

Frequently Asked Questions (FAQs) – Credit Information Reporting & Compensation Framework

In accordance with the provisions of the Credit Information Companies (Regulation) Act, 2005 and the directions issued by the Reserve Bank of India (RBI), banks and financial institutions are required to report accurate, complete, and timely credit information of borrowers to Credit Information Companies (CICs). Such reporting plays a critical role in maintaining the integrity of the credit ecosystem and protecting customer interests. Further, RBI has mandated a defined framework for correction and rectification of credit information in cases of inaccuracies or discrepancies. To ensure accountability and timely resolution, RBI has introduced a compensation mechanism for customers in the event of delayed updation or rectification of credit information. Accordingly, where a complaint relating to incorrect or incomplete credit information is not resolved within the stipulated timeline, affected customers shall be eligible for compensation as prescribed by RBI. This framework aims to strengthen governance, enhance transparency, and ensure fair treatment of customers in credit reporting processes.

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Section A – Credit Information Reporting (As per RBI Guidelines)

Q1. What is credit information?

Credit information refers to details of your loan or credit facilities such as outstanding balance, repayment history, overdue status, write-offs, settlements, and closures that are reported by banks and financial institutions to Credit Information Companies (CICs).

Q2. Who reports my credit information?

Your credit information is reported by **Credit Institutions (CIs)** i.e bank to **Credit Information Companies (CICs)** as per the **Credit Information Companies (Regulation) Act, 2005 (CICRA)**.

Q3. How often is my credit information updated?

Credit Institutions are required to **update in every 15 days accurate and complete credit information** with CICs, including repayments, overdues, closures, and corrections, within timelines prescribed by RBI.

Q4. What happens if a bank's licence or registration is cancelled? Will my repayment still be reported?

Yes. As per RBI directions, if a bank's **licence or Certificate of Registration (CoR)** is cancelled:

- Such entities continue to be treated as **Credit Institutions** for reporting purposes.
- They must **continue reporting credit information** of borrowers onboarded before cancellation **till the loan is fully repaid or closed**.
- CICs will mark such entities as **"Licence Cancelled Entities"** in the Credit Information Report (CIR).

Q5. Can such entities still access my Credit Information Report (CIR)?

Yes, but **only for those borrowers whose data was reported before licence/CoR cancellation**, and only till loan closure.

Section B – Rectification of Credit Information

Q7. What should I do if my credit report contains incorrect or incomplete information?

You may raise a request or complaint for correction:

- Directly with your bank / financial institution (CI), or
- Through the Credit Information Company (CIC) where the report is generated.

Q8. What kind of issues can be corrected?

Examples include:

- Incorrect outstanding balance
- Wrong overdue or DPD status
- Closure not updated
- Account wrongly marked as default / write-off
- Duplicate or inaccurate reporting

Q9. What is the timeline for resolving credit information complaints?

RBI has prescribed a **maximum overall timeline of 30 calendar days** from the date of complaint:

- Up to 21 days – Credit Institution (Bank/NBFC)
- Remaining period (up to 9 days) – Credit Information Company (CIC)

Q10. How will I know if my complaint is resolved or rejected?

You will be **intimated of the action taken** in all cases, including rejection, along with clear reasons.

Section C – Compensation for Delayed Updation / Rectification

Q11. What is the RBI compensation framework for delayed credit information updation?

RBI has mandated that customers are **financially compensated** if their complaint regarding credit information correction is **not resolved within 30 calendar days**.

Q12. How much compensation am I entitled to?

You are entitled to **₹100 per calendar day** of delay **beyond 30 days**, starting from the 31st day, until resolution.

Q13. Who pays the compensation – bank or credit bureau?

Compensation liability depends on where the delay occurred:

- Bank / Financial Institution (CI) – if delay is due to failure in providing corrected data within 21 days
- Credit Information Company (CIC) – if delay occurs after receiving timely corrected data from the bank
- If both are responsible, compensation is apportioned proportionately

Q14. If multiple banks are involved in incorrect reporting, how is compensation handled?

In such cases:

- Complaint must be raised with the CIC
- CIC coordinates with all concerned banks
- Compensation is calculated and apportioned among banks proportionately, based on each entity's delay

Q15. By when will the compensation be credited?

The compensation amount will be **credited to your bank account or UPI ID within 5 working days** from the date of complaint resolution.

Q16. Is compensation automatic or do I need to apply separately?

No separate application is required. Once delay beyond 30 days is determined, compensation is **computed and paid automatically**, provided your bank account / UPI details are available.

Q17. What information must I provide to receive compensation?

While lodging the complaint, please ensure you provide:

- Correct contact details
- Email ID
- Bank account details or UPI ID

This enables timely credit of compensation.

Section D – Non-Applicability of Compensation

Q18. In which cases compensation is NOT applicable?

Compensation is **not payable** in cases involving:

- Credit score computation or credit score model disputes
- Internal administration or staffing-related complaints
- Matters already pending or decided by courts, tribunals, or consumer forums
- Disputes resolved under arbitration/conciliation under CICRA

Q18. How is Compensation matrix works and traced?

Matrix for Compensation

No	Request received by	Complaint Received on	Date of Submission to CI/CICs	Response received date	Rectified CIR to Customer	Penalty
1	CICs	01-Mar-2024	02-Mar-2024	15-Mar-2024	20-Mar-2024	Nil – Closed within 30 days
2	Cis	01-Mar-2024	16-Mar-2024	25-Mar-2024	28-Mar-2024	Nil – although CIC took more than 9 days but request closed within 30 days
3	CICs	01-Mar-2024	05-03-2024	20-03-2024	01-04-2024	1 day delay of Rs.100 to be paid by CIC as CIC took 1 day more than max TAT of 9 days
4	CICs	01-03-2024	05-03-2024	28-03-2024	02-04-2024	A delay of 2 days by CI and hence Rs.200 will be paid by the CI to the customer

Section E – Escalation & Customer Redressal

Q19. What if compensation is wrongly denied?

You may escalate the matter to:

- RBI Ombudsman under the Reserve Bank – Integrated Ombudsman Scheme, 2021, or
- Consumer Education and Protection Cell (CEPC) of RBI, where applicable

Q20. Where can I get further assistance?

You may contact:

- Your bank's customer grievance cell
- Credit Information Company helpline
- RBI Ombudsman (if unresolved)