

### **Annex - XV: Best Practices for CICs**

- (1) CICs should have a structured and systematic process for redressing customer grievance redressal.
- (2) CICs should have a nodal officer for dealing with customer complaints.
- (3) Following a dispute regarding a CIR, if it is established that the reason for the dispute lies with the CIC itself or with the information provided by a member CI to the CIC, the CIC may provide a free copy of the same type of CIR to the customer after correction of the credit information.
- (4) CICs shall compile the data on complaints on a quarterly basis and a quarterly review on complaints should be put up to the Board of Directors.
- (5) Trainings should be organised by the CICs for member CIs in order to make them understand the formats, importance of data reporting and how to improve data acceptance ratio.
- (6) Safeguards in respect of data usage in terms of Rule 27 of the CIC Rules by SUs should be built into the agreements with the SUs.
- (7) Whenever CIRs on the same borrower are accessed by more than one CI simultaneously, within a period of one month, an alert may be provided by the CIC to all the CIs who have drawn the reports to avoid multiple financing for the same purpose/ fraudulent transactions.
- (8) Alerts on borrowers who are changing their addresses/offices are to be indicated to other credit grantors without disclosing the name of the CIs.
- (9) Behaviour pattern of the borrowers, viz., frequency of loans obtained, frequency of CIs approached etc., may be provided as a separate value added product by CICs.
- (10) Customisation of reports as per the specific requirement of a SU may be done as a separate value-added product by CICs.

- (11) CIs and CICs should ensure that the credit records of borrowers are regularly updated by CIs and that issues such as repayment of the last instalment of a loan does not get reported, does not arise.
- (12) CICs should be ISO 27001 certified for Information Security.
- (13) With a view to decreasing court cases involving CIs and CICs, complaints need to be addressed by them on an urgent basis. CICs shall have a structured process of complaint redressal for which a Consumer Protection Committee under the Board should be constituted.