

# THAR COMMERCIAL FINANCE PVT. LTD.

## RISK MANAGEMENT POLICY

Comprehensive Policy Framework as per RBI Guidelines

Document Details	Information
Policy Title	Risk Management Policy
Applicable Entity	Thar Commercial Finance Pvt. Ltd. (TCFPL)
Registration	Registered NBFC — Non-Banking Financial Company
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Prepared By	CFO & Risk Management Head
Reviewed By	Board of Directors

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# 1. Preamble and Regulatory Framework

## 1.1 Introduction

Thar Commercial Finance Pvt. Ltd. (hereinafter referred to as 'TCFPL' or 'the Company') is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI). The Company offers a diversified portfolio of financial products including Insurance Claims Finance, Patient Finance, Health Insurance Premium Finance, Business Loans, Personal Loans, and Real Estate Construction Finance.

This Risk Management Policy (hereinafter 'the Policy') has been formulated in compliance with the RBI's regulatory framework for NBFCs, including the Master Direction — Non-Banking Financial Company — Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended), the Scale-Based Regulation Framework (SBR) effective October 2022, and all applicable circulars, notifications, and guidelines issued and amended by the RBI from time to time.

## 1.2 Regulatory Basis

This Policy is framed in accordance with the following key regulatory instruments:

- RBI Master Direction — NBFC (Scale Based Regulation), 2023
- RBI Circular on Guidelines on Corporate Governance for NBFCs
- RBI Guidelines on Liquidity Risk Management Framework for NBFCs
- RBI Circular on Internal Capital Adequacy Assessment Process (ICAAP) for NBFCs
- RBI Guidelines on KYC/AML — Master Direction on KYC, 2016 (as amended)
- RBI Fair Practices Code for NBFCs
- RBI Circular on Outsourcing of Financial Services — Conditions under which NBFCs may outsource activities
- SEBI Regulations (where applicable for listed entities or public issuances)
- Prevention of Money Laundering Act, 2002 (PMLA) and Rules thereunder
- Companies Act, 2013 — Risk Management Committee requirements

## 1.3 Objectives of the Policy

The primary objectives of this Risk Management Policy are to:

1. Establish a robust risk governance framework aligned with RBI's Scale-Based Regulation for NBFCs.
2. Identify, assess, measure, monitor, and mitigate all material risks arising from TCFPL's business activities and product lines.
3. Ensure adequate capital adequacy and maintain Capital to Risk-weighted Assets Ratio (CRAR) above prescribed regulatory minimums at all times.
4. Protect the interests of borrowers, lenders, investors, and other stakeholders through sound risk management practices.
5. Foster a risk-aware culture throughout the organization — from the Board of Directors to front-line operations.
6. Ensure business continuity, operational resilience, and reputational integrity of the Company.

7. Comply with all applicable RBI guidelines on Know Your Customer (KYC), Anti-Money Laundering (AML), and Fair Practices Code.

## 2. Risk Governance Structure

### 2.1 Board of Directors

The Board of Directors of TCFPL bears ultimate responsibility for the oversight of risk management. The Board's responsibilities include:

- Approving the overall Risk Appetite Statement (RAS) and key risk limits.
- Reviewing and approving this Risk Management Policy at least annually.
- Overseeing the effectiveness of the risk management framework.
- Ensuring adequate capital allocation commensurate with the Company's risk profile.
- Reviewing stress testing results and contingency plans.
- Ensuring compliance with RBI guidelines on corporate governance for NBFCs.

#### Board Composition as of FY 2026:

Name	Designation	Expertise
Mr. Vivek Thar	Director	Corporate Structuring, Wealth Management, Finance & Investment
Mr. Chintan Shah	Director	Risk Management, Insurance, Asset Management, Organizational Development
Mr. Yssatin Mankad	Independent Director	Banking (36 years — Retd. DGM IDBI Bank), Corporate Governance

### 2.2 Risk Management Committee (RMC)

As per RBI guidelines, TCFPL constitutes a Risk Management Committee responsible for:

- Formulating and implementing the Risk Management Policy.
- Reviewing risk reports and dashboards on at least a quarterly basis.
- Recommending risk appetite, risk limits, and early warning thresholds to the Board.
- Overseeing Credit Risk, Market Risk, Liquidity Risk, Operational Risk, and Compliance Risk.
- Reviewing the adequacy of risk mitigation strategies and insurance cover.

### 2.3 Asset-Liability Management Committee (ALCO)

TCFPL's ALCO is responsible for managing balance sheet risks and ensuring the Company's liquidity and interest rate risk are managed within approved limits. ALCO meets at least quarterly and reports to the Board.

### 2.4 Internal Audit & Compliance

An independent Internal Audit function reviews the effectiveness of risk controls and compliance adherence. The Compliance Officer ensures adherence to all applicable RBI regulations, KYC/AML norms, and Fair Practices Code requirements.

## 2.5 Three Lines of Defence Model

Line of Defence	Responsibility	Function at TCFPL
First Line	Business Units & Operations	Origination, underwriting, disbursement, collections — responsible for day-to-day risk ownership
Second Line	Risk Management & Compliance	CFO / Risk Head, Compliance Officer — policy setting, monitoring, oversight, reporting
Third Line	Internal Audit	Independent review of risk framework effectiveness and regulatory compliance

## 3. Risk Appetite Statement

TCFPL adopts a moderate risk appetite consistent with its mandate of serving Middle-Class India with responsible and inclusive financial products. The Company's risk appetite is governed by the following quantitative and qualitative thresholds:

### 3.1 Quantitative Risk Appetite Limits

Risk Metric	Regulatory Minimum / Threshold	TCFPL Internal Limit	Current FY25 Position
Capital Adequacy Ratio (CRAR)	RBI Minimum: 15% (Tier I: 10%)	Minimum 20%	45.4%
Gross NPA (%)	As per Prudential Norms	< 2%	0.2%
Net NPA (%)	As per Prudential Norms	< 1%	0.1%
Debt-to-Equity (D/E) Ratio	RBI Leverage Norms for NBFC	< 5 times	3.79x
Concentration — Single Borrower	RBI Exposure Norms	< 25% of Net Owned Fund	Monitored Quarterly
Concentration — Single Sector	RBI Sectoral Norms	< 40% of AUM	Monitored Quarterly
Liquidity Coverage Ratio	RBI LCR Guidelines for NBFCs	> 100%	Maintained
Collection Efficiency	Company Benchmark	> 95%	97% (FY25)
NIM (%)	Internal Profitability Target	> 3%	3.34% (FY25)

### 3.2 Qualitative Risk Appetite Principles

- TCFPL shall not engage in speculative lending or invest in high-risk structured products.
- Lending shall be predominantly to identified customer segments: hospitals, patients, MSME businesses, salaried individuals, and real estate developers — with clear credit policies for each segment.
- TCFPL shall maintain zero tolerance for fraud, money laundering, and regulatory non-compliance.
- All related-party transactions shall be conducted at arm's length and reported to the Board as per RBI guidelines.

## 4. Credit Risk Management

Credit risk is the risk of financial loss arising from a borrower's failure to meet their obligations. Given that TCFPL's primary business is lending, credit risk is the most significant risk the Company faces. TCFPL's loan portfolio spans multiple product lines, each requiring a tailored credit risk framework.

### 4.1 Credit Risk Policy by Product Line

#### 4.1.1 Insurance Claims Finance (Hospital Working Capital)

##### Product Description

Collateral-free, short-tenor loans to hospitals to bridge the 45–60-day delay in insurance claim settlements. Loan is repaid when the insurance company settles the claim or on the product tenor's last day.

##### Credit Assessment Parameters:

- Hospital Eligibility: Minimum 50 beds, Tier II cities and above, minimum 3 years of operations.
- Insurance Company Credit: Only empanelled and rated insurance companies (general and health insurers regulated by IRDAI) to be accepted as claim counterparties.
- Invoice Verification: 100% verification of insurance claim invoices before disbursement.
- Claim Validity: Only valid, submitted, and acknowledged insurance claims to be financed — minimum 80% probability of settlement based on claims history.
- Hospital Financial Health: Review of at least 2 years of hospital financials, including occupancy rates, revenue trends, and existing banking relationships.
- Concentration Limit: Maximum 30% of Insurance Claims Finance portfolio to any single insurer.
- Maximum Loan per Hospital: As per approved credit limit — reviewed annually.
- Tenor: Maximum 60 / 90 days per invoice cycle.

#### 4.1.2 Patient Finance

##### Product Description

Loan provided to patients for hospitalization- TCFPL pays hospital directly. Repayment comes from insurance reimbursement or patient EMIs.

Operated through TPA/aggregator channel partners

##### Credit Assessment Parameters:

- CIBIL Score: Minimum 700 for loan approval; Tele-verification call mandatory.
- KYC: Complete CKYC compliance as per RBI Master Direction on KYC.
- Maximum Loan Amount: Aligned to actual hospital bill, Max up to 5 Lakhs, average ticket size Rs. 1 Lakh.
- Repayment Security: E-NACH registration mandatory before disbursement.
- Insurance Policy Verification: Valid health insurance policy with recognized insurer mandatory.
- TPA Tie-Up: Only through empanelled TPA partners.
- Tenor: Maximum 2 to 6 months.
- Fraud Prevention: Cross-verification of patient identity, hospital admission records, and insurance policy.

### 4.1.3 Health Insurance Premium Finance

#### Product Description

TCFPL finances 50–85% of health insurance premium; customer pays 15–50% as down payment. Repayment via EMIs (3/6/9/12/18/24 months); security through policy cancellation agreement.

#### Credit Assessment Parameters:

- Loan Coverage: Maximum 85% of annual premium; minimum down payment 15%.
- E-NACH Registration: Mandatory before disbursement; triggered on 5th working day of each month.
- Security: Policy cancellation agreement with insurer — refund triggered on default as per insurer's cancellation grid.
- Insurance Company: Only IRDAI-regulated insurers with valid empanelment.
- Maximum Tenor: 24 months (aligned to policy years).
- Delinquency Monitoring: Early warning trigger if 2 consecutive EMIs missed.

### 4.1.4 Business Loans (MSME)

#### Product Description

General Purpose Business Loan via drop-line overdraft facility for manufacturing, services, self-employment, professional services, and wholesale/retail trade.

Ticket Size: Rs. 10 Lakhs to Rs. 1 Crores.

#### Credit Assessment Parameters:

- Business Vintage: Minimum 3 years of business operations.
- Financial Analysis: Audited financials for 2 years; GST returns; bank statements for 12 months.
- CIBIL / Bureau Score: Minimum 700+ for unsecured business loans.
- Loan Quantum: Based on average monthly bank balance over previous 12 months (typically 2–3x average monthly balance).
- End-Use Verification: Loans for current assets or fixed asset build-up only — post-disbursement utilization check.
- Repayment: Up to 36 months; drop-line overdraft reduces limit by fixed amount monthly.
- Concentration: No single MSME sector to exceed 25% of Business Loan portfolio.

### 4.1.5 Personal Loans

#### Product Description

Unsecured personal loans for salaried individuals for medical emergencies, education, household purchases, travel, wedding, home improvement.

Average ticket size: Rs. 5 Lakhs – Rs. 50 Lakhs

#### Credit Assessment Parameters:

- Target Segment: Salaried individuals with stable employment (minimum 2 years continuous service).
- CIBIL Score: Minimum 700+; no adverse credit history in last 3 years.
- Income Assessment: Net monthly income must support EMI with FOIR (Fixed Obligations to Income Ratio) not exceeding 50%.
- KYC: Complete CKYC; employer verification; salary slip verification.

- E-NACH: Mandatory registration before disbursement.
- Tenor: Maximum 12 - 30 months.
- No Pre-payment Penalty: As per RBI Fair Practices Code.

#### 4.1.6 Real Estate Loans (Construction Finance)

##### Product Description

Secured loans for builders, developers, and construction firms for project funding, construction progress finance, land acquisition.

##### Credit Assessment Parameters:

- Borrower Profile: Registered developers/builders with minimum 5 years of experience; minimum 3 successful project completions with constructed area of 3-5 lakhs Sq. Ft.
- Legal Due Diligence: Title search, encumbrance certificate, approved building plan, RERA registration mandatory.
- Security: Registered mortgage of project property; minimum LTV 65% (loan to project cost).
- Construction Progress Finance: Disbursements linked to construction milestones — verified by empanelled engineers.
- Tenor: Maximum 36-60 months.
- ROI: 15–18% per annum as per product pricing policy.

#### 4.1.7 Loan Against Property (LAP)

- Security: Registered mortgage of residential/commercial property; LTV maximum 60%.
- CIBIL: Minimum 700.
- Valuation: Independent TCFPL-empanelled valuer; valuation report not older than 6 months.
- Insurance: Property insurance mandatory — TCFPL to be named as mortgagee.
- Tenor: Maximum 48 months.

## 4.2 Credit Appraisal Process

All credit decisions at TCFPL follow a standardized Credit Appraisal Process (CAP):

1. Lead generation and sourcing (aggregator / branch / digital channel)
2. CKYC completion and document collection
3. Bureau check (CIBIL / Experian / CRIF) and credit scoring
4. Financial analysis and credit memo preparation
5. Credit committee review and approval (as per delegation of authority matrix)
6. Legal and technical due diligence (for secured loans)
7. Loan agreement execution, E-Nach / PDC collection
8. Disbursement after compliance checklist sign-off
9. Post-disbursement monitoring and periodic review

## 4.3 Delegation of Authority (Credit Approval Matrix)

Loan Ticket Size	Approving Authority
Up to Rs. 10 Lakhs	Credit Officer
Rs. 10 Lakhs – Rs. 1 Crore	CFO / Risk Management Head

Loan Ticket Size	Approving Authority
Rs. 1 Crore – Rs. 5 Crore	Credit Committee
Above Rs. 5 Crore	Board Credit Committee

## 4.4 NPA Classification and Provisioning

TCFPL follows RBI's IRACP (Income Recognition, Asset Classification and Provisioning) norms for NBFCs:

Asset Classification	Days Past Due (DPD)	Provisioning Requirement
Standard Assets	0–89 DPD	0.25% of outstanding (as per RBI Scale-Based Regulation)
Sub-Standard Assets	90–179 DPD	10% of outstanding (unsecured); 10% (secured)
Doubtful Assets (D1)	180–269 DPD	20% of outstanding
Doubtful Assets (D2)	270–359 DPD	30% of outstanding
Doubtful Assets (D3)	360+ DPD (up to 3 yrs)	60% of outstanding
Loss Assets	Deemed non-recoverable	100% provisioning

## 5. Market Risk Management

### 5.1 Interest Rate Risk

TCFPL is exposed to interest rate risk primarily through the mismatch between fixed-rate lending and the cost of borrowings. The Company's borrowing partnerships include SBI, ICICI Bank, and NCDs.

- Benchmark: Average cost of borrowings maintained at 12%.
- NIM Target: Net Interest Margin (NIM) to be maintained above 3.00%.
- Re-pricing Risk: All new loans and borrowings to be reviewed for re-pricing risk at least quarterly by ALCO.
- Interest Rate Sensitivity Analysis: ALCO to conduct interest rate sensitivity analysis (parallel shift of +/- 100 bps and +/- 200 bps) at least semi-annually.
- Fixed vs. Floating: TCFPL to maintain a balanced mix of fixed and floating rate assets and liabilities to minimize earnings volatility.

### 5.2 Concentration Risk

Given TCFPL's product diversification across healthcare, MSME, personal finance, and real estate, concentration risk is managed as follows:

Concentration Parameter	Limit
Single borrower / group exposure	Not to exceed 25% of Net Owned Fund (NOF)
Real Estate portfolio (highest single product)	Not to exceed 40% of Total AUM
Unsecured lending portfolio	Not to exceed 50% of Total AUM
Single insurance company (Claims Finance)	Not to exceed 30% of Insurance Claims portfolio
Single TPA partner (Patient Finance)	Not to exceed 40% of Patient Finance portfolio

## 6. Liquidity Risk Management

In compliance with RBI's Guidelines on Liquidity Risk Management Framework for NBFCs (Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20), TCFPL maintains a robust Liquidity Risk Management framework.

### 6.1 Key Liquidity Risk Principles

- TCFPL shall maintain a positive cumulative gap position across all time buckets up to 1 year under normal conditions.
- A Contingency Funding Plan (CFP) shall be maintained and reviewed at least annually.
- TCFPL shall maintain a minimum liquidity buffer to cover at least 30 days of net cash outflows.
- ALCO shall review the liquidity position Quarterly and report to the Board quarterly.

### 6.2 Asset-Liability Maturity Gap Monitoring

Time Bucket	Acceptable Gap Policy	Trigger for Review
1–7 days	Cumulative outflows should not exceed inflows by more than 10% of total outflows	If gap exceeds 10%
8–14 days	Cumulative negative gap not to exceed 15% of total outflows	If gap exceeds 15%
15–30 days	Cumulative negative gap not to exceed 20% of total outflows	If gap exceeds 20%
31 days – 3 months	Monitored monthly; significant structural gap escalated to Board	If gap > Rs. 20 Cr
3 months – 1 year	Reviewed quarterly by ALCO	Significant deviation from plan

### 6.3 Funding Diversification

- TCFPL shall maintain borrowing relationships with at least 2 banks at all times
- No single lender to account for more than 50% of total borrowings.
- The Company shall explore NCD / Market borrowings as the portfolio scales to reduce lender concentration.

## 7. Operational Risk Management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. Given TCFPL's digital lending ambitions and diverse channel partner ecosystem, operational risk management is critical.

### 7.1 Key Operational Risks and Controls

Risk Category	Specific Risk	Key Controls
Technology Risk	System downtime, data breach, cyber attacks	Firewall, data encryption, regular DR drills, access controls, vendor SLAs
Fraud Risk	Misrepresentation by borrowers, identity fraud, inflated invoices	100% CKYC verification, document triangulation, bureau checks, tele-verification

Risk Category	Specific Risk	Key Controls
Channel Partner Risk	TPA/aggregator mis-selling, data privacy breach	Formal agreements, regular audits, performance monitoring, data sharing agreements with NDAs
Outsourcing Risk	Third-party service provider failure	Vendor due diligence, BCP at vendor level, critical functions not outsourced
HR Risk	Key person dependency, attrition, misconduct	Succession planning, dual control for critical functions, staff training, whistleblower policy
Legal / Documentation Risk	Invalid security, defective title, documentation errors	Standard loan agreement templates, legal review for secured loans, document storage SOP
Process Risk	Disbursement to wrong account, duplicate disbursement	Maker-checker controls, daily reconciliation

## 7.2 Cybersecurity and IT Risk

As TCFPL evolves its digital lending capabilities, IT and cybersecurity risk management will be critical:

- Compliance with RBI Circular on Cyber Security Framework in NBFCs.
- Regular vulnerability assessments and penetration testing (at least annually).
- Incident response plan for cybersecurity breaches — CISO (or equivalent) to report to Board within 24 hours of significant breach.
- All customer data stored in India as per RBI data localization requirements.

## 8. Compliance Risk and Regulatory Framework

### 8.1 KYC / AML Compliance

TCFPL strictly adheres to RBI's Master Direction on Know Your Customer (KYC) Direction, 2016 (updated periodically). The Company's KYC/AML framework includes:

- CKYC (Central KYC) for all individual borrowers — mandatory before onboarding.
- Customer Due Diligence (CDD) — Basic CDD for all borrowers; Enhanced Due Diligence (EDD) for high-risk customers and large ticket loans (> Rs. 50 Lakhs).
- Ongoing Transaction Monitoring: Automated alerts for unusual transaction patterns.
- Suspicious Transaction Reporting (STR): Submission to FIU-IND within prescribed timelines.
- Cash Transaction Reports (CTR): All cash transactions above Rs. 10 Lakhs to be reported to FIU-IND.
- Record Retention: All KYC and transaction records to be maintained for minimum 5 years after account closure.

### 8.2 Fair Practices Code (FPC)

In compliance with RBI's Fair Practices Code for NBFCs, TCFPL commits to:

- Transparent disclosure of all loan terms, fees, and charges at the time of application.
- No coercive recovery practices — collections to follow RBI's guidelines on recovery agents.
- Grievance Redressal Mechanism: Designated Nodal Officer; Board-approved Grievance Redressal Policy; response within 30 days.
- Prepayment: No penalty on foreclosure for floating rate loans or individual borrowers (as per RBI guidelines).
- Cooling-Off Period: As per applicable product guidelines.

## 8.3 RBI Reporting Obligations

Report / Return	Frequency	Regulatory Basis
NBS-1 (Income & Expenditure)	Quarterly	RBI NBFC Returns
NBS-2 (Capital Adequacy)	Quarterly	RBI NBFC Directions
CRILC Reporting (Credit Info)	Fortnightly	RBI CRILC Circular
KYC / AML Returns (CTR / STR)	As applicable	PMLA / FIU-IND
Board Review of Compliance	Quarterly	RBI Governance Guidelines
Statutory Auditor Certificate (Prudential Norms)	Annually	RBI NBFC Directions

## 9. Outsourcing and Channel Partner Risk

In compliance with RBI's Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, TCFPL manages outsourcing and channel partner risk as follows:

### 9.1 Channel Partner Governance

TCFPL works with channel partners / aggregators including We Assist, Digi Sparsh, Ayu Health for Patient Finance and Health Insurance Premium Finance. The following governance framework applies:

- Formal Written Agreement: All channel partners to have a signed agreement covering scope, liability, data sharing, compliance obligations, and termination clauses.
- Due Diligence: Annual due diligence of all channel partners — financial health, compliance record, customer complaint data.
- Data Privacy: Channel partners to comply with applicable data protection laws; customer data not to be shared beyond defined scope.
- Liability: Channel partners to indemnify TCFPL for losses arising from partner mis-selling or fraud.
- Regulatory Responsibility: TCFPL remains fully responsible to RBI for the activities of its channel partners / outsourced service providers.

### 9.2 Core Activities Not to be Outsourced

- Credit underwriting and final credit approval decisions.
- Compliance and KYC/AML oversight.
- Customer grievance redressal (final decision).
- Internal audit function.
- Risk management policy formulation and monitoring.

## 10. Stress Testing Framework

TCFPL conducts stress testing at least semi-annually to assess the resilience of its balance sheet and capital adequacy under adverse scenarios. Stress tests are conducted across the following scenarios:

Stress Scenario	Key Assumption	Metric Tested
Moderate Credit Stress	NPA doubles to 0.4%; credit costs increase 50%	CRAR, PAT impact
Severe Credit Stress	NPA triples to 0.6%; credit costs increase 100%	CRAR, Net Worth erosion
Extreme Credit Stress	NPA rises to 2.0% (sector-wide stress)	Capital adequacy, CRAR breach risk
Interest Rate Shock (+200 bps)	All borrowing costs rise by 200 bps	NIM compression, PAT impact
Liquidity Stress	Major lender withdraws 30% of credit lines	Liquidity gap, contingency funding needs
Real Estate Sector Stress	Real estate AUM value declines 30%	Collateral coverage, provisioning needs
Concentration Shock	Single largest borrower group defaults	NPA impact, CRAR
Pandemic / External Shock	Collection efficiency drops to 85%	Cash flow, provisioning, capital needs

Stress test results shall be presented to the Board at least once annually. If stress tests indicate CRAR falling below 20%, a capital restoration plan shall be immediately activated.

## 11. Grievance Redressal and Customer Protection

In compliance with RBI's Integrated Ombudsman Scheme and Fair Practices Code, TCFPL maintains a Board-approved Grievance Redressal Policy:

- Designated Nodal Officer: Identified and contact details published on TCFPL website ([www.tcfpl.co.in](http://www.tcfpl.co.in)).
- Response Timeline: Acknowledgement within 5 working days; resolution within 30 calendar days.
- Escalation: Unresolved complaints escalated to RBI Ombudsman after 30 days per RBI Integrated Ombudsman Scheme.
- Board Reporting: Quarterly report of customer complaints, resolution status, and corrective actions to Board.
- Complaint Register: Maintained digitally with full audit trail.
- No Retaliation: TCFPL shall not disadvantage any customer for raising a genuine complaint.

## 12. Policy Review, Exceptions, and Amendments

### 12.1 Policy Review

- This Risk Management Policy shall be reviewed by the Board at least annually.
- Mid-year review may be triggered by material changes in regulatory guidelines, business model, or significant risk events.
- The CFO & Risk Management Head is responsible for initiating the review and presenting recommendations to the Board.

## 12.2 Policy Exceptions

- Any deviation from this Policy requires prior approval from the CFO & Risk Management Head (for minor deviations) or the Board (for significant deviations).
- All exceptions to be documented with rationale, approving authority, and time period; reviewed by Internal Audit.
- Repeat exceptions for the same parameter to be escalated to the Board.

## 12.3 Amendments

- Amendments to this Policy require Board approval.
- All amendments to be circulated to relevant staff and training provided where necessary.
- Version history to be maintained; previous versions archived for minimum 7 years.