

THAR COMMERCIAL FINANCE PVT. LTD.

SOURCING POLICY

Comprehensive Policy Framework as per RBI Guidelines

Document Details	Information
Policy Title	Sourcing Policy
Applicable Entity	Thar Commercial Finance Pvt. Ltd. (TCFPL)
Registration	Registered NBFC — Non-Banking Financial Company
Regulatory Framework	RBI Master Directions for NBFCs, 2023 & Applicable Circulars
Policy Version	Version 1.0 — FY 2026
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Prepared By	CFO & Risk Management Head — Nirav Vora
Reviewed By	Board of Directors

CLASSIFICATION: CONFIDENTIAL — FOR INTERNAL USE ONLY

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1. Preamble and Applicability

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 Sourcing Policy ('Policy') has been formulated in compliance with the applicable RBI Master Directions, circulars, and guidelines governing NBFCs, including but not limited to the RBI Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended), and the RBI Guidelines on Fair Practices Code, Digital Lending Guidelines 2022, and Guidelines on Outsourcing of Financial Services.

This Policy governs all sourcing, customer acquisition, and distribution channel management activities undertaken by TCFPL in relation to its two core product lines:

- Health Insurance Premium Financing (Personal Loan for Insurance Premium)
- Hospital Finance (Short-Term Bridge Finance for Hospitalization)
- Personal Loan
- Business Loan
- Real Estate Project Loan
- Working Capital Loan
- Solar Loan

1.1 Objectives of this Policy

- To establish a standardised and compliant framework for customer acquisition and channel partner management.
- To ensure all sourcing activities are conducted in a transparent, ethical, and customer-centric manner.
- To define permissible channels, eligibility criteria, due diligence standards, and compliance obligations for all sourcing partners.
- To align TCFPL's sourcing practices with the RBI's supervisory expectations for responsible lending.
- To protect the interests of borrowers and uphold the principles of fair lending and non-discrimination.

1.2 Applicability

This Policy applies to:

- All employees of TCFPL involved in business development, sales, channel management, and credit functions.
- All Direct Selling Agents (DSAs), Direct Marketing Agents (DMAs), and other channel partners engaged by TCFPL.
- All outsourced service providers engaged in lead generation, customer onboarding, or digital origination.
- All technology platforms, insurance aggregators, and hospital partners leveraged for customer acquisition.

2. Regulatory Framework

TCFPL's sourcing operations are governed by the following key regulatory instruments:

Regulatory Instrument	Relevance to Sourcing
RBI Master Direction for NBFCs, 2016 (as amended)	Governs overall NBFC operations, Fair Practices Code, KYC/AML obligations

Regulatory Instrument	Relevance to Sourcing
RBI Guidelines on Digital Lending (2022)	Mandates disclosure norms, KYC, data privacy, direct disbursement, and LSP regulation
RBI Guidelines on Outsourcing of Financial Services	Governs engagement of third-party channel partners and DSAs
RBI Fair Practices Code for NBFCs	Ensures transparent, ethical, and non-coercive customer acquisition practices
Prevention of Money Laundering Act, 2002 (PMLA)	KYC, AML, and CFT obligations at point of sourcing
Information Technology Act, 2000 & DPDP Act, 2023	Data privacy and digital consent obligations in digital sourcing channels

3. Products Covered Under this Policy

3.1 Health Insurance Premium Financing

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.

3.2 Hospital 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

3.3 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.

3.4 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.

3.5 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

3.6 Real Estate Loans (Construction Finance)

Product Description

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

4. Permissible Sourcing Channels

TCFPL shall source business only through channels that meet the eligibility, due diligence, and compliance criteria stipulated under this Policy and applicable RBI guidelines. The following sourcing channels are permissible:

4.1 Direct Digital Channels

- Company-owned website and mobile application (TCFPL's proprietary digital platform).
- API-based integrations with insurance aggregators and hospital management systems.
- Digital lead funnels including performance marketing, SEO/SEM, and referral links.

Note: All digital channels must comply with RBI Digital Lending Guidelines (2022), including mandatory disclosure of TCFPL as the regulated entity, KFS display, and prohibition on third-party data collection without explicit customer consent.

4.2 Hospital Network Partners (Hospital Finance Product)

- Empanelled hospitals who refer insured patients for hospitalization bridge financing.
- Only hospitals formally onboarded through TCFPL's empanelment process and executing a Hospital Partnership Agreement shall be treated as permissible sourcing partners.
- Hospitals are not authorized to make any lending decisions or provide any credit-related representations to patients on behalf of TCFPL.

4.3 Direct Selling Agents (DSAs) and Direct Marketing Agents (DMAs)

- Individuals or entities engaged as DSAs/DMAs through a formal engagement agreement.
- All DSAs/DMAs must be duly verified, trained, and registered in TCFPL's internal channel partner register.
- DSAs/DMAs shall be permitted only to source and refer leads; credit decisioning shall remain solely with TCFPL.

4.4 Co-Lending and Co-Origination Arrangements

- TCFPL may enter into co-lending or co-origination arrangements with scheduled commercial banks or other regulated entities, subject to RBI's Co-Lending Model guidelines.
- All such arrangements shall require Board approval and separate policy documentation.

5. Channel Partner Eligibility and Onboarding

5.1 Eligibility Criteria for Channel Partners

All channel partners (DSAs, aggregators, hospitals, LSPs) must satisfy the following minimum eligibility criteria before onboarding:

Criterion	Requirement
Legal Constitution	Registered entity (Private Limited, LLP, Proprietorship, or individual as applicable)

Criterion	Requirement
Regulatory Licenses	Hospital registration (for hospital partners) and other as applicable
KYC of Entity	PAN, GST registration, Certificate of Incorporation / Partnership Deed
KYC of Key Persons	PAN and Aadhaar of authorized signatories / directors / proprietors
Background Check	No adverse regulatory action, criminal conviction, or financial fraud history
CIBIL / Credit Check	Satisfactory credit profile of the entity and key persons
Anti-Money Laundering	Compliance with PMLA and RBI KYC norms; no adverse SFT or STR filings
Data Privacy Compliance	Execution of Data Processing Agreement aligned to DPDP Act, 2023
Training and Certification	Completion of TCFPL's mandatory product and compliance training

5.2 Onboarding Process

- Submission of complete documentation as per TCFPL's KYC/KYB (Know Your Business) checklist.
- Physical or video-based verification of the partner entity.
- Execution of Channel Partner Agreement / DSA Agreement / Hospital Partnership Agreement, as applicable.
- Completion of TCFPL's onboarding training and assessment.
- Periodic refresher training and re-verification at intervals of not less than 12 months.

5.3 Prohibited Channel Partners

TCFPL shall not engage any of the following as sourcing partners:

- Entities or individuals on RBI's Caution List, CIBIL defaulter list, or government debarment lists.
- Entities associated with criminal, fraudulent, or anti-social activities.
- Hospitals not registered with relevant authorities.
- Entities against whom there is an adverse PMLA or enforcement action.
- Any entity that engages in predatory, coercive, or misleading practices with customers.

6. Customer Eligibility and Target Segment

6.1 Eligible Customer Profile (for personal Loan, Business Loan, MSME Loan)

Parameter	Criteria
Age	18 to 65 years
Residency	Indian Resident (KYC-compliant)
Income	Salaried or self-employed with verifiable income source
Credit Bureau Score	Minimum CIBIL / Experian score of 700 or Equivalent CMR
KYC Compliance	Valid Aadhaar, PAN, CKYC; Video KYC / digital KYC where applicable

Parameter	Criteria
Negative List	Not on fraud list, CIBIL caution list, or Political Influence Person

6.2 Hospital Finance – Eligible Borrower Profile

Parameter	Criteria
Insurance Status	Must hold a valid and active health insurance policy
Policy Type	Group / Corporate / Individual health policy (preference: corporate policies)
Sum Insured	Must be adequate relative to the financing exposure
Claim Eligibility	Preliminary assessment of claim admissibility must be favourable
Credit Bureau Score	Satisfactory CIBIL / credit bureau profile
KYC Compliance	Valid Aadhaar, PAN; digital KYC compliant
Employment	Employed / insured under corporate group policy preferred
e-NACH Consent	Mandatory execution of e-NACH / NACH auto-debit mandate

6.3 Non-Eligible / Excluded Segments

- Customers with CIBIL score below 700 or adverse bureau flags.
- Customers with active wilful default or write-off on credit bureau records.
- Customers on TCFPL's internal negative list or industry-wide fraud registry.
- Customers who are minors (below 18 years of age).
- Non-residents (NRIs may be considered on a case-to-case basis with specific KYC compliance).

7. Sourcing Process and Customer Onboarding

7.1 Health Insurance Premium Financing – Sourcing Workflow

The sourcing process for Health Insurance Premium Financing shall follow the steps outlined below:

Step	Activity	Responsible Party
1	Lead Generation – via digital platform, aggregator, or DSA	Channel Partner / TCFPL Digital Team
2	Initial Customer Communication – product features, pricing, KFS disclosure	TCFPL / Channel Partner (scripted)
3	Customer Consent – explicit digital consent for data collection and credit pull	Customer (Digital Consent)
4	KYC Collection – Aadhaar, PAN, CKYC; Video / Digital KYC	TCFPL Operations / Tech Platform
5	Credit Bureau Check – CIBIL / Experian / Equifax pull	TCFPL Underwriting System
6	Underwriting & Credit Decision – rule-based or manual	TCFPL Credit Team
7	Sanction Communication – Sanction Letter, KFS, Loan Agreement	TCFPL Operations

Step	Activity	Responsible Party
8	Down Payment Receipt – customer pays 10%-20% to TCFPL	TCFPL Collections / Treasury
9	Disbursement – full premium paid directly to insurance company	TCFPL Treasury (end-use controlled)
10	Policy Issuance + Lien Creation – policy issued in customer name, lien marked	Insurance Company / TCFPL
11	e-NACH / NACH Registration – auto-debit mandate for EMIs	TCFPL Collections

7.2 Hospital Finance – Sourcing Workflow

Step	Activity	Responsible Party
1	Case Origination – patient admitted; hospital / aggregator refers case to TCFPL	Empanelled Hospital / Aggregator
2	Insurance Validation – verify policy validity, sum insured, claim eligibility	TPA Underwriting Team
3	Customer Consent – explicit digital consent for data collection and credit pull	TCFPL Operations
4	KYC of Patient-Borrower – Aadhaar, PAN, digital KYC	TCFPL Operations
5	Credit Bureau Check – CIBIL / bureau assessment	TCFPL Underwriting System
6	Credit Approval – based on insurance adequacy, credit profile, employment	TCFPL Credit Team
7	Loan Documentation – Loan Agreement, e-NACH mandate, disclosure forms	TCFPL Operations
8	Disbursement – funds disbursed directly to hospital (100% end-use controlled)	TCFPL Treasury
9	Claim Monitoring – track insurance claim status proactively	TCFPL Portfolio Team
10	Repayment – bullet repayment via e-NACH upon claim settlement	TCFPL Collections

8. Disclosure, Transparency, and Fair Practices

8.1 Key Fact Statement (KFS)

In compliance with RBI's Digital Lending Guidelines (2022), TCFPL shall provide every prospective borrower a Key Fact Statement (KFS) prior to execution of the loan agreement. The KFS shall be in plain language (English) and shall include:

- Name and contact details of TCFPL as the regulated lender.
- Loan amount, interest rate (APR), processing fee, and total amount payable.
- EMI schedule / repayment plan.
- Penalty charges for prepayment, late payment, and default.

- Grievance redressal mechanism and contact details.
- Details of the Lending Service Provider (LSP) if applicable.
- Cooling-off / look-up period (minimum 3 days for loans above Rs. 50,000).

8.2 Prohibition on Misleading Representations

All sourcing activities shall strictly adhere to the following:

- No channel partner or employee shall make oral or written representations that are false, misleading, or inconsistent with TCFPL's approved product terms.
- Interest rates must be disclosed as Annual Percentage Rate (APR), inclusive of all charges and fees.
- Processing fees, penalties, and charges must be disclosed upfront and not concealed or bundled.
- No mis-selling of the financing product as 'free', 'zero-cost', or 'no-interest' unless factually accurate.

8.3 Digital Lending Compliance (RBI Guidelines 2022)

- TCFPL shall be prominently disclosed as the regulated lender in all customer-facing communications.
- Loan disbursements shall be made only to the bank account of the customer (or directly to the end beneficiary – insurance company / hospital).
- No disbursement shall be routed through the LSP or channel partner's account.
- All loan servicing, repayment collection, and customer grievances shall be handled directly by TCFPL and not outsourced to the LSP.
- Digital apps / platforms used for loan origination must not access unnecessary customer device permissions.
- Customer data collected digitally shall be used only for the purposes disclosed and with explicit consent.

9. Prohibited Practices in Sourcing

TCFPL and all its channel partners are strictly prohibited from engaging in the following:

Category	Prohibited Practice
Coercive Practices	Use of force, undue influence, threats, or intimidation during customer acquisition
Misleading Communication	Misrepresentation of loan terms, interest rates, charges, or product features
Unsolicited Outreach	Cold calls or unsolicited messages to individuals registered under DND / NDNC registry
Data Exploitation	Unauthorized collection, storage, or sharing of customer personal or financial data
Kickbacks & Corruption	Payment of any unauthorized fee, kickback, or incentive to hospital staff or insurance agents in violation of applicable law
Differential Pricing	Charging discriminatory or higher interest rates based on caste, religion, gender, or geography
Non-Disclosure	Concealment of charges, terms, or identity of the lender from the borrower
Unapproved Channels	Sourcing through unregistered, unlicensed, or unapproved intermediaries

Category	Prohibited Practice
Loan Stacking	Knowingly funding customers who have availed similar loans from multiple lenders simultaneously
Penal Actions on Collateral	Repossessing or acting on policy lien without following due legal process and RBI guidelines

10. KYC, AML, and Customer Due Diligence

10.1 KYC Requirements

All customers shall be subject to full KYC verification in accordance with RBI's Master Direction on KYC (2016, as updated). Acceptable KYC documents include:

Document Type	Acceptable Documents
Identity Proof (OVD)	Aadhaar, PAN Card, Passport, Driving Licence, Voter ID
Address Proof	Aadhaar, Utility Bills (not older than 3 months), Bank Statement, Rent Agreement
PAN	Mandatory for all loan transactions (Form 60 in lieu, where PAN unavailable)
CKYC	CKYC record to be seeded / fetched from CERSAI where available

10.2 AML / CFT Obligations

- TCFPL shall conduct enhanced due diligence (EDD) for Politically Exposed Persons (PEPs) and high-risk customers.
- Screening against UN Sanctions List, OFAC, and Government of India designated lists is mandatory at onboarding and periodically thereafter.
- Suspicious Transaction Reports (STRs) and Cash Transaction Reports (CTRs) shall be filed with the Financial Intelligence Unit – India (FIU-IND) as required under PMLA.
- Cash disbursements or cash repayment receipts are strictly prohibited.

11. Outsourcing and Third-Party Oversight

11.1 Governance of Outsourced Functions

TCFPL may outsource certain sourcing, lead generation, technology, and KYC support functions to third parties. However, TCFPL shall retain ultimate accountability and responsibility for all outsourced activities, consistent with RBI's Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs.

11.2 Requirements for Outsourced Partners (LSPs)

- Formal written agreement with TCFPL defining scope, responsibilities, data handling, and termination provisions.
- RBI compliance obligations must be passed through contractually to the LSP.
- TCFPL shall have audit rights over the outsourced partner's relevant processes.
- LSP's sub-outsourcing of any TCFPL-related functions shall require prior approval from TCFPL.

11.3 Functions That Cannot Be Outsourced

- Final credit decision / loan sanction authority.
- Customer grievance redressal and final resolution.
- Regulatory reporting and compliance sign-offs.
- AML / KYC oversight and STR/CTR filing.
- Internal audit of credit and sourcing operations.

12. Monitoring, Oversight, and Audit

12.1 Channel Partner Performance Monitoring

Metric	Monitoring Frequency
Lead volume and conversion rates	Monthly
Portfolio quality (NPA, DPD buckets) of partner-sourced loans	Monthly
Customer complaint rates attributable to partner	Monthly
KYC / documentation quality and rejection rates	Fortnightly
Compliance with sourcing guidelines and scripts	Quarterly (audit / mystery shopping)
Incentive and commission reconciliation	Quarterly
Partner re-KYC and re-verification	Annual

12.2 Channel Partner Corrective Action and Termination

- Minor violations – Issuance of formal warning and corrective action plan within 30 days.
- Repeat or significant violations – Suspension of sourcing activities pending investigation.
- Fraud, misrepresentation, or regulatory violations – Immediate termination of agreement; incident to be reported to relevant authorities as required.
- TCFPL shall maintain a record of all terminated partners and ensure they are not re-engaged without Board approval.

13. Grievance Redressal Mechanism

In compliance with RBI's Fair Practices Code and Digital Lending Guidelines, TCFPL shall maintain a robust, accessible, and time-bound grievance redressal mechanism for all borrowers including those sourced through digital channels and channel partners.

- A dedicated Grievance Redressal Officer (GRO) shall be designated and contact details prominently displayed on mobile application and all loan documentation.
- All customer complaints must be acknowledged within 2 working days and resolved within 30 calendar days.
- Unresolved complaints may be escalated to the RBI Ombudsman under the Integrated Ombudsman Scheme (2021).
- Channel partners are prohibited from handling customer complaints on behalf of TCFPL; all complaints must be directed to TCFPL directly.

14. Data Privacy and Cyber Security

- All customer data collected through digital and offline sourcing channels shall be governed by TCFPL's Data Privacy Policy, aligned to the Digital Personal Data Protection (DPDP) Act, 2023.

- Explicit, informed, and revocable consent shall be obtained from each customer prior to collection of personal and financial data.
- Data collected shall be used solely for the purpose of credit assessment, loan processing, and servicing; no data shall be shared with third parties without customer consent except as required by law.
- Channel partners and LSPs shall be required to execute a Data Processing Agreement (DPA) with TCFPL.
- TCFPL shall implement reasonable technical and organizational security measures to prevent unauthorized access, data breaches, or misuse.
- Any data breach shall be reported to the relevant authority and affected customers as per applicable law.

15. Policy Governance, Review, and Amendments

15.1 Ownership

Function	Responsibility
Board of Directors	Approval of Sourcing Policy and material amendments
Risk & Compliance Committee	Periodic review, oversight, and monitoring of Policy compliance
Chief Compliance Officer (CCO)	Day-to-day implementation and regulatory adherence
Business / Sales Head	Operational compliance by channel partners and sales teams
Internal Audit	Independent audit of sourcing activities

15.2 Review Cycle

- This Policy shall be reviewed at least once every financial year or earlier in case of:
 - Material changes in applicable RBI guidelines or other regulations.
 - Significant changes in TCFPL's product portfolio or business model.
 - Identification of material control weaknesses or compliance failures.
 - Board directives or Internal Audit recommendations.

15.3 Version Control

Version	Date	Amendment Summary	Approved By
V1.0	April 01, 2026	Initial Policy formulation and adoption	Board of Directors

Declaration

This Sourcing Policy has been reviewed and approved by the Board of Directors of Thar Commercial Finance Private Limited. All employees, channel partners, and service providers of TCFPL are required to adhere to the provisions of this Policy. Non-compliance may result in disciplinary action, termination of engagement, and/or reporting to appropriate regulatory authorities.