



COMPENDIUM
OF
MFIN DIRECTIVES & ADVISORIES
UPDATED ON 27TH AUG 20

Table of Contents

Abbreviations.....	4
Preface	5
1. Directive on credit bureau process.....	6
2. Advisory on dealing with customer disputes on CIR.....	9
3. Directive on lending to customers having delinquent account(s) due to natural disaster	10
4. Directive on third-party products	11
5. Directive on insurance claims settlements	12
6. Directive on charges for loans disbursed and re-paid digitally.....	13
7. Directive for display of MFIN customer grievance redressal mechanism	14
8. Advisory on dealing with fraudulent activities using name of NBFC-MFI.....	15
9. Advisory on taking post-dated cheque (PDC) from customers.....	16
10. Directive on submission of data to employee bureau.....	17
11. Advisory on dealing with ring-leaders	18
12. Advisory for moratorium on micro-credit loans to customers in the context of Covid-19	19
13. Advisory on micro-credit operations in post-moratorium period	21
Annex: Advisory 12 Suggested format for Customer Consent Form on Moratorium	23
Annex: Directive 1 on credit bureau process.....	24

Directives are mandatory to be complied by the member NBFC-MFIs while Advisories are recommendatory in nature.

Abbreviations

CGRM	Customer Grievance Redressal Mechanism
CIC	Credit Information Company
CIR	Credit Information Report
CoC	Code of Conduct
EC	Enforcement Committee
FPC	Fair Practices Code
ID	Identity Document
JLG	Joint Liability Group
KYC	Know Your Customer
MFI	Microfinance Institution
MFIN	Microfinance Institutions Network
NBFC	Non-bank Finance Company
RBI	Reserve Bank of India
SHG	Self Help Group
SRO	Self-regulatory Organization
SROC	Self-regulatory Organization Committee
TPP	Third-party Product
UCRF	Uniform Credit Reporting Format

Preface

We are pleased to issue an update of the Compendium of MFIN Directives and Advisories, approved by the Board in its meeting held on 17th Aug 20. Compendium are reviewed on an annual basis, besides the regular update, as required.

The Compendium has two categories of documents, Directives and Advisories. Directives are mandatory to be complied by the member NBFC-MFIs while Advisories are recommendatory in nature.

We request our member NBFC-MFIs' support for adherence to these Directives and Advisories to build a robust eco-system for the micro-credit industry.

If you have any suggestions and clarifications, please do get in touch with us at sro@mfinindia.org.

Regards,



(Dr Alok Misra)
CEO & Director, MFIN
21st Aug 20

1. Directive on credit bureau process¹

a. Context

The value of building credit information for financial inclusion is well known. For low-income customers, who often lack physical collateral and regular income/cash flows to demonstrate repayment capability, developing ‘reputation collateral’ in a credit reporting system is very important asset. For lenders, credit information brings the benefits of reduced transaction costs and improved portfolio quality. For the broader industry, credit information improves transparency in financial transactions and thus promotes confidence, investment, and—in the long term—greater access to financial services of all kinds.

Adherence to this Directive by member NBFC-MFIs will ensure that customer’s accurate and updated record is available with the CICs and in the CIR. Access to most updated CIR will give NBFC-MFIs better view of her borrowings (sources, total indebtedness, repayments) to make lending decision which is aligned to regulations and customer protection among other things.

For microfinance sector in India, where multiple/over lending amongst customers has been an on-going issue and regulatory directions as well as industry standards prescribe caps on number of lenders and total indebtedness per customer. And lenders, among other things, greatly rely on customers’ Credit Information Report (CIR) extracted from the Credit Information Companies (CIC) to check customer leverage.

In the context of above, it is important that customer data is accurately and timely updated with the CICs and lenders use CIR, which is accurate and updated for lending decision. Hence, MFIN member NBFC-MFIs are directed to comply with the following norms with respect to credit bureau process.

b. Directive

1. Submission

1.1 Format: All member NBFC-MFIs are required to submit complete data to all the CICs in the RBI specified Uniform Credit Reporting Format (UCRF) for microfinance segment². Members are required to ensure that data is filled as per the instructions and recommendations given in the UCDF (Annex). In this regard, the following is noteworthy:

- i. Voter ID to be preferred KYC ID to be submitted to CICs. It is recommended that Voter ID be authenticated with Election Commission³ website, directly or through third-party vendors before submitting to CICs
- ii. Key demographic details of the customer (name, DoB, age, father/mother/spouse name, address) should be captured from Voter ID and not randomly picked from different KYC documents
- iii. Mobile number of the customer or her family member should be filled, preferably after authentication through OTP or call or any other means.
- iv. Bank account details of customer (which has been used to disburse the loan) should be filled (Bank name, IFSC code, customer’s bank account number) to be filled.
- v. Field 71, 84, 85, 86 to be filled with accuracy as per instructions given

¹ This Directive was included on 12th Sep 19, replacing previous Directives on credit bureau submission and using valid CIR.

² https://rbidocs.rbi.org.in/rdocs/content/pdfs/DFFCI270614FL_A2.pdf

³ <https://electoralsearch.in/>

1.2 Weekly submission: Data must be updated to the CICs on a weekly basis in three weekly files as under:

- i. Weekly submission needs to be reported on incremental basis⁴ and should include following parameters:
 - Account status changes (payment update, delinquencies, write-offs and settlements etc)
 - New loans disbursed
 - Account closures
 - Account number change, if any
- ii. Files for weekly submission to be submitted as per following schedule⁵
 - Data extracted for the 1st Week (1 -7 of the month) to be submitted by 9th of the month
 - Data extracted for the 2nd Week (8-14 of the month) to be submitted by 16th of the month
 - Data extracted for the 3rd week (15-21 of the month) to be submitted by 23rd of the month
 - Data extracted for the 4th/5th week (22-30/31 of the month) to be submitted along with the monthly file and not as a separate weekly file, by 7th of the subsequent month.

1.1 Monthly submission: Full monthly data files for all the accounts (updated for all changes between 1st to the last date of the month) to be submitted to CICs by 7th of the subsequent month. For example, updated complete data as on 31st Aug 19 to be submitted by all members to the CICs 7th Sep 19. This must include all accounts that had been active, delinquent or closed in last month. NBFC-MFI may consider including accounts that are closed or written off in last 3 months. It may be noted that data for last 4th /5th week (22-30/31) to be submitted along with the monthly file and not as a separate weekly file.

1.2 Daily submission: By 1st Oct 20⁶, all MFIN member NBFC-MFIs to move to daily submission of data as under:

- i. Daily submission needs to be reported on incremental basis and should include following parameters:
 - Account status changes (payment update, delinquencies, write-offs and settlements etc)
 - New loans disbursed
 - Account closures
 - Account number change, if any
- ii. Daily submission on t+1 basis, i.e. any changes as per above to be reported by next working day.

1.3 No weekly submission if data is submitted on a daily frequency.

1.4 Resubmission of rejected data: Records rejected by CICs should be re-submitted to CICs with necessary corrections within 7 calendar days from date of rejection.

2. Use of Credit Informaiton Report (CIR)

2.1 NBFC-MFIs to use a valid CIR of the customer for all the loans disbursed to customer. CIR should be used for new loans (first cycle or subsequent cycles) as well as any top-up loan or mid-term loan.

⁴ Incremental submission is recommended rather than full submission for NBFC-MFIs in weekly file leads to huge data loads and logging of systems of the CICs.

⁵ If date of submission is a holiday, data to be submitted on next working day after holiday. For example, if 9th is a holiday, first weekly file to be submitted on next working day after holiday.

⁶ Date was revised to 1st Oct 20 by Board in its meeting held on 17th Aug 20

- 2.2 Credit Information Report (CIR) is considered as 'valid' for 15 calendar days from the date of extraction of the CIR. This implies that NBFC-MFIs needs to disburse a loan to the customer within 15 calendar days from date of extracting her Credit Information Report (CIR).
- 2.3 To extract CIR, NBFC-MFI must accurately input customer's KYC information including Voter ID, name, spouse name, date of birth and address (pin code, state, district) as required by the CICs to ensure optimum match by the CICs.

3. Resolving customer dispute with data

- 1.1 Any complaint received about customer' data with CICs (from customers, other Providers or CICs etc) should be responded and resolved within 7 calendar days from receipt of the complaint.
- 3.2 Customer approaching a member NBFC-MFI for dispute with CIR which are related to other Provider, should be supported as per MFIN Advisory on 'Resolving Customer Dispute with CIR' by flagging the issue with respective CIC.

4. Oversight

- 4.1 Member NBFC-MFIs to strengthen their internal processes to ensure that correct and comprehensive data is submitted to the CICs. It is recommended that:
 - i. Internal audit does the quarterly review of adherence with this Directive and lapses are reported to the Senior management and the CEO/MD
 - ii. Submission report from CICs on submission, rejection, data quality, hanging accounts are promptly analysed for corrective actions
- 4.2 Two Point of Contacts (POC) must be identified with responsibility to ensure adherence with the Directive including resolving customer dispute with data and coordinate with CICs and ensure adherence. For this purpose, POCs details must be submitted with the MFIN at link: <https://docs.google.com/spreadsheets/d/1dbYPO8ifvnOpsbrD-oHZiNdKi7IA7OJYwU5Z7SsOedk/edit#gid=0>

2. Advisory on dealing with customer disputes on CIR

a. Context

Several customer complaints are received on Customer Grievance Redressal Mechanism (CGRM) of regarding Credit Information Report (CIR). Complaints mostly arise when the application of a customer is rejected because of her a) having multiple loans from different lenders; b) total indebtedness being more than permissible limits; or c) being delinquent with other lenders. Typically, customer complaints fall into two broad categories:

Adherence to this Advisory by member NBFC-MFIs will provide a useful channel to customers to correct their data and CIR with the CICs

- **Account status dispute:** Customer contends that her CIR report is not updated. To cite an example; the customer has closed her loan account, but the account still shows to be an outstanding one or she has paid her previous dues, but the CIR shows that the account is delinquent.
- **Ownership dispute:** The customer contends that the CIR report is showing a trade-line that does not belong to her. To cite an example, she has never ever taken a loan from a certain FI, but her CIR shows her to have done so. This could be the case of false positive or in-accurate search output due to poor data quality.

Customers do not have access to Credit Information Companies (CICs) for a variety of reasons. Therefore, the responsibility to ensure that the customer has an accurate CIR, must be shared equally between the CICs and member NBFC-MFIs. To support the customer to resolve their complaints with respect to CIR, member NBFC-MFIs are advised to follow the process outline below.

b. Advisory

Step 1: Loan application from a customer is rejected by a member based on her CIR which shows her in breach of multiple loans/total indebtedness or having a delinquent account status. However, the customer contests that the information in the CIR is incorrect and approaches the member NBFC-MFI which has rejected the loan for support.

Step 2: Member NBFC-MFI (rejecting the loan) acts as a facilitator to the customer and initiates the query/complaint by writing to the concerned CIC (on email id mentioned below) with the details of the CIR (report ID or report order number mentioned on the CIR along with copy of the CIR) and the nature of the dispute:

- CIBIL: support@cibil.com
- Crif High Mark: customerservice@crifhighmark.com
- Equifax: ecissupport@equifax.com

Step 3: CICs will resolve the queries by contacting the concerned member NBFC-MFI as required and update the facilitating member NBFC-MFI (along with a copy of new CIR). Turn Around Time (TAT) for CICs to resolve the queries is 30 working days⁷.

Step 4: Facilitating member NBFC-MFI informs the customer of the changes in CIR, if any.

Step 5: Disputes not resolved within 30 working days can be escalated to MFIN (both by CICs and member NBFC-MFIs) for follow-up.

⁷ As per 'The Credit Information Companies (Regulation) Act 2005', Credit Information Company and the Credit Institution are mandated to take necessary action to update the credit information within 30 days from the date of the dispute.

3. Directive on lending to customers having delinquent account(s) due to natural disaster⁸

b. Context

In the last few years, there have been increasing instances of loans becoming delinquent due to natural disasters. Natural disasters bring immense hardship to the customers, leading to asset-income-wage losses. In order to ensure that lending to such customers (having delinquent account as a result of natural disaster) supports the customers to revive their livelihoods but does not spoil the credit culture, it is felt that there is a need for an industry-level guidelines.

Adherence to this Directive by NBFC-MFIs will encourage responsible lending to customers who genuinely need credit support to revive their livelihoods in the event of natural disaster.

c. Directive

In the context of above, it is directed that:

b.1 For loans which are delinquent due to a natural disaster in an area⁹, NBFC-MFI can consider rescheduling loans to the extent of impairment to repayment capacity. Any rescheduling must be necessarily aligned to regulatory directions¹⁰. If required, all NBFC-MFIs operating in that area can come together to arrive at uniform norms for rescheduling.

b.2 New loans to own customers¹¹ (who has delinquent account(s) with the NBFC-MFI as a result of natural disaster) can be given under following conditions approved by the Board:

- Such loan is given within 90 days from date of her last repayment (for loan account which is delinquent due to such event).
- A detailed due-diligence process is taken factoring estimation on losses and time/resource requirements for recovery of household livelihoods, existing debt obligations and repayment capacities. There should be a separate high-level approval process for sanctioning of such loans.
- Loan offering is suitably modified to meet the current circumstances of customer such as longer longer moratorium period and lower interest rates¹² or processing fee.
- There should not be any deduction from the disbursed amount of new loan to settle the overdue amount of delinquent loans.

b.3 Submission of data to Credit Information Companies (CICs) should continue as per the standard and delinquency status should not be masked or modified under any circumstances.

b.4 This Directive will come into force only for areas affected by natural calamities as identified for implementation of suitable relief measures by the institutional framework viz., District Consultative Committee/State Level Bankers' Committee as per RBI Guidelines¹³.

⁸ Inserted to replace the previous Directive on 24th June 19.

⁹ In areas affected by natural calamities as identified for implementation of suitable relief measures by the institutional framework viz., District Consultative Committee/ State Level Bankers' Committee.

¹⁰ <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10531&Mode=0>

¹¹ NBFC-MFI should not lend to customer who have delinquent account with another Provider.

¹² If required such loans can be given us non-qualifying loans to meet the RBI Directions for interest rate spread.

¹³ <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10531&Mode=0>

4. Directive on third-party products

a. Context

NBFC-MFs are increasingly offering

- Credit which is linked to purchase of a third-party product (TPP) such as consumer goods, cycles, household items like solar lamps
- Purchase of TPP (without credit)
- Other financial products such as health/asset insurance.

Adherence to this Directive by member NBFC-MFIs will ensure TPP are purchased by the customers based on their need and choice.

With respect to such products, there are a significant number of customer complaints from customers pointing to practice of un-fair bundling of such product or customer being forced to take such products as pre-condition to take credit.

Relevant provisions in the context of third-party products are as under:

- **RBI Directions on NBFC-MFIs**

Part 1, 4.C.a.iv - Pricing of Credit

NBFC-MFIs shall recover only the actual cost of insurance for group, or livestock, life, health for borrower and spouse. Administrative charges where recovered, shall be as per IRDA guidelines.

- **RBI's Guidelines on Fair Practices Code for NBFCs**

Part B. NBFC-MFIs, (ii) Disclosures in loan card,

(c) v. Non-credit products issued shall be with full consent of the borrowers and fee structure shall be communicated in the loan card itself.

- **Charter of Customer Rights**

Point 3: Right to Suitability

The products offered should be appropriate to the needs of the customer and based on an assessment of the customer's financial circumstances and understanding.

b. Directive

To ensure that customer interests are protected in the sale of third-part products, it is directed that:

1. Details of all third-part products offered by NBFC-MFI should be displayed/disclosed.
2. There should not be any bundling of a third-party product with the primary credit product or vice versa.
3. There should be a minimum time gap of one month between the disbursement of the primary credit product and the credit for financing the third-party product or vice versa.
4. Company's Customer Grievance Redressal Mechanism (CGRM) should cater to complaints related to third-party products.
5. Selling price of third-party products to the customer, in case of non- financial products, under no circumstances, should exceed the MRP as mentioned on the product.
6. Life insurance product linked to the credit is not considered as a third-part product.

5. Directive on insurance claims settlements

a. Context

NBFC-MFIs typically offer credit life insurance to their customers and one key family person (mostly spouse who is co-borrower) under which insured customer and family person are insured for the loan amount disbursed during the tenure of the loan.

Adherence to this Directive by member NBFC-MFIs will ensure that in event of death of the customer or her family member, family is supported with insurance claims process and repayments.

In case of insured customer or her family person passing away during the tenure of the loan, insurance claim is settled in a way that outstanding principal amount on date of death (as per the death certificate) is paid to the NBFC-MFI and remaining amount is paid to the customer or her nominee, as applicable. However, there could be variations amongst different credit life insurance products offered by NBFC-MFIs and therefore different under-lying process to settle the claims. For example, if insured family member who has passed way is not a co-borrower, full insurance amount will be settled to the nominee and NBFC-MFI may continue to collect the repayment as per schedule.

Considering that huge financial distress is caused by the death of the customer and/or her family person, continuing the collection of repayment or delay in claim settlement can add further stress.

b. Directive

In the background of above, it is directed that

1. NBFC-MFIs should ensure that they cease collection of due instalments after the date of the demise of the insured customer or insured family person.
2. In case there has been any collection of due instalments post this date, NBFC-MFIs are required to refund the excess amount along with the death benefit to the customer or nominee, as applicable.
3. NBFC-MFI take all necessary steps including support to customer/nominee with documentation requirements to timely process the insurance claims.

6. Directive on charges for loans disbursed and re-paid digitally

a. Context

NBFC-MFIs are increasingly moving to digital transactions, particularly disbursements through different instruments such as pre-paid Card, NEFT, wallets and cheques among others. It is possible that NBFC-MFIs incur additional cost to facilitate digital transactions.

Adherence to this Directive by member NBFC-MFIs will ensure that pricing to customer is in line with RBI Directions.

However, as stated in Clause 2.C.a.iv of the RBI Master Circular on NBFC-MFIs – Directions,

- There shall be only three components in the pricing of the loan viz. the interest charge, the processing charge and the insurance premium (which includes the administrative charges in respect thereof).
- Processing charges shall not be more than 1 % of gross loan amount.

b. Directive

In line with the position as stated above in the RBI circular, it is directed that member NBFC-MFIs must ensure that customers are not charged any additional fee (other than processing fee which is 1% of gross loan amount) if loans are disbursed and/or repayments collected digitally.

7. Directive for display of MFIN customer grievance redressal mechanism¹⁴

a. Context

As per the RBI Guidelines for the Self-Regulatory Organization (SRO) for NBFC-MFIs, dated 26th November 2013¹⁵, grievance and dispute redressal mechanism for the customer of NBFC-MFIs, is an important function of the SRO.

Adherence to this Directive by member NBFC-MFIs will ensure the customer has access to an escalation level to address their grievances.

Following its recognition as the SRO by the RBI in June 2014, this specific mandate was operationalized by starting the MFIN Customer Grievance Redressal Mechanism (CGRM) Number from July 2015. This MFIN CGRM Number (a toll-free number 1800 102 1080) gives direct access to customers of NBFC-MFIs to reach out to the SRO to address their grievances.

As per the Industry Code of Conduct (CoC) revised in Sep 19, lenders are required to disclose the SRO's CGRM number at offices, branches and loan card (CoC, Annex: Disclosure to Customers, pg 11, 12,15¹⁶).

It is noteworthy that to familiarize and publicize the number a multilingual-videos are already circulated to members. which could be used for staff and customer education.

b. Directive

Considering that MFIN CGRM is important mechanism to address customer grievances and MFIN CGRM is fully functional with capability to respond to s 12 languages, it is directed that:

1. NBFC-MFIs' CGRM policy to include MFIN CGRM to facilitate customer's access to SRO' CGRM mechanism if customer wishes so. CGRM Policy along with details of MFIN CGRM should be available on the website of the company.
2. NBFC-MFI to display MFIN CGRM number on loan cards, and branches, and in vernacular language, as required.
3. NBFC-MFIs to include the information on MFIN CGRM for trainings for customers and employees.

¹⁴ Directive has been revised to incorporate new MFIN toll free number in Board meeting held on 17th Aug 20

¹⁵ https://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=30052

¹⁶ <https://mfinindia.org/mfin-publications>

8. Advisory on dealing with fraudulent activities using name of NBFC-MFI

a. Context

Several calls have been received on Customer Grievance Redressal Mechanism (CGRM) of MFIN and member NBFC-MFIs to report frauds by individuals/group of individuals/agencies posing as NBFC-MFI staff. Such frauds, perpetrated through phone calls, advertisements or direct visits, trap the customer through lucrative loan offers using name of the NBFC-MFI. Customers are then coaxed to submit the Know Your Customer (KYC) documents and make payment towards the processing fee/upfront fee etc by showing fake letter heads/contract letter and receipts etc. Once amount is received, the fraudulent individual(s) abscond.

Adherence to this Advisory by member NBFC-MFIs will support individual NBFC-MFI and the industry to deal with such episodes. This will also educate customers on careful financial transactions.

These incidents adversely impact the customers and pose a direct reputation risk not just to the NBFC-MFI concerned but to the entire NBFC-MFI industry.

b. Advisory

Considering above factors, member NBFC-MFIs are advised to:

1. Take cognizance of such mal-practices and unscrupulous elements captured through field information.
2. Provide guidance and support to such individuals (having been duped using NBFC-MFI name), as required, such as registering a police complaint.
3. Report such cases to the Economic Offences Wing (EOW).
4. As a preventive measure, educate the customers about such unscrupulous practices/ elements and on checking the identity of any new person visiting or calling as a field staff before engaging in any transactions.

9. Advisory on taking post-dated cheque (PDC) from customers¹⁷

a. Context

NBFC-MFIs are increasingly moving to cash-less transactions and a high percentage of disbursements are being done digitally. However, converting repayments by customer to digital medium remains a challenge for NBFC-MFIs considering several issues in the eco-system. And, amongst the cash-less repayment options that are being explored by NBFC-MFIs, taking Post-date-cheque (PDC) has also emerged.

Adherence to this Advisory by member NBFC-MFIs will ensure that practice of taking PDC meets its intended objective of 'cash-less' repayments and practice is aligned to protect customer interests.

To ensure that practice of taking PDC is aligned to customer interest and serves the intended objective of 'facilitating the cash-less repayments', there needs to be appropriate guidelines on using PDC as an instrument of repayment.

In this background, NBFC-MFIs are advised to follow the guidelines mentioned below. This Advisory is only applicable to loans under the 'qualifying assets' criterion.

b. Advisory

Member NBFC-MFIs are advised that:

1. PDCs from the customer should be used only to facilitate cash-less repayment as per her/his loan repayment schedule
2. PDC should be taken only from the customer's account
3. If PDC is collected from the customer towards repayment, PDC should have all the details of scheduled repayment i.e. payee, amount, date and signature duly filled in
4. PDC taken without all details being filled and for purpose other than taking scheduled repayments, is not acceptable
5. Customer should be given receipt of all the PDCs collected towards the repayment
6. Not more than 6 PDCs should be taken from a customer at one time
7. Customer should be adequately informed about legal and financial implications of cheque being dishonoured/bounced

¹⁷ This Advisory was inserted on 28th Nov 18 based on approval by the Board in its meeting held on 27th Nov 18 in Bangalore

10. Directive on submission of data to employee bureau¹⁸

a. Context

The micro-credit industry has an employee base of over three lakhs, two-third of whom work at operational-level directly interfacing with the vast customer base of 6 Cr customers. Such operational employees provide primary interface with the customers and are responsible on critical aspects other than business, such as risks and compliances. Clearly, getting employees with right attitude and integrity is crucial. Due to scale of operations, growth, and attrition rate, recruitment is a huge on-going task. Additionally, there is high cross movement of employees within the industry. All this makes up for a compelling case for an efficient and objective platform for background check in the recruitment process, for both employers and employees.

Adherence to this Directive by member NBFC-MFIs will strengthen the recruitment process in the industry as companies will be able to verify candidate's employment records on the employee bureau.

It is in this context that MFIN and Equifax (a credit bureau) came together to develop employee bureau in 2017 to provide database of relevant employment information of the employees in the micro-credit sector. This platform enables the employer to verify the employment records of the candidates and thereby improve trust in a candidate. This also creates deterrence for frauds and dishonesty, as such information is captured and shared. Last year MFIN had mandated all members to sign-up with the employee bureau, submit data and use it to verify employment history of the candidate. Now based on the experience of past one year, it is felt submission standards needs to be further strengthened to improve the overall efficacy of employee bureau. More particularly, submission of active employee data (in addition to exit employee data) is important. Many candidates apply with other employer before formally leaving the organization and lack of information about such employees undermines the usefulness of employee bureau in the recruitment process.

b. Directive

In the context stated above, it is directed that, all member NBFC-MFIs to

- Sign-up with employee bureau
- Submit/update data for all employees every monthly latest by 10th of subsequent month. It is recommended that any negative exit be submitted on a real-time basis to avert unwanted hiring due to time lags in submission.
- Submit/update changes in employee data (for new recruits, employment status, personal information, location of posting etc) in the submission as per the format.
- Submit accurate data as per defined standards in the format and mandatory fields should be duly filled. Any corrections in data (raised by employee, employer or Equifax) must be resolved/rectified within 3 working days from date of such issues being received.
- Enquiry through the employee bureau before hiring a candidate is strongly recommended. Candidates with negative employment record (absconding, fraudulent, previous employer flagging not-open-to-rehire) should not be recruited.
- Obtain appropriate consent from candidates/employees for accessing/sharing their data from/to the employee bureau, as required.

¹⁸ This was inserted as Advisory on 29th Nov 18 based on approval by the Board in its meeting held on 27th Nov 18. On 5th April 19, it was converted to a Directive based on approval by the Board in its meeting held on 6th March 19. This Directive was last updated in the Board meeting held on 17th Aug 20 to improve submissions and data quality.

11. Advisory on dealing with ring-leaders¹⁹

a. Context

Despite the control mechanisms adopted by NBFC-MFIs, the problem of ring-leaders continues to persist and is gradually increasing. It has been observed that generally, ring-leaders are customers who start as group or centre leader and overtime acquire disproportionate influence in the lending process including customers' access to lenders and their repayment behaviour. In its most distorted form, ring-leader completely hijacks the lending process, leading to creation and aggregation of fictitious loans for own interest. At times, field-level employees, under pressure for achieving high sales targets, find ring-leaders an easy and quick channel to achieve the target. However, dependence on ring-leaders means compromising lending principles including complete lack of connect with the customers.

Adherence to this Advisory by member NBFC-MFIs will strengthen lending process and credit culture in the industry.

While scale of micro-credit portfolio under the influence of ring-leaders may be limited and hard to quantify, an inquiry into past episodes of large-scale defaults across regions and lenders, clearly establish channelling of loans through ring-leaders as the root cause. Besides building credit risk for lenders and the industry, it corrodes the credit culture and creates reputational risk for the industry.

b. Advisory

In the context stated above, member NBFC-MFIs are advised to:

- Set sales target for the employees based on a reasonable criterion including understanding of micro-credit requirement in an area. Undue targets lead to perverse practices.
- Create awareness amongst customers about the detrimental effects of blind-trust with group/centre leader and how any default in the fictitious loan taken by ring-leader in customer's name can ruin her credit records and access to credit in future. As significant number of new customers are also added, continuous reinforcement is needed. This should be part of Compulsory Group Training (CGT)/Group Recognition Test (GRT) process.
- Educate the employees about the context of ring-leaders including how to identify and avoid them. Encourage the employees to inform their seniors if instances of ring-leaders are seen. There should be real detriments to employee knowingly engaging with ring-leaders codified in Human Resource manual.
- Develop specific internal controls to identify and avoid ring-leaders in the lending process and system. Some good-old principles, such as direct connect with customers, pre-disbursement confirmation calls to customers, loan utilization checks, regular rotation of group/centre leaders, and customer verification during internal audit, can be used.
- Share necessary information about the ring-leader in an area with other NBFC-MFIs operating in the same area. This can be done through the MFIN's state/district forum meetings or by informing MFIN state representatives.

¹⁹ Advisory was added on 5th Apr 19 based on approval by the Board in its meeting held on 6th Mar 19 in Delhi.

12. Advisory for moratorium on micro-credit loans to customers in the context of Covid-19²⁰

a. Context

- In the background of Covid-19, the Reserve Bank of India (RBI) in its Notification²¹ had permitted all categories of lenders to offer moratorium of three months on their term-loans. This moratorium was permitted for installments falling due between March 1, 2020 to May 31, 2020. In view of continued lock down and covid-19 related disruption, RBI has by its Notification²² permitted grant of moratorium for further period of three months that is from June 1, 2020 to August 31, 2020.
- Based on discussion with Lenders and feedback received, and to ensure that uniform approach is adopted, MFIN Board has approved this Advisory²³. This Advisory supersedes the previous advisory issued on this matter on April 3, 2020.

a. Advisory

1. Lender may offer the moratorium up to August 31, 2020 for all installments falling due between March 1, 2020 to August 31, 2020, in line with the RBI Notifications. Accordingly, the repayment schedule for such loans as also the residual tenor, will be shifted across the board.
2. In view of the significant additional interest burden on the customer if moratorium is availed, full disclosure of the lender's moratorium policy and its implications should be given to the customer. This should include all details such as additional interest payable, tenure extension, changes in repayment schedule and amount etc. In essence, customer must be enabled to take an informed decision on whether to take the moratorium or not.
3. Lender must take an explicit consent in writing (preferable in vernacular) from the customer to "opt-in" or "opt-out" for the moratorium. The suggested format for customer consent given in Annex. Format may be adapted by Lender, as per its own requirements.
4. Lender should normally give moratorium for instalments falling due after March 1, 2020, against which payment has not been received. However, if the customer has repaid the March 2020 dues and wants to avail moratorium benefit on March 2020 repayment, this can be considered by the Lender based on its Board approved policy in this regard.
5. Lender may accrue interest on the outstanding portion of the loan during the moratorium period, as permitted by the RBI. This should be not be higher than the interest rate agreed in the original agreement of the loan.
6. Lender should inform the customer who is delinquent on February 29, 2020, that her overdue interest burden will be greater if she avails the moratorium. This aspect should be clearly explained to the customer.
7. Accrued interest for the moratorium period may be collected in different ways such as, a) upfront (at the end of moratorium), b) collected proportionally over the residual tenor (with installments amount increasing) or c) as a lump sum payment along with the last installment etc.
8. The loan documents must be suitably updated/modified wherever moratorium is availed by the customer.
9. Lender must strictly follow the industry Code of Conduct (CoC) and Code for Responsible Lending (CRL) with respect to customer engagement (fair interaction, suitability/avoiding

²⁰ Advisory was added on 28th May 20 based on approval by the Board in through circulation on 28th May 20

²¹ <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11835&Mode=0>

²² <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11902&Mode=0>

- multiple-over lending, education and transparency, information and privacy and others). Lender should not use forceful and coercive tactics to recover the repayment.
10. Lender to make suitable changes in their back-end IT system to regenerate loan schedule factoring in changes due to moratorium.
 11. Lender can disburse fresh loan to customer who has availed moratorium to support her in rebuilding livelihoods. This should be as per Lender's Board approved policy, aligned to the RBI Directions for NBFC-MFIs and the Industry Code of Responsible Lending (CRL).
 12. Lender may extend the coverage of Credit Linked Life Insurance for the extended term of the loan where moratorium is given. Extra premium to cover the extended period should be clearly communicated to customer and collected. If coverage is not extended, Lender should inform the customer about it.
 13. All relevant Government directions with respect to social distancing, hygiene and mobility must be observed and Lender must regularly educate its employees and customers about them.
 14. In case of a conflict, any RBI or Government notification/directions on this matter would supersede the points in this Advisory.

13. Advisory on micro-credit operations in post-moratorium period²⁴

Option of moratorium available to customers for micro-credit loans under the Reserve Banks of India (RBI) '[Covid-19 regulatory package](#)' is coming to an end on 31st Aug 20. All members are advised to take into account the following – most of which are already part²⁵ of Code of Conduct/Code of Responsible Lending and Compendium of MFIN Directives and Advisories²⁶.

Adherence to this Advisory by member NBFC-MFIs will ensure that micro-credit operations remain fully aligned to industry standards with respect to customer engagement, employee engagement and risk/internal controls during post-moratorium period.

1. **Safeguards for covid-19:** All relevant Government directions with respect to social distancing, hygiene and mobility must be observed and Lender must regularly educate its employees and customers about them. (*Compendium - Advisory for moratorium on micro-credit loans to customers in the context of Covid-19, p18-19*)
2. **Fair interaction:** No customer should be coerced /pressurized for repayments and norms of fair interaction as spelled out in *CoC (I.a.2, p3)* and *CRL (a.2, p5)* must be fully adhered to and contact with customers at odd hours (6 pm to 6 am) or at inappropriate times such as bereavements, illness, social occasions such as marriages and births should be completely avoided. Though customers are expected to resume regular repayments as per schedule going forward. it is possible that income/livelihood of some customers are still severely impacted, and these customers would find it difficult to regularly service their debt obligation.
3. **Education and transparency:** Customer should be given clear information and necessary documents (revised loan card, as applicable) about accrued interest amount and changes in her repayment amounts, schedule, and tenure due to moratorium, where applicable. (*CoC - I.c.1 p4; CRL - c.1, p6; Compendium - Advisory for moratorium on micro-credit loans to customers in the context of Covid-19, p18-19*)
4. **Suitability:** New disbursements to customers should adhere to limits of lender cap per customer and total indebtedness cap per customer and no loan should be disbursed to customer if customer has a non-performing account (dpd > 90 days with loan os > Rs 1,000) with other lender (*CoC - I.b.3, p3; CRL - b.3,p5*). There should not be any deduction from the disbursed amount of new loan to settle the overdue amount of delinquent loans.
5. **Grievance Redressal Mechanism:** Customer access to CGRM (*CoC - I.e.1-4, p5; CRL – e.1-2, p6*) should be strengthened to ensure that any lapses are promptly reported and addressed. Lender must do outbound calls to delinquent customers to check that they are not misinformed and mistreated in any ways. MFIN's CGRM (1800 102 1080) number must be displayed in branches and printed/stamped on the loan card to allow customers to access the SRO if they wish so. (*Compendium - Directive for display of MFIN customer grievance redressal mechanism,p13*)

²⁴ This Advisory was inserted on 27th Aug 20 based on approval taken from Board through circulation.

²⁵ Specific reference to relevant clauses and page number of CoC, CRL and Compendium of MFIN Directives and Advisories are highlighted in italics and blue font.

²⁶ <https://mfinindia.org/mfin-publications>

6. **Employee orientation:** Refresh the training of employee on customer engagement as spelled out in the industry *CoC (I.a-e, II.b, p3-8) and CRL (a-e, p5-6)*, particularly:
 - Operational employees must be adequately trained on interacting with customers, credit policy with respect to graded level of delinquencies and process to be followed for customers who are unable to repay after the moratorium period is over.
 - Employees dealing with delinquent customers (post moratorium period) must be specifically trained on dealing with delinquent customers, conflict resolution, credit assessment, credit counselling to deal with customers in a mature and nuanced way. It is recommended that branches have a dedicated pool of such employees available to deal with delinquent customers.
 - It must be ensured that the incentive mechanism for employees for collection does not lead to any perverse behaviour with the delinquent customers.

7. **Credit policy:** Credit policy to deal with delinquencies at the customer level including rescheduling of loans for the customer facing difficulty in repayment of loans should be as per RBI guidelines. (*CoC, III.a.1.c, p9*)

8. **Risk management and internal audit:** Greater attention be given to internal audit and fraud prevention process (*CoC,III.b.1-5, p10*) as under:
 - SMS notification of financial transactions to customers
 - KYC verification (*Compendium - Directive on credit bureau process, p5*) and loan utilization check (*Compendium - Advisory on dealing with ring-leaders, p17*) for new loans by separate teams, p17
 - Outbound calling to overdue customers by separate team to understand reasons of delinquency and grievances, if any

9. **Industry collaboration** (*CoC,III.c.1-2,p10*): Any undesirable event like violation of customer-protection, negative media, hostility from community or local stakeholders should be immediately brought to the notice of MFIN.

Annex: Advisory 12 Suggested format for Customer Consent Form on Moratorium²⁷

To,

Concerned Person, Name of Lender

Dear Madam/Sir,

1. I confirm that (Name of the Lender) has explained me in detail about the option to avail moratorium for loan instalments falling due between 1st March 20 – 31st Aug 20, as per RBI Notification on Covid-19 regulatory package.
2. I understand that moratorium will lead to increased interest cost and will change my repayment schedule such as instalment amount and tenure.
3. Based on this information, I would like to apply for (tick as appropriate)
 - 3.1 Opt-out for the moratorium and will continue to pay instalment as per schedule given by the company and pay interest for the delayed payment, if any
 - 3.2 Opt-in for moratorium and agree to the conditions below:
 - a. Moratorium is taken for the instalments falling due for the following month (tick as appropriate)
Mar 20 /Apr 20 /May 20/ Jun 20/Jul 20/Aug 20
 - b. Accrued interest for the moratorium period will be payable as per revised schedule given by the company.

	Original schedule	Revised schedule
Open date		
Repayment frequency		
Repayment dates		
Instalment amount		
Number of instalments		
Closure date		
Expiry of insurance coverage		

- c. If insurance cover is extended, Rs XX will be additionally payable towards the premium amount.
- d. Other terms and conditions of the original loan agreement will remain unchanged and this consent form will be considered part of original agreement.

Yours faithfully,

Signature

Customer details

- Name:
- Mobile number:
- Account number:
- Centre ID:
- Group ID:
- Branch ID

²⁷This is only suggestive format and lender should adapt it suitably to own requirements.

Annex: Directive 1 on credit bureau process

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
1	Member	Segment Identifier	A/N	6	Required	Must contain the value "CNSCRD" to identify the Member Segment.	Internal tag - no input required from MFI	
2	Member	Member Identifier	A/N	35	Required		This is the unique customer identification number used by the MFI	
3	Member	Branch Identifier	A/N	30	Required		This is the unique branch code of the MFI where the member was originally enrolled.	
4	Member	Kendra/Centre Identifier	A/N	30	Required		This is the unique centre code of the MFI where the member was originally enrolled.	
5	Member	Group Identifier	A/N	20	Required When present		This is the unique group code of the MFI where the member was originally enrolled.	

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
6	Member	Member Name 1	A/N	100	Required		Name of the member	Name of the customer as mentioned in her main KYC document (preferably Voter ID)
7	Member	Member Name 2	A/N	50	Required When present			
8	Member	Member Name 3	A/N	50	Required When present			
9	Member	Alternate Name of Member	A/N	30	Required When present		If any alias or maiden name of the member is captured.	If any alias or maiden name of the customer is captured. Fill this is customer has other legal name before (like before marriage etc)
10	Member	Member Birth Date	D (DDMMCCYY)	8	Required		Date of birth	
11	Member	Member Age	N	3	Required		If instead of DOB, age is captured then the age as captured at the time of membership.	Customer age at the time of enrolment (application).
12	Member	Member's age as on date	D (DDMMCCYY)	8	Required		The date of membership - to identify the current age	Either 10 or 11 & 12 to be provided
13	Member	Member Gender Type	A/N	1	Required	Enumerated : F - Female M - Male		
14	Member	Marital Status Type	A/N	3	Required	Enumerated : M01 - Married M02 - Separated M03 - Divorced M04 - Widowed M05 - Unmarried M06 - Untagged		

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
15	Member	Key Person's name	A/N	100	Required		Guardian's name	Necessarily fill name of father, mother, spouse.
16	Member	Key Person's relationship	A/N	3	Required	Enumerated : K01 - Father K02 - Husband K03- Mother K04 -Son K05 - Daughter K06-Wife K07-Brother K08-Mother-In-law K09-Father-In-law K10- Daughter-In-law K11-Sister-In-law K12-Son-In-law K13- Brother-In-law K15 -Other		
17	Member	Member relationship Name 1	A/N	100	Required		Relative name	
18	Member	Member relationship Type 1	A/N	3	Required	Enumerated : K01 - Father K02 - Husband K03- Mother K04 -Son K05 - Daughter K06-Wife K07-Brother K08-Mother-In-law K09-Father-In-law K10- Daughter-In-law K11-Sister-In-law K12-Son-In-law K13- Brother-In-law K15 -Other		

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
19	Member	Member relationship Name 2	A/N	100	Required			
20	Member	Member relationship Type 2	A/N	3	Required	Enumerated : K01 - FatherK02 - HusbandK03 - MotherK04 - SonK05 - DaughterK06 - WifeK07 - BrotherK08 - Mother-In-lawK09 - Father-In-lawK10 - Daughter-In-lawK11 - Sister-In-lawK12 - Son-In-lawK13 - Brother-In-lawK15 - Other		
21	Member	Member relationship Name 3	A/N	100	Required			
22	Member	Member relationship Type 3	A/N	3	Required	Enumerated : K01 - Father K02 - Husband K03 - Mother K04 - Son K05 - Daughter K06 - Wife K07 - Brother K08 - Mother-In-law K09 - Father-In-law K10 - Daughter-In-law K11 - Sister-In-law K12 - Son-In-law K13 - Brother-In-law K15 - Other		
23	Member	Member relationship Name 4	A/N	100	Required			

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
24	Member	Member relationship Type 4	A/N	3	Required	Enumerated : K01 - FatherK02 - HusbandK03 - MotherK04 - SonK05 - DaughterK06 - WifeK07 - BrotherK08 - Mother-In-lawK09 - Father-In-lawK10 - Daughter-In-lawK11 - Sister-In-lawK12 - Son-In-lawK13 - Brother-In-lawK15 - Other		
25	Member	Nominee Name	A/N	100	Required		Nominee for insurance purposes if defined	
26	Member	Nominee relationship	A/N	3	Required	Enumerated : K01 - Father K02 - Husband K03 - Mother K04 - Son K05 - Daughter K06 - Wife K07 - Brother K08 - Mother-In-law K09 - Father-In-law K10 - Daughter-In-law K11 - Sister-In-law K12 - Son-In-law K13 - Brother-In-law K15 - Other		
27	Member	Nominee Age	N	3	Required			
28	Member	Voter's ID	A/N	20	Required When present			One of 28-33 is mandatory. Voter ID

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
29	Member	UID	A/N	40	Required When present			is most preferred ID and should be filled
30	Member	PAN	A/N	15	Required When present			
31	Member	Ration Card	A/N	20	Required When present			
32	Member	Member Other ID 1 Type description	A/N	20	Required When present		If any other id is captured, then information about such id	
33	Member	Member Other ID 1	A/N	30	Required When present			
34	Member	Member Other ID 2 Type description	A/N	20	Required When present			
35	Member	Member Other ID 2	A/N	30	Required When present			
36	Member	Member Other ID 3 Type description	A/N	20	Required When present			
37	Member	Member Other ID 3	A/N	30	Required When present			
38	Member	Telephone Number 1 type Indicator	A/N	3	Required When present	Enumeration: P01- Residence P02- Company P03- Mobile P04- Permanent P07-Other P08-Untagged	Telephone / contact information details	
39	Member	Member Telephone Number 1	A/N	15	Required When present			

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
40	Member	Telephone Number 2 type Indicator	A/N	3	Required When present	Enumeration: P01- Residence P02- Company P03- Mobile P04- Permanent P07-Other P08-Un tagged		
41	Member	Member Telephone Number 2	A/N	15	Required When present			
42	Member	Poverty Index	N	20	Required When present		If the MFI is capturing any poverty related details such as BPL, etc then the same to be provided here.	Recommended to put poverty index as: BPL non-BPL not-available
43	Member	Asset ownership indicator	A/N	1	Required When present	Enumeration: Y- Yes N- No	If the customer has any assets and if this information is captured in the MFI's system, then the information is to be provided here.	
44	Member	Number of Dependents	N	2	Required When present			

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
45	Member	Bank Account - Bank Name	A/N	50	Required When present		If the customer has a bank account, and the information is captured in the MFI system, then the information has to be provided here.	Mention the Bank name where customer has saving account
46	Member	Bank Account - Branch Name	A/N	50	Required When present			Fill the IFSC code of Bank where customer has saving account. If IFSC Code not available, fill branch name (address, district, state)
47	Member	Bank Account - Account Number	A/N	35	Required When present			Fill the saving bank account number of the customer
48	Member	Occupation	A/N	50	Required When present		Occupation	
49	Member	Total Monthly Family Income	N	9	Required			
50	Member	Monthly Family Expenses	N	9	Required			
51	Member	Member's Religion	A/N	3	Required When present	Enumeration: R01 - Hindu R02 - Muslim R03 - Christian R04 - Sikh R05 - Buddhist R06 - Jain R07 - Bahai R08 - Others R09 - Religion not stated		

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
52	Member	Member's Caste	A/N	30	Required When present			
53	Member	Group Leader indicator	A/N	1	Required When present	Enumeration: Y- Yes N- No U- Untagged	Is the customer a group leader	It is recommended that group leader tagging is done for customer, where applicable
54	Member	Center Leader indicator	A/N	1	Required When present	Enumeration: Y- Yes N- No U- Untagged	Is the customer a center leader	It is recommended that centre leader tagging is done for customer, where applicable
55	Member	Dummy	A/N	30	Required When present	Reserved for future use	No input required	
56	Address	Segment Identifier	A/N	6	Required	Must contain the value "ADRCRD" to identify the Address Segment.	Internal tag - no input required from MFI	
57	Address	Member's Permanent Address	A/N	200	Required		Permanent address - as per address proof document	
58	Address	State Code (Permanent Address)	N	2	Required	Must be a code as defined in Appendix A		
59	Address	Pin Code (Permanent Address)	N	10	Required			
60	Address	Member's Current Address	A/N	200	Required		Current address - if not residing in permanent address. If only 1 address is available to provide the same as current address	

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
61	Address	State Code (Current Address)	N	2	Required	Must be a code as defined in Appendix A		
62	Address	Pin Code (Current Address)	N	10	Required			
63	Address	Dummy	A/N	30	Required When present	Reserved for future use	No input required	
64	Account	Segment Identifier	A/N	6	Required	Must contain the value "ACTCRD" to identify the Account Segment.	Internal tag - no input required from MFI	
65	Account	Unique Account Reference number	A/N	35	Required	This field will not change even if the Account number in MFI system changes. This field must be consistent on each submission basis to avoid duplication of information.	Account number of the loan account. In case of a branch split or branch join where the account number changes within the tenor of the loan, the original loan account number should be shown here.	
66	Account	Account Number	A/N	35	Required		Account number of the loan account as is present currently in the MFI system. Will be same as previous field if no	

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
							split or branch combination has happened during the tenor of the loan.	
67	Account	Branch Identifier	A/N	30	Required		This is the unique branch code of the MFI where the loan account is held currently.	
68	Account	Kendra/Centre Identifier	A/N	30	Required		This is the unique centre code of the MFI where the loan account is held currently.	
69	Account	Loan Officer for Originating the loan	A/N	30	Required			
70	Account	Date of Account Information	D (DDMMCCYY)	8	Required		No input required - this will be updated based on the data generation process	
71	Account	Loan Category	A/N	3	Required	Enumeration: T01- JLG Group T02- JLG Individual T03 - Individual T04 - SHG Group T05 - SHG Individual		Loans to be tagged as per enumeration. Value will not change during the tenure of loan. T01 and T05 to be filled if customer level trade-line is not available and only group-level information is available.

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
72	Account	Group Identifier	A/N	20	Required When present	This is a required field if Loan Category is T01 or T02	This is the unique group code of the MFI where the loan account is held currently.	
73	Account	Loan Cycle-id	A/N	30	Required When present			
74	Account	Loan Purpose	A/N	20	Required			
75	Account	Account Status	A/N	3	Required	Enumeration: S01 - Loan Submitted S02 - Loan Approved - Not yet disbursed S03 - Loan Declined S04 - Current S05 - Delinquent S06 - Written Off S07 - Account Closed S15 - Loan Cancellation		
76	Account	Application date	D (DDMMCCYY)	8	Required When present			
77	Account	Sanctioned Date	D (DDMMCCYY)	8	Required When present			
78	Account	Date Opened/Disbursed	D (DDMMCCYY)	8	Required			
79	Account	Date Closed (if closed)	D (DDMMCCYY)	8	Required When present	This is required if account status is S07		
80	Account	Date of last payment	D (DDMMCCYY)	8	Required When present			

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
81	Account	Applied For amount	N	9	Required When present			
82	Account	Loan amount Sanctioned	N	9	Required			
83	Account	Total Amount Disbursed (Rupees)	N	9	Required			
84	Account	Number of Installments	N	3	Required When present			This data point should be treated as original loan tenure in months as per the contract and should be a number. This value will not change during the tenure unless loan is restructured with new tenure. As an example, if tenure of a loan is 12 months and have 24 fortnightly instalments, this field to be filled as 12.
85	Account	Repayment Frequency	A/N	3	Required When present	Enumeration: F01- Weekly F02 - Biweekly F03 - Monthly F04- Bimonthly F05- Quarterly F06- Semi annually F07- Annually F08-Single Payment Loan (bullet / balloon) F10-Other		This is the frequency when loan instalment becomes due. This value will not change during the tenure unless loan is restructured. This has to be tagged as per enumeration given.

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
86	Account	Minimum Amt Due/Instalment Amount	N	9	Required			This is the instalment amount required be paid as per the repayment frequency. This value will not change during the tenure unless loan is restructured. Many lenders have different instalment amount for the first/last instalment. If this is the case, then fill the typical instalment which customer pays. This field to be populated as per below. - If repayment is scheduled weekly, please fill weekly instalment amount- If repayment is scheduled fortnightly, please fill fortnightly instalment amount - If repayment is scheduled fortnightly, please fill fortnightly instalment amount
87	Account	Current Balance (Rupees)	N	9	Required			
88	Account	Amount Overdue (Rupees)	N	9	Required			
89	Account	DPD (Days past due)	A/N	3	Required When present	Enumeration: 000 = 0 payments past due (current account) with Positive Balance 001 to 999 = Number days past due. If an account is above 999 days, mark as 999 XXX = No payment history		

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
						available for this month		
90	Account	Write Off Amount (Rupees)	N	9	Required When present			
91	Account	Date Write-Off (if written-off)	D (DDMMCCYY)	8	Required When present			
92	Account	Write-off reason (if written off)	A/N	20	Required When present	Enumeration: X01- First Payment Default X02- Death X03- Willful Default Status X04- Suit Filed, Willful Default Status X09- Untagged X10 - Not Applicable		
93	Account	No. of meetings held	N	3	Required When present		Number of centre meetings held since the loan disbursement	
94	Account	No. of meetings missed	N	3	Required When present		Number of centre meetings out of the above which the customer has not attended	

Field No	Segment	Field Name	Character Type	Length	Required/Required When present	Comments	Field Description and Validations	Clarification/recommendation
95	Account	Insurance Indicator	A/N	1	Required When present	Enumeration: Y- Yes N- No		
96	Account	Type of Insurance	A/N	3	Required When present	Enumeration: L01 - Life Insurance L02 - Credit Insurance L03 - Health/Medical Insurance L04 - Property Insurance L05 - Liability Insurance L10 - Other		
97	Account	Sum Assured/Coverage	N	10	Required When present			
98	Account	Agreed meeting day of the week	A/N	3	Required When present	Enumeration: MON - Monday TUE - Tuesday WED - Wednesday THU - Thursday FRI - Friday SAT - Saturday SUN - Sunday		
99	Account	Agreed Meeting time of the day	A/N	5	Required When present	should be in HH:MM format		
100	Account	Dummy	A/N	30	Required When present	Reserved for future use	No input required	

Note: Required when present means that field is optional but must be if data is available.

For any suggestion/clarification/query, please contact us at sro@mfinindia.org