

**EFFECTIVE COMPLAINT HANDLING PROCESS OF FINANCIAL SERVICE  
PROVIDERS (FSPS)**

1. Our existing mechanism with regard to processing complaints is reviewed by this circular to implement the suggestions made by Financial Customer Relations Department (FCRD) of the Central Bank of Sri Lanka (CBSL) The requirements herein are introduced in order to expedite the complaint resolution process which will safeguard our consumer rights and interests as well as the reputation of our company.
2. Accordingly, Heads of Departments and Branch Managers should attend to all customer complaints including those complaints referred by CBSL in a prompt and fair manner.
3. Please note that FCRD has streamlined the complaint handling process with respect to complaint received by them on finance companies as follow;
  - a) FCRD assigns a specific Complaint Reference Number (CRN), upon receipt of a complaint and an acknowledgment is sent to the primary complainant by FCRD with the respective CRN according to the preferred mode of correspondence.
  - b) FCRD internally assesses the complaint based on the information provided to determine whether to proceed with it or not.
  - c) When a complaint is determined to proceed with such complaint is forwarded to us for he consideration
  - d) We are required to provide a suitable response to the complainant in writing, directly, within the stipulated time and inform FCRD of the action(s) taken to resolve the complaint.
  - e) The action(s) taken by us will be followed up and reviewed by FCRD to ensure that all complaints are promptly and fairly resolved. The primary complainant may submit the latest position of the complaint for further consideration of FCRD, if she/he is not satisfied and desirous for FCRD to revisit the matter. In the review process, FCRD may require us to provide additional information verbal or written or may conduct an inquiry on the subject matter.
  - f) Thereafter, FCRD would direct the latest position of complaint along with the reviewed response with suitable comment(s) to us for re-consideration to resolve the matter in concern within the stipulated time.
  - g) If the action(s) of our company is non-compliant with the legal or regulatory requirements about the complaint, relevant competent authority is informed to initiate necessary enforcement action(s).



4. The FCRD has observed several concerns that have been impacted to the effectiveness of the compliant handling process by finance companies. Hence, they have drawn our attention to the undermentioned areas of concerns and suggestions for the improvement to strengthen the Customer Protection Frame work of the company.
5. The following is an extract from the circular letter dated 18.01.2022 of the Director, Financial Customer Relations Department of CBSL on the subject and all staff members are required to adopt the suggestions given below for the improvement of Complaints handling process at the Departments and Branches of our company.

*Quote*

No.	Concern	Comments and Suggestions for improvement
1	Increased number of complaints received to FCRD	<p>Several complaints could be resolved internally by FSPs, but customers forward to FCRD due to the less attention of FSPs.</p> <p>Accordingly, FCRD emphasizes the importance of resolving the complaints at the initial level by the FSPs through discussions with customers.</p>
2	Not attending the information requests of customers and not providing sufficient information in the language preferred by the customer	<p>Large number of complaints are received by FCRD due to not providing information and documents regarding their products to the customers by FSPs.</p> <p>Accordingly, FCRD reiterates the requirement of FSPs to provide the requested information and documents in the preferred language signed by an authorized officer to the customer at earliest.</p>
3	Unavailability of central point of contact to handle the complaints forwarded by FCRD <b>(Refer paragraph 6 Below)</b>	<p>FCRD needs to coordinate with a designated officer of the FSPs to obtain information regarding the complaints forwarded.</p> <p>Accordingly, FSPs are required to appoint an authorized officer to handle the complaints forwarded by FCRD and to communicate with the officials of FCRD.</p> <p>Such authorized officer should maintain proper updated records of the complaints forwarded by FCRD and</p>



		<p>forward to the relevant officers of FSPs to get the responses. Authorized officer should follow up the process of getting the responses and forward the replies to FCRD within the given time.</p> <p>FSPs should prepare a status report on the complaint submitted by FCRD at the end of each month and share with CBSL.</p> <p>Chief Executive Officer of FSPs should inform FCRD, the name, designation, contact number of the authorized officer for complaint handling and the email IDs of officers to whom the complaints should be forwarded by FCRD.</p>
4	Delay in sending responses to FCRD	<p>FCRD has noticed that FSPs do not attend to the complaints and send the responses to FCRD within the given time.</p> <p>Therefore, FSPs are required to send the responses within 7 working days and if FSPs needs more time, FSPs should inform the expected timeline to respond to FCRD via email.</p>
5	Sending Interim responses	<p>Several FSPs send interim responses informing that the complaint had been referred to internal departments/divisions of FSPs for necessary actions.</p> <p>For such instances, authorized officer of complaint handling should follow up and resolve the matter and send the final response to FCRD.</p>
6	Request FCRD to provide more information on customers	<p>FCRD has noticed instances where information is insufficient on the complaints, FSPs request FCRD not the customer to provide more information.</p> <p>Hence, FCRD requires all FSPs to contact the customer and request the required information on the complaint.</p>
7	Issues in the responses sent by FSPs	<p>FCRD has noticed that FSPs sometimes send insufficient clarification and not clear and detailed reply for the matters raised through the complaints. Hence, FCRD requires FSPs to first contact the customer when the complaint is forwarded to FSPs and inform the customer about the receipt of the complaint and discuss with the customer for a solution.</p> <p>Then FSPs should provide sufficient clarification including calculation details if needed and accurate</p>




		<p>information on the actions taken by FSPs to resolve the matter to FCRD.</p> <p>FSPs responses should be in line with the FCRD action mentioned in the email of FCRD and any deviation should be justifiable with sufficient clarification.</p>
8	Not informing the customer on the actions taken by FSPs to resolve the matter and the position of the FSPs regarding the matter	<p>FSPs sometimes send the response only to FCRD on their position and the actions taken on the complaints.</p> <p>FCRD requires FSPs to always send the response in writing to the customer on their position and the solution provided to resolve the matter except for the cases for which FCRD requests to directly reply to FCRD.</p> <p>FSPs should copy the replies sent to the customer to FCRD.</p> <p>When the matters are resolved over the phone, it should be communicated to FCRD in writing.</p> <p>FSPs should always ensure to send the reply to the customer in the language of the complaint.</p>
9	Not mentioning the CRN in the reply sent to FCRD	<p>Sometimes FSPs do not mention the CRN in the reply forwarded to FCRD, causing difficulties in tracing the complaint.</p> <p>Therefore, FSPs should always mention the CRN in all correspondences sent to FCRD.</p>
10	Not sending the replies via email	<p>FCRD forwards the complaints to FSPs via email until further notice.</p> <p>Accordingly, FSPs should always send the replies via email preferably replying in the same email thread.</p>

Unquote

6. Handling of complaints will be under the purview of the Deputy General Manager (Administration and Operations) at Head office, and will be subject to the following procedure and such other instruction he may issue in the future, (Refer Section 3 in the above table)

- a) All complaints should be acknowledged and recorded in the complaints register.
- b) Submit the complaint with a report on the matter subject to the complaint and the draft of the reply to the complainant for the consideration of DGM (A&O) and instructions
- c) **Follow the process herein as appropriate.**

7. Heads of Departments and Branch Managers are required to bring the contents of this circular to the notice of their staff members and ensure compliance.

  
CEO/ Executive Director