Alpha Alternatives Financial Services Private Limited

Internal Ombudsman Policy

Version 1.0

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1. Introduction

The Internal Ombudsman Policy is put in place with a view to strengthen the Internal Grievance Redress mechanism within the NBFC and ensure a speedy and meaningful resolution of customer complaints by enabling a review before their rejection, by an apex level authority within the NBFC, in terms of the Reserve Bank of India (Non-Banking Financial Companies-Internal Ombudsman) Directions, 2026, CEPD. PRD. No. S1030/ 13.01.019/ 2025-26 dated January 14, 2026.

2. Appointment of Internal Ombudsman

(i) The Internal Ombudsman (IO) shall either be a retired or serving officer, in the rank equivalent to a General Manager in an NBFC under the purview of the Internal Ombudsman Framework or a Financial Sector Regulatory Body, having necessary skills and experience of minimum seven years of working in areas, such as banking, non-banking finance, regulation, supervision, payment and settlement systems, credit information or consumer protection.

(ii) In case of a serving officer, he/she shall relinquish the same before assuming charge as IO.

(iii) The IO shall previously not have been employed, nor presently be employed, by the NBFC or a holding, associate or subsidiary company of the NBFC.

(iv) The IO shall not be over 70 years of age before the completion of the tenure.

(v) The Board shall determine the structure of emoluments, facilities and benefits accorded to the IO, which should be appropriate keeping in view the stature and position of the IO, being at the apex of the grievance redress mechanism of the NBFC, as also the need to attract experienced persons with requisite expertise. These emoluments, facilities and benefits accorded to the IO, once determined, shall not be changed adversely during the tenure of the IO.

3. Tenure of Internal Ombudsman

(i) The appointment of the IO shall be contractual.

(ii) The tenure of the IO shall be a fixed term of not less than 3 years. The total tenure, including extension/re-appointment, if any, of the IO shall not exceed 5 years.

(iii)The post of the IO does not remain vacant at any point of time. In a rare case where IO is on leave/absent, a serving official equivalent to the General Manager rank shall designate as the IO for a period not exceeding one month, with the approval of the Board. Such official shall not have any reporting relationship with the business verticals during the period, in which he/she is designated as the IO.

(iv) To fill a vacancy, the NBFC shall undertake the process of fresh appointment at least 3 months in advance of the expiry of the tenure of the incumbent IO and ensure that there is a reasonable overlap between the time of demitting of office of the outgoing IO and the incoming IO.

(v) The IO shall not be removed before the completion of his/her contracted term without the approval of the Board. In case a vacancy arises on account of reasons beyond the control of the NBFC (such as resignation, incapacitation, illness, death, etc.), the NBFC shall inform Reserve Bank of India within 10 working days from the date of such vacancy and shall appoint a new IO, as per eligibility criteria specified above within 3 months from the date of vacancy.

4. Administrative Oversight

The IO shall report to the Executive Director administratively, and to the Board of the NBFC functionally.

5. Secretariat of the office of Internal Ombudsman

(i) The NBFC shall provide such number of its officers and staff to the office of the IO, as is considered necessary for the smooth functioning of the office of the IO.

(ii) All other requisite office infrastructure, including information technology support shall be made available to the office of the IO to enable the IO to discharge the responsibilities effectively and efficiently.

(iii) The office of the IO may preferably be placed in the Corporate Office.

6. Coverage under Internal Audit

(i) The Internal Audit shall conduct an audit on an annual basis, covering, inter-alia:

(a) The process of appointment/re-appointment of the IO, adequacy of the human resources and infrastructure provided to the office of the IO in relation to the volume of complaints,

(b) Implementation of auto-escalation of the partially resolved or wholly rejected complaints to the office of the IO within the timelines,

(c) Action taken by the office of the IO on analysis of complaints, reports submitted to the Reserve Bank of India and the NBFC, raising awareness of the staff of the NBFC about the grievance redressal processes, and such other processes,

(d) Submission of the information related to appointment of the IO and submission of periodic report on the functioning of the IO to the Reserve Bank.

(ii) The scope of the internal audit shall exclude any assessment of the correctness of decisions taken by the IO.

7. Role and Responsibilities of Internal Ombudsman

(i) The office of the IO shall not handle complaints received directly from the complainants or members of the public. It shall deal with the complaints that have already been examined by the NBFC but have been partially resolved or being wholly rejected by the NBFC.

(ii) The IO shall not represent the NBFC in legal cases before any court or fora or authority.

(iii) The IO shall recommend suitable compensation to the complainant, as per the compensation prescribed by the Reserve Bank of India in its extant guidelines, if any, and as per the compensation policy of the NBFC, if any, in case there is no prescription from the Reserve Bank of India.

(iv) The IO may recommend compensation in accordance with the Reserve Bank-Integrated Ombudsman Scheme, as amended from time to time, for any consequential loss and the loss of time, expenses incurred and harassment/mental agony suffered by the complainant, over and above the compensation recommended in clause (iii).

(v) The office of IO shall, on a quarterly basis, analyse the pattern of all complaints received against the NBFC, such as product-wise, category-wise, consumer group-wise, geographical location-wise, etc., and provide inputs to the NBFC for policy intervention, if so warranted.

(vi) The IO shall suggest means for taking actions to address the root cause of complaints of similar/repeat nature and those that require policy level changes in the NBFC.

(vii) The IO shall have ‘read-only’ access to the Reserve Bank’s Complaint Management System to enable them to keep abreast of decisions of the RBI Ombudsman/Appellate Authority. The NBFC shall seek such access for the IO.

8. Board Oversight

(i) The IO shall be designated as a permanent invitee to the meetings of the Board.

(ii) The IO shall furnish periodic reports (including the analysis of complaints) on his/ her activities to the Board, at half-yearly intervals.

(iii) The decision of the IO can be overruled only with the approval of the Executive Director.

(iv) All such cases where the decision of the IO has been overruled by the Executive Director shall be placed before the Board for review.

(v) Information on the complaints resolved by the RBI Ombudsman in favour of complainant, either partially or fully, shall also be placed before the Board, on quarterly basis. The information shall be accompanied with an analysis of minimum top 5 categories of complaints along with remedial measures to avoid complaints of a similar nature in future.

9. Procedure for Complaint Redress by Internal Ombudsman

(i) A fully automated Complaints Management System shall be put in place and access to the system shall be provided to the IO.

(ii) All complaints that are partially resolved or wholly rejected by the NBFC's internal grievance redress mechanism shall be auto escalated to the office of the IO for review, within 10 days to enable final decision to be communicated to the complainants within the timelines prescribed by Reserve Bank of India, and within 20 days of receipt, in all other cases.

(iii) The NBFC shall provide only three categories i.e. 'Fully Resolved', 'Partially Resolved' and 'Wholly Rejected' in its Complaint Management System for recording the decision on the complaints before escalation to the office of IO. The complaints under the clauses (vi)(c) to (e) below are exempted from such classification.

(iv) The NBFC shall formulate a Standard Operating Procedure (SOP) for flow of complaints and information in a time bound manner.

(v) The NBFC shall ensure that a complaint is not closed by the same team/official, against which the complaint is made. A complaint which is being wholly rejected or partially resolved shall be reviewed at a senior level, as deemed fit, before sending it to the office of IO.

(vi) The following types of complaints shall be outside the purview of the IO:

(a) Complaints related to corporate frauds, misappropriation, etc., on the part of the NBFC that do not impact the customer in any manner,

(b) References in the nature of suggestions and commercial decisions of NBFC, except deficiencies in service falling under 'commercial decisions'

(c) Complaints/references relating to internal administration, human resources, or pay and emoluments of staff,

(d) Complaints, which have been decided by or are already pending in judicial/quasi-judicial fora, such as Courts, Consumer Disputes Redressal Commission, Arbitration, etc.,

(e) Disputes for which remedy has been provided under Section 18 of the Credit Information Companies (Regulation) Act, 2005,

(vii) The NBFC shall forward all rejected/partially resolved complaints under the categories (vi)(a) and (b) above to the IO, who shall look for inherent deficiency in service in such cases and take a view whether any of these complaints can be exempted under (a) and/or (b) above, as decided by the NBFC.

(viii) The complaints that are outside the purview of the IO shall be immediately returned to the NBFC.

(ix) The IO shall examine the complaints based on records available with the NBFC, including any documents submitted by the complainant and comments/clarifications furnished by the NBFC to the specific queries of the IO.

(x) The IO may hold meetings with the concerned functionaries of the NBFC and seek any additional record/document available with the NBFC that are necessary for examining the complaint and reviewing the decision.

(xi) The IO may, if they find it necessary, seek written or oral submission, including additional information and documents, from the complainant, through the secretariat.

(xii) The NBFC shall ensure that the final decision is communicated to the complainant within a period of 30 days from the date of receipt of complaint by the NBFC.

(xiii) The IO shall record a “reasoned decision” in each case.

(xiv) Where the IO upholds the decision of the NBFC to reject or partially resolve the complaint, the reply to the complainant should explicitly state that the said complaint has been reviewed by the IO.

(xv) For complaints that are partially resolved or wholly rejected after examination by the IO, the NBFC shall advise the complainant about the option of approaching the RBI Ombudsman for redress, excluding complaints not covered under the Reserve Bank-Integrated Ombudsman Scheme, as amended from time to time, along with complete details of the complaint. The NBFC in its reply shall also mention the URL of Reserve Bank’s Complaint Management System portal for online filing of customer complaints (https://cms.rbi.org.in) and the physical/email address of the Centralised Receipt and Processing Centre-1 (CRPC), Reserve Bank of India, Central Vista, Sector-17, Chandigarh-160 017 (email: crpc@rbi.org.in)

(xvi) When a complaint is escalated to the RBI Ombudsman, the decision of the IO shall be mandatorily included in the information to be submitted by the NBFC to the RBI Ombudsman, if the complaint was already reviewed by the IO. In case, the complaint was not earlier reviewed by the IO, the NBFC shall necessarily seek his/ her comments and submit the same to the RBI Ombudsman.

(xvii) The NBFC shall use the analysis of complaints handled by IO in the training programmes/conferences to raise awareness about the pattern of complaints including the root causes, remedial measures, etc., among the frontline staff, to evolve consistency in handling of complaints. The IO may also be involved in such trainings, where necessary.

(xviii) While assessing the performance of the IO, in addition to the level of pendency and work done by the IO towards developing uniformity across the NBFC in the redress of complaints, the Board shall also analyse the number of cases where there is substantive difference between the decisions of the IO vis-à-vis those given by the RBI Ombudsman, subsequently.

(xix) The NBFC shall widely disseminate the guidelines / instructions regarding these Directions among the staff while communicating the appointment of IO within the organization.

(xx) The NBFC shall not provide the contact details of the IO in the public domain as the IO shall not handle complaints received directly from the customers.

10. Reporting to the Reserve Bank of India

(i) The NBFC shall, within 5 working days of appointment of the IO furnish the details of the official so appointed to the Consumer Education and Protection Department, Central Office, Reserve Bank of India (email: iocepd@rbi.org.in) in the format provided in the Annexure-1

(ii) The NBFC shall put in place a system of periodic reporting of information to the Consumer Education and Protection Department, Central Office, Reserve Bank of India, on a quarterly basis as per format provided in the Annexure-2. The report shall be submitted on or before the 15th day of the month following the quarter, to which it relates to.

11. Review/ Renewal of the Policy

The Board shall review the Internal Ombudsman Policy at least once a year, and from time to time, keeping in view the changes in regulations.

Annexure-1: Reporting on Appointment of the Internal Ombudsman (IO)

Sr. No.	Particulars	
1	Name of the IO/ Dy. IO	
2	Details of the last positions held/ organisation	
3	Date of appointment/re-appointment	
4	Date of birth	
5	Term (in years)	
6	Brief professional profile, including previous exposure to financial services highlighting those that make them eligible for appointment	
7	Contact details (telephone, email, address)	
8	Date of intimation to the Reserve Bank of India	

Annexure-2: Report on Functioning of the Internal Ombudsman

Report for quarter ended:
Name of the NBFC:
Part I: Information pertaining to the complaints referred to IO/ Dy. IO

Sr. No.	Particulars	Number	
1	Number of Internal Ombudsman (IO)		
2	Number of Deputy Internal Ombudsman (Dy.IO)		
3	Number of staff assigned to the office of the IO (excluding Dy.IO)		
4	Number of complaints pending at the end of previous quarter		
5	Number of complaints received during the quarter		
6	Of (4 & 5), number of complaints fully resolved		
7	Of (4 & 5), number of complaints partially resolved		
8	Of (4 & 5), number of complaints wholly rejected		
9	Number of complaints partially resolved or wholly rejected (7) +(8)		
10	Number of complaints pending at the end of the quarter		
		IO	**Dy. IO**
11	Of (9), number of complaints referred to the IO/ Dy.IO within 20 days of receipt		
12	Of (9) number of complaints referred to the IO/ Dy.IO after 20 days of receipt		
13	Of (12), number of complaints referred to the IO/ Dy.IO beyond 20 days due to Turnaround Time prescribed by RBI, NPCI or card networks		
14	Of (11 & 12), number of complaints where decision has been provided by IO/ Dy.IO		
15	Of (14), number of complaints where IO/ Dy.IO has upheld the decision of the NBFC		
16	Of (14), number of complaints where IO/ Dy.IO has not upheld the decision of the NBFC		
17	Of (16), number of complaints where the decision of the IO/ Dy.IO implemented by the NBFC		
Sr. No.	**Particulars**	**Number**	
18	Of (16), number of complaints where the decision of the IO/ Dy.IO is pending for implementation		
19	Of (16), number of complaints where the NBFC has disagreed with the decision of IO/Dy.IO, with the approval of the Competent Authority (i.e., Executive Director)		
20	Number of complaints which were resolved by the RBI Ombudsman and not referred to the IO/ Dy.IO earlier		
21	Number of complaints where the decisions of the IO/Dy.IO were not upheld by the RBI Ombudsman		
22	Number of complaints in which the IO/Dy. IO sought inputs from the complainants directly for resolution of complaints		
23	Number of complaints in which the IO/Dy. IO provided compensation		

Part II: Information pertaining to Root Cause Analysis by the IO

1. Major findings from the Root Cause Analysis
2. Details of the suggestions made by the IO and accepted by the Board.