

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 <i>is payable to the complainant.</i>
CI Liability (Company)	Liable if <i>the delay beyond 21 days is attributable</i> to it.

Responsibility	Compensation Timeline / Liability
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 LIMITED** at its meeting held on **12/03/2026**.

Effective Date: 12/03/2026

Version:1