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## RBI Extends Ombudsman Scheme to Non-Deposit Taking NBFCs

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Reserve Bank of India (RBI) today announced the extension of the Ombudsman Scheme for Non-Banking Financial Companies (NBFCs), to eligible non-deposit taking non-banking financial companies (NBFC-NDs) having asset size of Rs 100 crore or above with customer interface.

### Why was it done?

It has been done to ensure **expeditious redressal of complaints** against deficiency in services concerning loans and other matters relating to deficiency in the services by NBFCs.

### Ombudsman Scheme for Non-Banking Financial Companies (NBFCs)

- The Scheme was launched on February 23, 2018, for redressal of complaints against NBFCs registered with RBI under Section 45-IA of the RBI Act, 1934 and covered all deposit accepting NBFCs.
- The NBFC Ombudsman is a senior official appointed by the Reserve Bank of India to redress customer complaints against NBFCs for deficiency in certain services covered under the grounds of complaint specified under the Scheme.
- It provides a **cost-free and expeditious complaint redressal mechanism** relating to deficiency in the services by NBFCs covered under the scheme.
- The scheme also **provides for an appellate mechanism** under which the complainant / NBFC has the option to appeal against the decision of the Ombudsman before the appellate authority.
- The offices of the NBFC Ombudsmen are functioning at Chennai, Kolkata, Mumbai and New Delhi and handle complaints of customers in the respective zones.