

Collection Policy of Personal Loan Achiivers Finance India Lmtd

1. Overview:

Collection is an integral part of our business activity. Business mobilization and Collection are two sides of a coin. For recycling of funds and maintaining our business cycle, the money advanced by us has to be recovered in time.

Accounts becoming overdue results in blocking of our funds apart from non-generation of income. Hence it is necessary to avoid / minimize instances of loans becoming overdue.

The Collection Policy of Achiivers Finance India Lmtd (“**Achiivers Finance**”/the “**Company**”) shall aim at making the collection process on time and reducing the default.

2. Objective:

The key objectives of this Policy is as follows;

- Minimize delayed payment post due date.
- Ensure that the customer is educated about the product features and continued availability of the product to the customer which is linked to his/her loan performance.
- Reduce the impact of provision and losses on different products.
- Ensure compliance with the applicable regulations and Code of conduct.

3. Foreword:

This Collections Policy encapsulates minimum requirements that need to be adhered by collection agents and all other employees while contacting a Customer for overdue payments. The requirements are aligned to minimum standards set forth by the Reserve Bank of India from time to time through various circulars, guidelines etc.

4. Scope:

This Policy is applicable to all the Employees a) who are engaged for collection of dues and over dues from the customers; b) who are authorized by the Company for contacting Customers; c) applicable for all soft collections. The Policy details the mandatory standards that all employees/ individuals /persons are required to adhere as a qualification before engaging a Customer.

5. Summary:

All Customers (including those Customers who have made delayed payments or have defaulted in their payment schedule) must be treated with respect, dignity, courtesy and fairness in debt collection efforts. The Company believes that this is not only the right thing to do, but also the most effective thing to pursue as well.

It is imperative that the persons involved in collection related activities should adhere this Policy, abide by standards mentioned below before commencement of collection activities.

6. The following are the core methods of the collection process:

- a. **Customers to be treated with dignity:** Employees/collection agents should always have a professional approach while addressing the Customer over the telephone or during visits. No verbal or written threats, mishandling, misbehaving or harassment is permitted. They use only acceptable business language even if the other party does not. **They can only visit or call strictly between 08.00 AM to 07.00 PM.**
- b. **Employee to be treated with dignity:** In case of an abusive Customer, every employee has to bring it to the notice of his reporting officer. If the Customer becomes abusive or threatening over a call, the same should be documented/ recorded appropriately.
- c. **Call Recordings:** All calls being made to the Customer(s) must be recorded as per the requirement of the code of conduct stipulated by the Reserve bank of India. Employee should first identify herself/himself and the Company/entity that they represent at the very beginning of every interaction with Customers.
- d. **Privacy:** Customer are entitled to privacy, privacy policy to be applied to all conversation with employees of the company.
- e. **Code:** All collection activities should be in compliance with the guidelines provided in the document and in compliance with code for collections of dues stipulated (from time to time) by Reserve Bank of India. All emails, letters, and other communications must be in the format approved by collections and legal department.
- f. **Convenience:** Customers should be called only to the extent reasonable in the context of the debt at the convenience of the Customer(s) to talk, should be enquired at the beginning of each call. Such conversations should be logged on the system for record purposes.
- g. **Alternative:** Customer requests that calls/visits to place of work be stopped are to be honored, if he/she provides a suitable alternate where he/she may be reached during collection working hours. Such Customers should be asked to provide an alternate address/phone number where they may be reached.
- h. **Information:** Customer's questions should be answered in full. They should be provided with information requested, given assistance and attempt to resolve the issues within the permitted parameters, if any. Accounts with unresolved issues are to be escalated to team heads.
- i. In case the Customer or related party requests to speak to senior officials the same should be honored.
- j. **Updates:** Update by the employee on the collection system should be clear, concise and accurate. All attempts, contacts, conversation and actions for a particular case are to be recorded on the collection system.

7. The need for contacting a Customer:

A Customer is to be contacted for debt collection only under the following circumstances:

- When not contacting the Customer it may lead to the imposition of an additional cost on Customer or may impact Customers credit history/rating; and/or
- When the Customer has not paid on payment date (including grace days) and this is likely to impact the Customer's credit history and/or is likely to cause a financial loss to Company.

8. When to get in touch with a Customer:

Calls/ visits must be **strictly** limited from **08.00 AM to 07.00 PM**

Calls either earlier or later than normal hours, while effective in contacting the Customer, are also likely to be inconvenient to the Customer and could be viewed as harassment. Hence, such calls may be placed only under the following conditions:

- At the behest of the Customer to call at an agreed time and the time should be recorded while taking the appointment;
- To visit at his place of business or residence at a given point of time as agreed upon and the time should be recorded while taking the appointment;
- Agent should individually visit the Customer by himself/herself only and not in a group, however, the agent can be accompanied by the agent's supervisor/ manager for any assistance in handling the Customer account

9. Language or mode of communication and how to address a Customer:

Language for communication with the Customers is either English or Hindi, as convenient to the Customer. In case of a language barrier, the employee may take the assistance from his immediate reporting official to explain in detail. To have a professional approach while addressing the Customer, to be treated with respect and dignity and not use impolite/harsh/threatening words during a collection call or discussions or deliberations.

10. Frequency of calls:

The purpose of a collection call is to bring to the Customer's notice the obligation to pay and to seek a commitment to pay on a specified date. Once a promise is elicited, a call/visit may be made to serve as a reminder and for confirmation of payment.

In the event a commitment is not forthcoming or has been broken, calls/visits may be made at reasonable frequency, based on amount owed, product, ageing of debt and account history, so is the case with field visits. Excessive number of calls or visits closely bunched together in the same day may be construed as a harassment.

11. Borrowers/Customer's Privacy:

The borrower/Customer's debt/obligation may normally be discussed only with the borrower and co-borrower or the guarantor/surety to the loan agreement, and the employer in cases of corporate facilitated loans. Not to be discussed with the third party unless and until explicitly

authorized by the Customers.

As informed to borrowers/Customers in the terms and conditions of the credit facility, Customer debt details can be discussed with Regulatory/Law enforcement agencies, if required.

Leaving messages and contacting persons other than the borrower at the telephone numbers/addresses provided by the Customer or made available to company, during the time when attempts are being failed to contact the Customer and the Customer continuously fails to repay his dues.

Calls must first be placed to the Customer and in the event the borrower is not available, a message may be left for the Customer to an adult family member.

Post leaving a message and when there is no reciprocity from the borrower, then it is permissible in follow-up calls to include:

- In generic terms to state that the call is pertaining to the NBFC's related loan.
- In generic terms to state that his/her/company's account has become overdue.
- To mention about the overdue amount that needs to be paid immediately to regularize the account.
- Under any circumstances no third party can be asked to make payment on behalf of the Customer and Collections can disclose the loan obligations to co-borrower or the co-guarantor.

12. Leaving messages and contacting the third party:

When the Customer cannot be contacted at the assigned numbers/ address, message with a call back request may be left with the third party.

Employees can always seek the help of the third party in case the borrower cannot be contacted on the given phone numbers and addresses. While seeking such help, the employee need to identify himself or may not identify depending on the situation.

13. No misleading statements or misrepresentation of facts:

- No misleading statements or misrepresentation of facts are permitted on the part of the employee.
- Not to use legal jargon or threatening or harassment the borrower with legal consequences.

14. Gifts or Bribes:

Employees shall not accept any form of inducements/gifts of any kind from the Customers.

15. If the Customer declines to pay:

If the Customer declines to pay, consequences of such decision may be explained to him/her,

- Impact on Credit History.

- Possible inclusion in repository of negative data base.
- Possible Legal actions and its consequences.
- Costs involved in case of a legal action.
- Higher rate of interest during next disbursement of loan and/or
- Further denial to loan considering his/ her loan history.

16. In case of a dispute with respect to borrowers account:

For dispute resolution the case may be referred to the Grievance team.

17. Appearances and Dress Code:

Well-groomed appearance with formal attire.

18. Letter and other communications:

Communications to the Customer either through letters or emails or notices etc. to be handled by the Grievance team/ Legal team of the company. Mails/ Reminder Mails/Whatsapp chat/ Phone Calls shall be in a format approved by the Legal team of the Company.

All such letters/ documents/ notices etc. shall be in sealed envelopes that do not bear any marking on the outside to indicate their content.

19. Recruitment, Training and Supervision:

- To ensure quality of employees, the required due diligence is exercised while recruiting the employee, preferably minimum 12th Standard pass.
- Company’s employees/collection managers to impart training to the new employees along with handouts with respect to do’s and don’ts while carrying out collection activity and the same to documented from an audit perspective.
- Collection managers to review/supervise the Collection team at regular intervals with respect to process and policies adherence, compliance issues, from audit perspective and the same to be adequately documented.

Remuneration: The Company ensures that its employees are adequately paid for the services rendered and the same needs to be documented for audit purpose.

Penalties: Any act of misconduct, misrepresentation of facts, misappropriation of Company funds or assets, any malafide act on the part of any employee which would result in monetary loss, collateral damage or reputational risk, service level agreement (SLA) or such similar agreement to be invoked for levying penalties or strict disciplinary action on the concerned employees including termination of services.

20. Important points:

Key Factors	Do’s	Don’ts
Appearance and Dress Code	<ul style="list-style-type: none"> • Well Groomed • Clean & Tidy 	<ul style="list-style-type: none"> • No Chappals or Sandals • No Casual Attire

Key Factors	Do's	Don'ts
Speech	<ul style="list-style-type: none"> Formal Attire Introduce Yourself with identity card To address formally Tone to be polite Decency and decorum to be maintained 	<ul style="list-style-type: none"> Do not get aggressive or abusive Do not shout or scream Not to get personal
Belongings	<ul style="list-style-type: none"> Identity Card Employee Card or Letter of Authority 	-
Ethics	<ul style="list-style-type: none"> Being fair and ethical while dealing with Customers Collections interaction should be based on courtesy, fair treatment and persuasion 	<ul style="list-style-type: none"> No false promises verbally or in writing No personal dealing with the borrower/Customer
Information and Confidentiality	<ul style="list-style-type: none"> Present only the Customer information required in an orderly fashion. Company to maintain the records of the interaction 	<ul style="list-style-type: none"> Unauthorized information written/ verbal cannot be revealed to any Customer/competitor/or any third party No information of one Customer to be shared with another Customer
Process Discipline	Product Collectors to perform within the prescribed frame work, to work in accordance with laid down policy and procedures and manuals.	
Privacy Promise	Soft copy files and hard copy Customer confidential info to be maintained without any compromise on privacy promise.	
Timing of Calls/ Visits	Between 08.00 AM to 07.00 PM and not earlier/ later to the specified time	

21. Regulatory Compliance/ Review

This Collection Policy of the Company shall strictly adhere to and comply with the regulatory guidelines issued by the Reserve Bank of India from time to time. This Policy shall be reviewed and amended as and when any new instructions or guidelines or circulars are issued by the Reserve Bank of India.