means defined above.

(d) The complaints received through Complaint Management System (CMS), Credit Information Companies (CIC) portals and CPGRAMs are to be reported in the GRS Portal for statistical purpose.

IV. GRIEVANCE REDRESSAL OFFICER

The Chief Compliance Officer , or any other employee of Company as may be specified in writing by the Chief Executive Officer & Managing Director (CEO& MD) shall be designated as the Grievance Redressal Officer (GRO). The GRO shall coordinate with the Competent Authority, concerned departments in the Company and Regulators to resolve the complaints in a fair, transparent and timely manner. The GRO shall ensure that all complaints received are recorded and tracked for end-to-end resolution.

V. COMPETENT AUTHORITY

The authority competent to consider the complaint shall be the CEO& MD and in his absence President shall be the Competent Authority.

For complaints against CEO& MD, the Chairman of the Audit Committee or any Member thereof as may be specified in writing by the Chairman of the Audit Committee shall be the competent authority.

For complaints against any Director, the Chairman of the Board or any Director (other than the Director against whom the complaint is raised), as may be specified in writing by the Chairman of the Board shall be the competent authority. The Board of Directors may decide on the course of action to be followed in such cases.

VI. REPORTING

The GRO shall submit quarterly reports in respect of all Complaints received under Grievance Redressal Policy along with the details of penalties levied on the Company including but not limited to Ombudsman during the quarter to the Audit Committee. Further Root Cause Analysis of the complaints will be carried out on half yearly basis and placed before the CEO&MD/ President.

VII. RECORD KEEPING

The record of complaints received and the response to the same shall be maintained by GRO for a minimum period of eight years from the date of their resolution. Where the complaint is found to be non-maintainable under this policy, such complaint for the purpose of record shall also be preserved for a minimum period of three years from the date of receipt of such complaint.

VIII. COMPENSATION

(a) Compensation payable to customers for delayed updation/ rectification of credit information

As per the Master Direction – Reserve Bank of India (Credit Information Reporting) Directions, 2025, complainants shall be entitled to a compensation of such amount as may be directed by the RBI, from time to time, in case their complaint is not resolved within a period of thirty (30) calendar days from the date of the initial filing of the complaint by the complainant with Arcil / Credit Information Companies (CICs).

Arcil shall pay compensation to the complainant if Arcil has failed to send updated credit information to the CICs by making an appropriate correction or addition or otherwise within twenty-one (21) calendar days of being informed by the complainant or a CIC.

A CIC shall pay compensation to the complainant if the CIC has failed to resolve the complaint within thirty (30) calendar days of being informed by the complainant or Arcil despite the Arcil having furnished the updated credit information to the CIC within twenty- one (21) calendar days of being informed by the complainant or the CIC.

The compensation amount shall be credited to the bank account of the complainant within five (5) working days of the resolution of the complaint.

(b) Compensation payable to customers in case of delay in releasing of original movable / immovable property documents or failing to file charge satisfaction form with relevant registry

As per the RBI circular on 'Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans' dated September 13, 2023, Arcil shall release original movable / immovable property documents and file charge satisfaction form with relevant registry within 30 days after full repayment/ settlement of loan. In case of delay, Arcil shall communicate the reasons for such delay to the borrower. In case where the delay is attributable to Arcil, it shall compensate the borrower at the rate of such amount as may be directed by the RBI, from time to time, for delay post 30 days.

IX. Disciplinary action against Employee/ Recovery agency

Based on the investigation report, Arcil may initiate disciplinary proceedings against employee in accordance with the provisions of the Employee Code of Conduct, and against recovery agency in accordance with the Code of Conduct applicable to Recovery Agents, if the Competent Authority decides.

X. REVIEW & AMENDMENT

This Policy may be amended or substituted by the Board as and when required or when there are statutory or regulatory changes necessitating the change in the Policy. This policy shall be reviewed by the Board on the recommendation of Audit Committee of Board at least on an annual basis. Any deviation from the policy shall be approved by the Board of Directors.