

POLICY ON CREDIT INFORMATION REPORTING, MEMBERSHIP OF CICs & CUSTOMER GRIEVANCE REDRESSAL

(For Base Layer NBFC – Investment and Credit Company)

1. Preamble

This Policy is framed pursuant to:

- The Credit Information Companies (Regulation) Act, 2005 (CICRA) *and its subsequent amendments.*
- Credit Information Companies Rules, 2006 *and Credit Information Companies Regulations, 2006.*
- Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025.
- RBI Master Directions applicable to NBFCs (Scale Based Regulation framework).
- *The Companies Act, 2013 (pertaining to corporate governance and customer grievance redressal).*
- *The Digital Personal Data Protection Act, 2023 (DPDP Act), regarding the secure processing of customer personal data.*
- *RBI Circular on 'Framework for Compensation to Customers for Delayed Updation / Rectification of Credit Information'.*

The Company, being a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), classified under *the* Base Layer and functioning as a Credit Institution (CI) under CICRA, shall *strictly* comply with all obligations relating to:

- Membership of CICs.
- Reporting of *accurate and timely* credit information.
- Data quality maintenance.
- Customer grievance redressal.
- Compensation framework *for delayed rectifications.*

2. MEMBERSHIP OF CREDIT INFORMATION COMPANIES (CICS)

2.1 Mandatory Membership

The Company shall:

- Become a member of all *four* Credit Information Companies (CICs) registered with RBI (*i.e., TransUnion CIBIL, Equifax, Experian, and CRIF High Mark*).
- Maintain active *and uninterrupted* membership at all times.

2.2 Membership Fees

The Company shall ensure:

- The one-time membership fee per CIC shall not exceed ₹10,000.
- The annual membership fee per CIC shall not exceed ₹5,000 (or as amended by RBI).
- The Compliance Officer shall monitor *timely* fee payments to prevent suspension of services.

3. Credit information reporting framework

3.1 Uniform Credit Reporting Format (UCRF)

The Company shall report credit information in the standardized Uniform Credit Reporting Format (UCRF) as prescribed by RBI:

- **Form 1** – Consumer Segment
- **Form 2** – Commercial Segment
- **Form 3** – Microfinance Segment (MFI)

The formats are non-proprietary and mandatory. *No alterations to the foundational UCRF structure are permitted.*

3.2 Reporting Timelines

The Company shall:

- Submit borrower data (including historical data) to all CICs.
- Update data on a fortnightly basis (as on *the* 15th and last day of *the* month).
- Ensure submission within seven calendar days of *the* relevant reporting fortnight.
- Ensure no repayment, including *the* final instalment, remains unreported.
- *Note:* Failure to adhere may be reported by CICs to RBI's Department of Supervision and attract penal action.

3.3 Reporting Guidelines

The Company shall ensure *strict adherence to the following:*

- **(A) No Consent Clause Required:** With CICRA in force, *explicit* borrower consent is not mandatory for sharing credit information *with RBI-approved CICs.*
- **(B) Commercial Segment Reporting:** Report *the* Corporate Identification Number (CIN) *and the* Director Identification Number (DIN)-based credit history of *company* directors.
- **(C) Compromise Settlements:** All compromise settlements shall be reported along with *clear reasons and Board-approved settlement notes.*
- **(D) "Settled" Status:** "Settled" shall be used strictly when principal or interest waiver is granted due to financial inability. Wrong debits or contested charges must *instead* be reported as "Disputed".
- **(E) Commercial Papers (CP):** If designated as *an* Issuing and Payment Agent (IPA), report CP data fortnightly *and* report *any* default in redemption. Investing CIs need not report CP exposure.
- **(F) Unhedged Foreign Currency Exposure (UFCE):** Reported fortnightly by *the* solo lender, consortium leader, or largest lender (in multiple lending *arrangements*).
- **(G) NCLT/NCLAT Cases:** Accounts admitted under *the Insolvency and Bankruptcy Code (IBC)* shall be reported as suit-filed cases.
- **(H) Relationship Segment (RS):** Mandatory for accounts opened on or after July 1, 2018. Shareholder information shall include only Beneficial Owners as per RBI KYC Directions *and PMLA guidelines.*

4. SHG member level reporting

Where the Company finances Self Help Groups (SHGs):

4.1 Reporting Obligations

- Report SHG member data under UCRF (MFI Format).
- Collect and report data as per *RBI Annex III* tables.

4.2 Loan Threshold & Monitoring

- Credit reporting for SHG members shall apply to SHGs availing loans exceeding ₹1,00,000.
- If Gross NPA in *the* SHG segment exceeds 10%, or is 5% higher than *the Company's* overall Gross NPA, detailed data shall be collected from SHG members availing loans above ₹20,000.

4.3 Outsourcing & PSL Impact

- If outsourced, comply with RBI Outsourcing Directions, retain *ultimate* responsibility for data accuracy, and implement robust internal controls.
- Non-compliant SHG accounts may be excluded from Priority Sector Lending (*PSL*) eligibility.

5. REPORTING AFTER CANCELLATION OF COR

In case RBI cancels *the Company's* Certificate of Registration (*CoR*):

- The Company shall continue reporting existing borrower data until loan lifecycle completion.
- Access to *Credit Information Reports (CIR)* shall be limited to pre-cancellation borrowers.
- CICs shall not charge annual/membership fees.
- Borrower records shall carry *a* disclaimer of non-updatability.

6. Data quality and rectification

6.1 Rejected Data

Rejected data *from* CICs must be rectified and resubmitted within *7 calendar* days.

6.2 Data Quality Index (DQI)

The Company shall:

- Review *the* DQI *provided by* CICs *on a* half-yearly *basis*.
- Place *a* corrective action report before *Top Management and the Board* within 2 months of *the* half-year end.

6.3 Correction of Credit Information Reports (CIR)

The Company shall:

- Adhere to timelines under CICRA and CIC Rules.

- Resolve *customer* complaints within 30 calendar days (*out of which a maximum of 21 days is allotted for the CI portion*).
- Monitor deviations and report to *the* Board/Committee.
- *Ensure* all corrections are made at *the* source system to prevent recurring errors.

7. Use of CIR in credit appraisal

The Company's Loan policies shall mandate:

- Obtaining CIR from one or more CICs before *any* credit sanction.
- Incorporation of *the* credit score in *the* underwriting appraisal.
- Recording *documented* justification for *any* deviations or overrides.

8. SARFAESI disclosures

Where *the* Company is a secured creditor under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act):

- Display secured assets taken under Section 13(4) on *the* Company's official website.
- Update *the* list monthly.
- Remove *the* listing upon sale or settlement.
- Include principal, interest, and dues as per books.
- *Note:* Both symbolic and physical possession must be disclosed.

9. Customer service & grievance redressal

9.1 Strengthening Customer Service

The Company shall:

- Send SMS/email alerts to *customers* while reporting *Days Past Due (DPD)* to CICs.
- Appoint a dedicated nodal officer for CIC coordination and *publish their contact details publicly*.
- Inform *customers of the specific* reasons for *the* rejection of *data* correction requests.
- Conduct half-yearly Root Cause Analysis (*RCA*) of recurring grievances.

9.2 Compensation Framework

If a complaint regarding *inaccurate* credit data is not resolved within 30 calendar days:

Responsibility	Compensation Timeline / Liability
Overall Liability	Compensation of ₹100 per calendar day is payable to the complainant.
CI Liability (Company)	Liable if <i>the</i> delay beyond 21 days is attributable to it.
Payout Timeline	Compensation <i>must be</i> credited within 5 working days of resolution.

The Customer may also approach:

- RBI Ombudsman under *the* RBI Integrated Ombudsman Scheme, 2021.
- Consumer Education and Protection Cell (if applicable).

9.3 Internal Ombudsman

If applicable *based on asset size thresholds*, the Company shall comply with RBI Internal Ombudsman Directions *and appoint an independent authority to review rejected complaints*.

10. Best practices

The Company shall:

- Centralize *the* issuance of *No Objection Certificates (NOCs)*.
- Integrate credit information grievances with *the overarching* customer service policy.
- Ensure complete customer identifiers (*PAN, Aadhaar - with consent, Voter ID, etc.*) are *captured at origination*.
- Not reject first-time borrowers solely due to *a* lack of credit history.
- Establish *a* Consumer Protection Committee of *the* Board (*or delegate to the Stakeholders Relationship Committee under the Companies Act, 2013*).

11. Board oversight

In line with corporate governance mandates, the Board shall:

- Approve this Policy *and its periodic updates*.
- Review half-yearly DQI reports *and RCA findings*.
- Review grievance statistics *and turnaround times (TAT)*.
- Monitor compensation payouts *made under the ₹100/day rule*.
- Ensure *absolute* regulatory compliance.

12. Effective date and approval

This **POLICY ON CREDIT INFORMATION REPORTING, MEMBERSHIP OF CICs & CUSTOMER GRIEVANCE REDRESSAL** has been approved by the Board of Directors of **THIRUKOCHI FINCAP PRIVATE LIMITED** at its meeting held on **12/03/2026**.

Effective Date: 12/03/2026