



CODE OF CONDUCT

Direct Selling Agents and Collection Agents

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Contents

Introduction.....	2
PART I: Code of Conduct for Direct Selling Agents (DSAs) /Direct Marketing Agents (DMAs).....	2
PART – II: Code of Conduct for Collection - Recovery Agents (CRAs)	5

Introduction

The Reserve Bank of India (RBI) has issued Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs under reference DNBR.PD. CC. No. 090/03.10.001/2017-18 dated Nov., 09, 2017 vide which NBFCs are required to put in place a Board Approved Code of Conduct for Direct Sales Agents (DSA)/ Direct Marketing Agents (DMA)/ Collection-Recovery Agents (RAs).

Accordingly, SK Finance Limited has put in place this document. This Code of Conduct is based on Indian Bank Association's Model Code of Conduct for DSAs for Banks and the Code of Conduct for Collection-Recovery Agents is based of RBI guidelines on Fair Practice Code for NBFCs.

PART I: Code of Conduct for Direct Selling Agents (DSAs) /Direct Marketing Agents (DMAs)

This Code shall be applicable to all the arrangements between SK Finance Limited ("Company") and the DSAs / DMAs. This Code will apply to all the persons involved in marketing and distribution of any loan or other financial product of the Company or third party having tie-up with the Company. The DSA, its Tele-Marketing Executives (TMEs) and field sales personnel must agree to abide by this code prior to undertaking any direct marketing operation on behalf of the Company. Any TME / DSA/ DMA violating this code may be blacklisted and concerned DSA shall promptly report to the Company of any violation. Failure to comply with this requirement may result in permanent termination of business of the DSA with the Company.

2. Tele-calling a Prospect (a prospective customer)

A prospect is to be contacted for sourcing a SK Finance Limited product or SK Finance related product only under the following circumstances:

- When a prospect has expressed a desire to acquire a product through Internet website / Call- centre / Branch or through a Relationship Manager at the Company or has been referred to by another prospect / customer or is an existing customer of the Company who has given consent for accepting calls on other products of the Company;
- When the prospect's Name/Tel. No./ Address is available & has been taken from one of the lists /directories/databases approved by the DSA Manager/Team leader, after taking his/ her consent;
- The TME should not call a person whose name/number is flagged in any "do not disturb" list made available to him/her. The Declaration to be obtained from TMEs/ sales personnel by the DSAs before assigning them their duties.

3. When you may contact a prospect on telephone

Telephonic contact must be limited between 8:00 a.m. to 7:00 p.m. However, it may be ensured that a prospect is contacted only when the call is not expected to inconvenience him/her.

Calls earlier or later than the prescribed time may be placed only when the prospect has expressly authorized TME/BDE to do so either in writing or orally.

4. Confidentiality of prospect's interest/ information

DSA should respect a prospect's privacy. The prospect's interest may normally be discussed only with the prospect and any other individual/family member such as prospect's accountant/secretary /spouse, authorized by the prospect.

4.1. Leaving messages and contacting persons other than the prospect

Calls must first be placed to the prospect. In the event the prospect is not available, a message may be left for him/her. The aim of the message should be to get the prospect to return the call or to check for a convenient time to call again. Ordinarily, such messages may be restricted to:

Please leave a message that XXXXX (Name of officer) representing COMPANY called and requested to call back at ZZZZZZ (Phone Number).

As a rule, the message must indicate that the purpose of the call is for selling or distributing a COMPANY product and / or its third-Party product.

5. No misleading statements/misrepresentations permitted TME/BDE should not:

- Mislead the prospect on any service / product offered;
- Mislead the prospect about their business or organization's name, or falsely represent themselves;
- Make any false / unauthorised commitment on behalf of COMPANY for any facility/ service.

6. Telemarketing Etiquettes PRE- CALL

- No calls prior to 8:00 a.m. or post 7:00 p.m. unless specifically requested
- No serial dialing;
- No calling on lists unless list is cleared by team leader. DURING CALL
- Identify yourself, your company and your principal;
- Request permission to proceed;
- If denied permission, apologize and politely disconnect;
- State reason for your call;
- Always offer to call back on landline, if call is made to a cell number;
- Never interrupt or argue;
- To the extent possible, talk in the language which is most comfortable to the prospect;
- Keep the conversation limited to business matters;
- Check for understanding of "Most Important Terms and Conditions" by the customer if he plans to buy the product;
- Reconfirm next call or next visit details;
- Provide your telephone no, your supervisor's name or COMPANY officer's contact details if asked for by the customer.

- Thank the customer for his/her time.

POST CALL

- Customers who have expressed their lack of interest for the offering should not be called for the next 3 months with the same offer
- Provide feedback to the COMPANY on the customers who have expressed their desire to be flagged "Do Not Disturb"
- Never call or entertain calls from customers regarding products already sold. Advise them to contact the Customer Service Staff of COMPANY.

7. Gifts or Bribes

Any TME / BDE must not accept gifts from prospects or bribes of any kind. In case any customer offers a bribe or payment of any kind, such TME / BDE must promptly report it to his/her management

8. Precautions to be taken on visits/ contacts BDE should:

- Respect personal space - maintain adequate distance from the prospect;
- Not enter the prospect's residence/office against his/her wishes;
- Not visit in large numbers - i.e. not more than one BDE and one supervisor, if required.
- Respect the prospect's privacy;
- If the prospect is not present and only family members /office persons are present at the time of the visit, he/she should end the visit with a request for the prospect to call back;
- Provide his/her Telephone No., Supervisor's name or COMPANY officer's contact details, if asked for by the customer;
- Limit discussions with the prospect to the business and maintain a professional distance.

9. Other important aspects –

Appearance & Dress Code BDE's must be appropriately dressed.

(Jeans and /or T-Shirt, open sandals are not considered appropriate).

For men this means-

- Well ironed trousers;
- Well ironed shirt, shirt sleeves preferably buttoned down.

For women this means-

- Well ironed formal attire (Saree, Suit etc.);
- Well-groomed appearance.

10. Handling of Letters & other Communication

Any communication sent to the prospect should be only in the mode and format approved by the Company.

PART – II: Code of Conduct for Collection - Recovery Agents (CRAs)

11. The Collection-Recovery Agents engaged by SK Finance Limited must adhere to the below mentioned guidelines in the course of performing their duty as a Collection-Recovery Agent:

Contact with Customer/Borrower

- i. Customer should not be contacted before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans.
- ii. Customer should be contacted ordinarily at the place of his choice and in the absence of any specified place at the place of his residence and if unavailable at his residence, at the place of business/ occupation;
- iii. Customer privacy should be respected;
- iv. Interaction with the customer should be in a polite and civilised manner;
- v. Customer request to avoid calls at a particular time or at a particular place should be honoured as far as possible;
- vi. Customer should be provided with the information regarding his dues
- vii. Reasonable notice would be given before repossession of security and its realization;
- viii. All assistance should be given to resolve disputes or differences in a mutually acceptable and in a normal manner;
- ix. During visit to the customer's place for collection of dues, decency and decorum should be maintained;
- x. Inappropriate occasions such as bereavement in the family or such other calamitous occasions should be avoided for making calls/ visits to collect dues.
- xi. Strictly avoid any appearance which may suggest any criminal intimidation or threat or violence.
- xii. A collection agent or its employee/s while collecting the amount due should not:
 - Resort to any false, deceptive or misleading representation,
 - Falsely represent or imply that he or she is connected with or affiliated with any of the governmental or judicial authority,
 - Falsely represent the character, amount, or legal status of the debt.
 - Abstain from using any identification which can lead to wrong representation. In case of non-adherence to above terms, agency will be solely responsible consequences, if any, arising therefrom.
- xiii. Collection Agents or their employees should be appropriately dressed and well groomed.

Do's and Don'ts for Collection- Recovery Agents (CRAs):

Key Areas Do's Don'ts

- i) Appearance
 - Well groomed with proper hair cut
 - Clean shave, well maintained beard
- ii) Dress Codes

- Light color shirts, well ironed shirt, shirt sleeves preferably buttoned down.
Well ironed, creased trousers of dark shade
- In winter, a coat / plain pullover
- Formal Shoes
- iii) Belongings
 - Daily Collection Run Rate (DCR) Sheet
 - Receipt Book
 - Minimal Stationary
 - Code of Conduct
- iv) Ethics Collection Agent/s should not make any verbal or written promises to customer without supervisor / company on matters outside his preview or an ad hoc settlement / product features.
- v) Confidentiality Unauthorized information written or verbal cannot be divulged to any customer/competitor/any other person (for e.g.: Photocopy of stat card, showing previous trails of customers.
- vi) Process/ Product Discipline Collection agent(s) will perform their role within the framework of the instructions issued to them in terms of process notes and specifics of collection action based on the product.
- vii) Maximize Effectiveness Collection Agent/s will strive to maximize the effectiveness of the visitations by pre visit preparation and result orientation in order to improve results. Will document result in visit/action taken.
- viii) Collection Agent/s do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts.
- ix) Collection Agent/s should not make threatening and/ or anonymous calls persistently to Customers.
- x) Collection Agent/s should not send any inappropriate messages to the Customers either on mobile or through social media.
- xi) Collection Agent/s should not humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends.
- xii) Proximity Maintain a reasonable distance from the customer.
 - No physical contact with the customer.
 - No obstruction to customer movement.

Customer Communication Guidelines for Representatives of the Company

In addition to the Code of Conduct guideline, the following guidelines should be adhered to by all the individuals / persons / associates / agents / entities (hereinafter referred to as “Representatives”) authorized to represent the Company for collection of dues from the customers.

In case of failure to comply with these guidelines, an appropriate and strict disciplinary action shall be taken against such person.

- i. Treat the customer with dignity.
- ii. During all the conversations – communication (over telephone / in writing / during visits) professionalism and transparency should be displayed and the Representatives should not treat it as personal.

- iii. Use the language which the customer understands and use the language of customer's choice. Strictly avoid use of tough / aggressive / threatening / abusive language, either verbal or in writing. Care should be taken to strictly avoid threaten /harass /irritating the customer.
- iv. In case any customer resorts to abusive or threatening tactics, the Representatives should document it and promptly inform name of such customer to the Company.
- v. Representatives are not authorized to send any written communication to customer by any mode (e-mail, letter, electronic messages, social media, etc.) to the Customers. If customers are required to be communicated on e-mails / letters / electronic messages, Representatives should send a request to COMPANY along with reasons and requirement for any written communication.
- vi. Representatives should not promise or commit any type of written communication on behalf of Company.
- vii. Representative should not mislead the customer on the action proposed and consequences thereof.
- viii. Representative should not mislead the customer about their true business or organization name, or falsely represent or imply that representative is an attorney, government official, officer of any Court, Police Station, etc.
- ix. Without prior permission from the Company, Representative should not make any promise or commitment to any customer on behalf of Company.