DVARA KGFS

MODEL CODE OF CONDUCT FOR RECOVERY AND COLLECTION AGENTS

1. **Applicability**

The Model Code of Conduct for Recovery and Collection Agents (RCAs) will be applicable to all RCAs appointed by the Company. The Code of Conduct shall form part of the agreement between the Company and the Recovery and Collection Agents.

RCAs must agree to abide by this code prior to undertaking any recovery operation on behalf of the Company. Any RCA found violating this code may be blacklisted and such action taken will be reported to branches by the Collections Team.

2. **When & Where RCAs may contact a person on telephone?**

2.1 Telephonic contact may normally be limited to between 08.00 hrs and 20.00 hrs unless the special circumstances of the borrower's business or occupation demands, otherwise. However, it may be ensured that a borrower is contacted only when the call is not expected to cause inconvenience to him/her. Calls earlier or later than the prescribed hours may be placed only under the following conditions:

- When the borrower has authorized to do so in writing or orally.
- Due notice of recall of the loan has been served by the Company on the borrower, and appointment of recovery agent has been intimated to him, and the borrower is intentionally avoiding calls of the RA.
- Time and number of calls and contents of conversation will be documented.

2.2 The borrower would be contacted ordinarily at the place of his choice and in the absence of any specified place he will be contacted primarily at his/her residence or in the place of employment/ business as the case may be.

2.3 In appropriate occasions such as bereavement in the family or such other calamitous occasions would be avoided for making calls/ visits to collect dues.

3. **Can the borrower's Loan arrangement be discussed with anybody else?**

Normally RCAs should maintain borrower's secrecy. However, the matter may be discussed with his family members if borrower's response to notice of recall and repeated calls made by RCAs on the borrowers do not evoke any response.

Family for this purpose will only be close and adult family members and will include spouse, son (including legally adopted son), unmarried daughter (including legally adopted daughter), unmarried sister, father, mother, daughter-in-law, grandson and granddaughter.

3.1 <u>Leaving messages and contacting persons other than the borrower</u>

- Calls first must be placed to the borrower.
- If the borrower is not available a message should be left for the borrower to return the call or check for a convenient time to call again.
- Message should be left with his business associate or person(s) representing him/her in the Company and indicate that "xxxxx (Name of the RCA) representing

xxxxx (Name of the Company) called and requested to call back at xxxxxxxxxxx (Phone No). The purpose of the call is recovery of Company's dues."

3.2 <u>Code adopted during the call</u>

- The RCAs will identify himself/herself to the borrower and will apprise him/her of the authority to represent.
- State reason for call. Provide the borrower with all the information regarding dues and necessary notice be given for enabling discharge of dues.
- Offer to call back, if the borrower is busy.
- Talk in language which is most comfortable to the borrower.
- Keep conversation limited to business.
- Reconfirm next call or next visit.
- Provide contact numbers (for RCAs as well as the Company).
- Reasonable notice will be given before repossession of security as well as before its realization.
- All assistance will be given to resolve disputes or differences in a mutually acceptable and in an ordinary manner, if any as regards dues.
- Demeanour that will suggest criminal intimidation or threat of violence would be scrupulously avoided.

4. **Gifts or bribes** – RCAs will not accept any kind of gift or bribe.

5. Others

- RCAs will not accept cash and recoveries will be deposited in the bank account prescribed by the Company/ in the branches directly.
- RCAs must be appropriately dressed, decorum and decency will be maintained.
- RCAs would resort only the legally permissible activities during the course of recovery.

Last Reviewed: July 16 2024.