



INDIA INTERNATIONAL BULLION EXCHANGE IFSC LIMITED

COMPLAINT HANDLING AND GRIEVANCE REDRESSAL POLICY

Recommended by : Regulatory Oversight Committee of Board

Approved by : Board of Directors

Policy initiated by : Company Secretary & Compliance Officer

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Amendment History	

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1. Introduction

The India International Bullion Exchange IFSC Limited (IIBX) is committed to ensuring an efficient and effective mechanism for handling of complaints and redressal of grievances of its consumers.

In terms of provisions of IFSCA circular no. F. No. IFSCA-LPRA/3/2024-Legal and Regulatory Affairs dated December 02, 2024, a Regulated Entity shall have a policy on handling of complaints and grievance redressal, duly approved by its Governing Board. The policy shall have adequate mechanisms for receiving, handling and redressal of complaints in a fair, transparent and timely manner.

2. Objective

The policy aims to provide a mechanism to handle complaints effectively, efficiently and in a fair, transparent and time bound manner; and to ensure consumer protection in compliance of the regulatory requirements.

3. Scope and Applicability

This policy applies to all Consumers of India International Bullion Exchange IFSC Limited (hereinafter referred as "Exchange") who have grievances against the Exchange and/or against any of the Members of the Exchange.

4. Definitions

- **Complaint:** Complaint shall mean any expression of dissatisfaction against the Exchange or any expression of dissatisfaction against the Bullion Trading Member or Bullion Clearing Member. This includes, but is not limited to, issues related to transactions, products, services, and handling of Customer requests. The following shall constitute a complaint:
 - Non- issuance of documents by the Trading Member
 - Non-receipt of Funds/BDR in timely manner
 - Non-release of unutilized Funds/BDRs kept as margin
 - Close-out/Square up of position
 - Trades executed without authorization / consent
 - Excess Brokerage charged by Trading Members
 - Service Related:
 - Non or Wrong Execution of Order
 - Opening /Closing of Account

- Connectivity/System related

An indicative list of matters not considered as 'complaint' has been mentioned at Schedule-I of this Policy.

- **Complaint Redressal Appellate Officer (CRAO):** CRAO shall be a senior level person of the the Exchange designated for handling appeals of consumers against the decision taken by the Complaint Redressal Officer of the Regulated Entity. The CRAO shall be at the level of or one level below a Key Managerial Personnel.
- **Complaint Redressal Officer (CRO):** IIBX shall designate an employee of the Exchange responsible for handling of complaints received from its consumers.
- **"Consumer"** shall have the following meaning as assigned to "Client" or "Customer" under clause 1.3.11 of the IFSCA (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022:

"Customer" or "Client" shall mean a person who is engaged in a financial transaction or activity with a IIBX and includes a person on whose behalf, the person engaged in the transaction or activity, is acting.
- **"Non-retail"** consumer means a person that is considered as a "non-retail" under the regulatory framework specified by the Authority:

Explanation I: Where the differentiation between "retail" vs. "non-retail" has not been specified in the regulations issued by the Authority for any specific business activity, the non-individual consumers shall be considered as "non-retail" consumers for the purpose of this circular:

- **"Professional Consumer"** shall mean an accredited investor as covered under the circular titled 'Accredited Investors in IFSC' dated January 25, 2024, as amended; a professional client as covered under the IFSCA Banking Handbook, as amended; or a corporate policy holder;
The List of 'Accredited Investors in IFSC' as per the IFSCA circular dated January 25, 2024, is enclosed as Schedule II to the Policy.
- **"Retail Consumer"** for the purpose of this circular shall mean a consumer of IIBX other than Professional Consumer and non-retail consumer.

5. General Provisions

- a) The policy on Complaint Handling and Grievance Redressal shall be prominently disclosed on the website of the Exchange under the heading "Complaint Handling and Grievance Redressal". The name and contact details of the Complaint Redressal

Officer and the Complaint Redressal Appellate Officer shall also be prominently displayed under this section.

6. Complaint Handling Procedure

6.1. Timeline for Lodging of Complaint by the Complainant:

The complainant shall lodge the complaint with IIBX through the online mechanism on the Exchange website within 90 days, from the date of cause of action. The CRO shall have the right to admit a complaint beyond 90 days depending on the merits of the case with the permission of the CRAO.

6.2. Acknowledgment and Assessment

On receipt of a complaint, CRO shall make an assessment on the merits of the complaint. Pursuant to assessment,

- **In case of Acceptance:** The CRO shall acknowledge acceptance of the complaint, in writing, within 3 working days of receipt of the complaint.
- **In case of non-acceptance:** The CRO shall inform the Complainant within 5 working days along with the reasons for non-acceptance.
- The Exchange shall examine and process the complaint in a fair, transparent, professional and impartial manner.
- The CRO shall have sufficient authority to resolve the complaint or shall have access to other officials with the necessary authority to be able to handle the complaint in a fair and impartial manner.

Where the CRO is or was involved in the conduct of the financial transaction, which is the subject matter of the complaint, the complaint shall be handled by another officer designated by the Exchange, in a fair and impartial manner.

In all the above cases, the complainant may be asked for additional information as needed.

6.3. Timeline for Disposal of Complaint

- CRO shall dispose of complaint preferably within 15 days but ordinarily not later than 30 days of acceptance of complaint. IIBX may either resolve the complaint or reject the complaint
- In case of rejection of a complaint, the CRO shall give reasons for rejection of the complaint, in writing.

7. Appeal Mechanism

If a complainant is not satisfied with the resolution provided by IIBX or if the complaint is rejected, the complainant may file an appeal before the CRAO preferably within 21 days from the receipt of the decision from the CRO.

The CRAO shall dispose off the Appeal within 30 days.

8. Complaint before the IFSCA

If a complainant is not satisfied with the decision of IIBX and has exhausted the appellate mechanism of IIBX, he may file a complaint before the Authority through email to grievance-redressal@ifsc.gov.in preferably within 21 days from the receipt of the decision from IIBX.

9. Maintenance of records:

IIBX shall maintain all the records related to handling of complaints including the following:

- Complaints received and processed.
- All correspondence exchanged between IIBX and the complainants;
- All information and documents examined and relied upon by IIBX while processing of the complaints;
- Outcome of the complaints;
- Reasons for rejection of complaints, if any;
- Timelines for processing of complaints; and
- Data of all complaints handled by IIBX.

IIBX shall maintain records in electronic retrieval form for the same period as mandated by the IFSCA under the relevant and applicable regulations and circulars, handbooks, guidelines thereunder:

In case there is no specific mention of such period, the record shall be maintained for at least six years from the date of disposal of complaint:

Further, in case of any pending litigation or legal proceeding relating to the complaint, the record shall be maintained for the applicable period, after final disposal of the proceeding.

10.Reporting:

IIBX shall file reports on the handling of complaints in the form and manner specified by the IFSCA from time to time.

IIBX shall include a section titled “**Complaint Handling and Grievance Redressal**” in its Annual Report. This section shall provide data of all complaints received, resolved, rejected, and pending during the year, presented in a tabular or graphical format.

11.Online system for complaint handling

IIBX shall have an online system for complaint handling.

12.Role of Compliance Officer:

The Compliance Officer of IIBX shall ensure that the handling and disposal of complaints are carried out in accordance with the regulatory requirements specified by the International Financial Services Centres Authority (IFSCA).

The responsibilities of any other official (such as the Principal Officer) with respect to grievance redressal, as outlined in the regulations under which the IIBX is registered, authorized, or licensed by the IFSCA, shall also continue to apply.

13.Review of Policy

This policy shall be reviewed in light of any modifications introduced by the IFSCA in the Complaint Handling and Grievance Redressal process by the Regulated Entities. However, the policy shall be reviewed at least once in a year.

Schedule - I

Matters not considered as Complaint

- 1 Anonymous complaints (except whistleblower complaints)
- 2 Incomplete or un-specific complaints
- 3 Allegations without supporting documents
- 4 Suggestions or seeking guidance/explanation
- 5 Complaints on matters not relating to the financial products or services provided by the Exchange
- 6 Complaints about any unregistered/ un-regulated activity
- 7 References in the nature of seeking information or clarifications about financial products or services
- 8 Complaints which are relating to entities which are not regulated/administered/supervised by the Exchange/entities which are not enrolled with the Exchange.
- 9 Complaints which are relating to activities other than related to the Exchange.
- 10 Complaints relating to transactions which are in the nature of loan or financing and not within the defined IFSCA and the Exchange framework.
- 11 Complaints in respect of transactions which are already subject matter of Arbitration proceedings.
- 12 Claims for mental agony/harassment and expenses incurred in pursuing the matter with the Exchange.
- 13 Claim for notional loss, opportunity loss for the disputed period or for trading on the Exchange.

Schedule - II

List of Accredited Investors as per IFSCA Circular no. F. No. IFSCA-IF-10PR/1/2023-Capital Markets dated January 25, 2024

In addition to the persons satisfying the eligibility criteria for qualifying as Accredited Investor specified in the IFSCA circular, the following is the list of entities specified in the said IFSCA circular as deemed to be Accredited Investors:

- i. Government and Government related investors of India and foreign jurisdictions, such as central banks, sovereign wealth funds or agencies including entities controlled or at least 75% directly or indirectly owned by such Government and Government related investor(s).
- ii. Multilateral agency, supranational agency or any international organization of similar nature;
- iii. University funds, Pension funds and provident funds set up in IFSC, India or foreign jurisdiction;
- iv. University related endowments of such universities that have been in existence for more than five years;
- v. Venture Capital Schemes, Restricted Schemes, Retail Schemes, Exchange Traded Funds and Investment Trusts in IFSC. Any such schemes or funds in India or foreign jurisdiction which are regulated in their jurisdiction and wherein no single investor holds more than 33% beneficial interest;
- vi. Family investment funds set up in IFSC and similar regulated vehicles set up in India or foreign jurisdictions;
- vii. A body corporate, when acting on its own account or on account of its clients who are Accredited Investors, which is licensed, authorised, recognised or registered by Authority as any of the following; or an entity, when acting on its own account or on account of its clients who are Accredited Investors, which is permitted by a financial sector regulator of India or of a foreign jurisdiction to carry out a financial activity which corresponds to the activities permitted by Authority to the following:
 - a) banking unit,
 - b) broker dealer,
 - c) clearing corporation,
 - d) clearing member,
 - e) credit rating agency,
 - f) custodian,

- g) debenture trustee,
- h) depository,
- i) depository participant,
- j) finance company or finance unit,
- k) fund management entity,
- l) global regional corporate treasury center,
- m) insurance offices,
- n) investment adviser,
- o) investment bank,
- p) stock exchange, and
- q) any other entity, as may be specified by Authority.

Annexure 1

Detailed Standing Operating Procedure (SOP)

1. Complaint against Members/Exchange and not involving Monetary Claims:

- The complaint received from client against the Member will be forwarded by the CRO to the concerned Member within three working days of acceptance of the complaint. The concerned Member will be required to submit their response within 5 working days from the date of receipt of complaint forwarded by the Exchange.
- The response received from the member shall be forwarded to the client by the CRO within five working days of receipt of response from the Member.
- In case no reply is received from the Member (for the client complaint forwarded by the Exchange) within the stipulated time of 5 days, the matter shall be referred by the CRO to the CRAO within 1 working day of expiry of 5 working days.
- The CRAO shall re-forward the complaint to the concerned Member within 2 working days of receipt of complaint referred to by the CRO.
- The Member shall be given another 7 working days to respond to the complaint.
- If no response is received by the CRAO within the stipulated 7 days, the CRAO shall decide the matter within 21 days of receipt of the complaint from the CRO.

2. Complaint against to Members and involving Monetary Claims:

- The CRO shall collect all information/ documents/ data pertaining to the complaint within 5 working days of acceptance of the complaint and examine the same within 3 working days of receipt of the same.
- After thorough examination, the CRO shall forward the complaint, and the response received to the IGRC. Where the complaint lodged involves monetary claims, then the complaint involving claims upto USD 35,000 shall be referred by the Exchange to the IGRC comprising of one member, and those involving claims more than USD 35,000 shall be referred to IGRC comprising of three members committee.
- The IGRC shall dispose off the complaint within 15 working days of receipt of the complaint.

- The parties to the complaint need to pay the relevant IGRC Members' fees and IIBX administration/processing fees, as may be prescribed by IIBX from time to time. The said fees plus applicable taxes and charges, if any, shall be collected from both the parties separately.
- IGRC shall decide the claim value of the client against the member on the basis of merits of the case. In case the claim value is decided by IGRC in favour of client, and accepted by the members, then complaint shall stand resolved.

Table showing the various timelines:

Table 1:

Complaint pertaining to Members/Exchange and not involving Monetary Claims:

Sl. No.	Particular	Timeline
1	The complainant to lodge the complaint with IIBX Complaint beyond 90 days may be admitted depending on the merits of the case with the approval of the CRAO.	within 90 days, from the date of cause of action.
2	The CRO to Communicate Acceptance	Within 3 working days of receipt of complaint
3	The CRO to Communicate Rejection with reason	Within 5 working days of receipt of complaint
4	Disposal of complaint by the CRO	preferably within 15 days but ordinarily not later than 30 days of acceptance of complaint
5	If a complainant is not satisfied with the resolution provided by the CRO	Appeal to the CRAO preferably within 21 days from the receipt of the decision from the CRO
6	If a complainant is not satisfied with the decision of the CRAO	file a complaint before the IFSCA through email to grievance-redressal@ifsc.gov.in preferably within 21 days from the receipt of the decision from the Regulated Entity

Table 2:

Complaint pertaining to Members involving Monetary Claims:

Sl. No.	Particular	Timeline
1	The complainant to lodge the complaint with IIBX Complaint beyond 90 days may be admitted depending on the merits of the case with the approval of the CRAO.	within 90 days, from the date of cause of action.

2	The CRO to Communicate Acceptance	Within 3 working days of receipt of complaint
3	The CRO to Communicate Rejection with reason	Within 5 working days of receipt of complaint
4	The CRO to collect all information/documents/data pertaining to the complaint	Within 7 working days of acceptance of Complaint
5	After thorough examination, the CRO shall forward the complaint, and the response received to the IGRC.	Withing 3 working day
6	The IGRC to dispose the complaint	Within 15 working days of receipt of complaint from the CRO
