

The Reserve Bank - Integrated Ombudsman Scheme, 2021

Consumer Education and Protection

The Reserve Bank's approach to customer service focusses on protection of customers' rights, enhancing the quality of customer service, spreading awareness and strengthening the grievance redressal mechanism in banks and also in the Reserve Bank.

Integrated Ombudsman Scheme, 2021

The Reserve Bank - Integrated Ombudsman Scheme, 2021 was launched on November 12, 2021 in virtual mode by Hon'ble Prime Minister Shri Narendra Modi. The scheme provides cost-free redress of customer complaints involving deficiency in services rendered by entities regulated by RBI, if not resolved to the satisfaction of the customers or not replied within a period of 30 days by the regulated entity.

Some of the salient features of the Integrated Ombudsman Scheme, 2021 are:

- It will no longer be necessary for a complainant to identify under which scheme he/she should file complaint with the Ombudsman.
- The Scheme defines 'deficiency in service' as the ground for filing a complaint, with a specified list of exclusions. Therefore, the complaints would no longer be rejected simply on account of "not covered under the grounds listed in the scheme".
- The Scheme has done away with the jurisdiction of each ombudsman office.
- A Centralised Receipt and Processing Centre has been set up at RBI, Chandigarh for receipt and initial processing of physical and email complaints in any language.
- The responsibility of representing the Regulated Entity and furnishing information in respect of complaints filed by customers against the Regulated Entity would be that of the Principal Nodal Officer in the rank of a General Manager in a Public Sector Bank or equivalent.

- The Regulated Entity will not have the right to appeal in cases where an Award is issued by the ombudsman against it for not furnishing satisfactory and timely information/documents.

Responsibility of PNO/NO

- Regulated entities should appoint a Principal Nodal Officer (PNO) with a rank of GM or officer of equivalent rank.
- PNO will be the central point of contact between the Ombudsman and the Regulated Entity (RE).
- Complaints shall go directly to REs upon registration in the CMS Portal/ CRPC and get assigned to PNO as well as Nodal Officer (NO).
- PNO can reassign complaints to alternate NO if any NO is on leave / inactive.

Resolution of complaint

- Ombudsman to promote settlement of complaint by agreement between the complainant and the Regulated Entity through facilitation or conciliation or mediation.
- Regulated Entity to submit its reply to the Ombudsman for the averments in the complaint enclosing the relevant documents, within 15 days.
- Ombudsman may grant further time at his/her discretion, at the request of the Regulated Entity.
- If RE fails to submit its reply and documents within the time stipulated, the Ombudsman may proceed *ex-parte* and pass appropriate Order or Award.
- If the complaint is not resolved through facilitation, the Ombudsman may exercise other appropriate methods including a meeting of the complainant with RE for resolution of the complaint by conciliation or mediation.

Award by the Ombudsman

- An Ex-parte Award will be issued for non-furnishing of information within stipulated time by Regulated Entities.
- If complaint is not resolved through facilitation or conciliation or mediation, based on documents and after giving a reasonable opportunity to both the parties, an Award will be passed.

- In the Award passed, the maximum compensation exclusive of the amount involved in the dispute will not be, an amount which is more than the actual loss suffered by the complainant, or twenty lakh rupees whichever is lower.
- Maximum compensation of Rs. 1 lakh to the complainant for the loss of the complainant's time, expenses incurred by the complainant, harassment and mental anguish suffered by the complainant.

Appellate Authority

- Appellate Authority will be Executive Director, CEPD.
- No right of appeal to Regulated Entities for Awards issued for violation of provisions related to not furnishing of appropriate and satisfactory information within stipulated time.
- The party aggrieved by the Award can file an appeal, within thirty days of the date of receipt of communication of Award or rejection of the complaint.

Regulated Entity to display salient features of the Scheme

- Display- at all branches & places of business
 1. the names and contact details (Telephone / mobile number and E-mail ID) of PNO
 2. the details of complaint lodging portal of Ombudsman (<https://cms.rbi.org.in>)
 3. the salient features of the scheme – English, Hindi, Regional Language
- Copy of the scheme shall be available with one designated officer in each branch.
- Copy of the Scheme shall be prominently displayed and updated on the website.