

VERSION CONTROL:

Version	Date of Adoption	Change Reference	Owner	Custodian	Approving Authority
1.0	18-Jul-2018	Code of Conduct for Outsourcing of Financial Services	Compliance	Compliance	Board of Directors
2.0	10-Mar-2021	Code of Conduct for Outsourcing of Financial Services	Compliance	Compliance	Board of Directors
3.0	14-Nov-2022	Updation of Code of Conduct for Outsourcing of Financial Services as per latest RBI regulations	Compliance	Compliance	Board of Directors
4.0	29-May-2023	Updation of Code of Conduct for Outsourcing of Financial Services w.r.t review period of the Code	Compliance	Compliance	Board of Directors
4.0	14-Aug-2024	Annual Review. No change	Compliance	Compliance	Board of Directors

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CODE OF CONDUCT FOR OUTSOURCING OF FINANCIAL SERVICES

A. INTRODUCTION:

This Code of Conduct is in line with instructions issued by Reserve Bank of India on “Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs” as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 as updated from time to time for adoption and implementation by Service Providers while operating as Direct Marketing Agencies (DMA)/Direct Selling Agencies (DSA)/Recovery Agents of NBFCs. This Code of Conduct will act as a benchmark service standard in Service Provider’s dealings with Ashv Finance Limited (hereinafter referred to as “**Company**”). This code details the obligations of the Service Providers to undertake while performing their services and will guide their staff/employees in dealing with customers/borrowers. This code will help the Service Providers in knowing their rights and also measures they should take to protect their interest.

B. APPLICABILITY:

This Code of Conduct is applicable to all arrangements between the Company and outsourced Service Providers namely DMA/DSA/Recovery Agents/Business Correspondents (BCs) including their Staff i.e., Tele-Calling Executives, Tele-Marketing Executives (TME) and its field personnel i.e. Business Development Executives (BDE’s) or any other executive by whatever name called, who shall be performing their requisite functions as stated under the Service Provider Agreement entered between them and the Company. The Service Provider must agree to abide by this code prior to undertaking any outsourced operation on behalf of the Company. Any Service Provider or its employees/representatives violating this code may be blacklisted and concerned Service Provider shall promptly report to the Company of any violation. By accepting this code of conduct, the Service Provider and its employees/representatives agree to abide by this code prior to undertaking any outsourced operations on behalf of the Company. Any failure to comply with this code of conduct may result in discontinuation / termination of services with Company.

C. CODE OF CONDUCT FOR ALL SERVICE PROVIDERS:

The Service Providers including its employees, representatives, agree to ensure the following in order to comply with the guidelines/code of conduct while performing any outsourced activities on behalf of the Company:

- a. to provide the services as per the terms and conditions set out in Standard Terms and Service Agreement.
- b. shall protect the interest of the Company and ensure that the Company shall not suffer any reputational risk or loss due to any acts, deeds or actions or lack of the same, undertaken / supposed to be undertaken by the Service Provider.
- c. shall not furnish any misleading/wrong information to any prospective customer on the policies and the terms and conditions of the product.
- d. shall co-operate with the Company’s officials in case of any investigations or inquiry.
- e. have an obligation to conduct themselves in honest and ethical manner and act in the best interest of the Company.
- f. shall ensure that the Service Provider, their employees and representatives shall avoid all situations that present a potential or actual conflict between their interest and the interest of the Company.
- g. shall ensure that they deal fairly with customers/borrowers at all times and in accordance with ethical business practices.

- h. shall ensure that its Tele-Calling executives, Tele-Marketing executives (TMEs) & its field personnel agree to abide by this code prior to undertaking any services on behalf of the Company. Any failure to comply with this requirement may result in permanent termination of business of the Service Provider with the Company and may even lead to permanent blacklisting by the industry.
- i. shall not share any internal communication received from Company with the customer, whether in print, electronic or any other medium of communication. A separate mode of communication whether in print, electronic or any other medium is permitted provided it does not refer / relate or annexed in any manner the internal communication of the Company with the Service Provider.
- j. shall not accept any kind of gratuitous payment / benefit from any customer / potential customer in any form or manner for any services being performed for the Company. Any acceptance of such gratuitous payment accepted by the employees / representatives of the Service Provider should be immediately reported to the Company and in such cases the Company may in its discretion undertake any action which it deems fit.
- k. It shall not initiate any type of legal proceedings against any of the Defaulting Customers/Borrowers referred to it by the Company as a means to fulfil its obligations under Service Provider Agreement.
- l. It shall not represent itself as a member of the Company while carrying out its obligations under this Agreement.
- m. It shall not make any type of arrangement or settlement with any of the Defaulting Customer/Borrower relating to their Debts without the prior written consent of the Company.
- n. It shall not accept or receive liquidity asset in the form of a payment equivalent to cash from any Defaulting Customer/Borrower for the purpose of settling its Debt.
- o. It shall not become the owner of nor shall it have any claim, lien, right, and right of retention, right of sale or interest in any and all documents, information and data provided by the Company to Service Provider. All information, documents, and data provided by Company to Service Provider is the sole and absolute property of the Company.
- p. Handling of letters & other communication: Any communication sent to the prospect should be only in the mode and format approved by the Company.
- q. Without prior permission from the Company, the Service Provider should not make any promise or commitment to any customer on behalf of the Company.

D. CODE OF CONDUCT FOR DIRECT SELLING AGENTS (DSAS) /DIRECT MARKETING AGENTS (DMAS)/ BUSINESS CORRESPONDENTS (BCs) AND THEIR EXECUTIVES:

The following guidelines/code of conduct shall be applicable to all arrangements between the Company and the DSAS/DMAS/BCs and their executives in relation to marketing and distribution of any loan products of the Company by such DSA/DMAS/BCs and their executives:

i. Tele-Calling a Prospective Customer (Prospect):

- The Company and the Service Provider shall not engage any telemarketers who do not have any valid registration certificate from Department of Telecommunication (DoT), Government of India as telemarketers, TRAI for telemarketing services.;
- The Service Provider shall furnish the list of Telemarketers engaged by them along with the registered telephone numbers being used by them for making telemarketing calls to TRAI.
- A prospect is to be contacted for sourcing the Company's product only under the following circumstances:
 - ✓ When a prospect has expressed a desire to acquire any loan or other financial product through the Company's Internet website / Call- center / Branch or through a Relationship

Manager 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/Telephone Number/ Address is available & has been taken after taking his/ her consent;
- ✓ The employees / representatives of the DSAs/DMA/BCs should not call a person whose name/number is flagged in any "DO NOT DISTURB" list made available to him/her.

ii. When to contact a prospect on telephone:

Telephonic contact must normally be limited between 08:00 Hrs and 19:00 Hrs. However, it may be ensured that a prospective customer is contacted only when the call is not expected to inconvenience him / her. Calls earlier or later than the prescribed time period may be placed only under the following conditions:

- When the prospective customer has expressly authorized the DSAs/DMA/BCs and its employees /representatives to do so either orally or in writing.
- Residence/business/office address visit must normally be limited between 09.30 hours and 19.00 hours.
Any deviation should be approved by customer in oral or in writing.

iii. Respect Prospect's Privacy:

The DSAs/DMA/BCs or/and its employees 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, only when authorized by the prospect.

iv. 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 the Company called and requested to call back at ZZZZZZ (Phone Number).

As a general rule, the message must indicate that the purpose of the call is for selling or distributing a company product.

v. No misleading statements/misrepresentations permitted:

DSAs/DMA/BCs and/or its employees / representatives will not:

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

vi. Telemarketing Etiquettes:

PRE-CALL:

- No calls prior to 08:00 Hrs or post 19:00 Hrs unless specifically requested;
- No serial dialling;
- No calling on lists unless list is cleared by team leader.

DURING CALL:

- Introduce yourself, your company and your purpose for calling;
- Request permission to proceed. If denied permission, apologize and politely disconnect.
- State Reason for your call;
- If permission granted to the extent possible, talk in the language which is most comfortable to the customer. Never interrupt or argue;
- Keep the conversation limited to business matters;
- Check for understanding of "Most Important Terms and Conditions" by the customer if he/she plans to avail the product;
- Reconfirm next call or next visit details;
- Provide your telephone no, your supervisor's name or the Company's 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 2 months with the same offer;
- Provide feedback to the Company on the customers who have expressed their desire to be flagged "Do Not Disturb";
- Guide customers to contact the Customer Service Staff of the Company in case of product query.

vii. Gifts or Bribes:

Employees /representatives of DSAs/DMA/BCs must not accept gifts from prospects or bribes of any kind. Any employee/representative of the DSAs/DMA/BCs, who is offered a bribe or payment of any kind by a customer, must report the offer to his /her management.

viii. Precautions to be taken on visits/contacts:

Employees/representatives of DSAs/DMA/BCs will:

- Respect personal space – maintain adequate distance from the prospect.
- Prospect should be contacted ordinarily at the place of his choice and in the absence of any specified place at the place of his/her residence and if unavailable at his/her residence, at the place of business/ occupation;
- Not enter the prospect's residence/office against his/her wishes;
- Not visit in large numbers – i.e., not more than two employees/ representatives of the DSA/DMA/BCs and one individual in supervisory capacity, 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 number, supervisor's name or the concerned officer of the Company and contact details, if asked for by the customer.
- Limit discussions with the prospect – Maintain a professional distance.
- It shall not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their services, including acts intended to humiliate publicly or intrude upon the privacy of the customer's representatives or its family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and/or anonymous calls, persistently calling the customer and/ or calling the customer before 8:00 Hrs and after 19:00 Hrs for recovery of overdue loans, making false and misleading representations.
- Use polite language and mannerisms. Not to behave in a manner which is or can be perceived to be hostile or threatening to the customer or any other persons in the premises where the employee of Service Provider is visiting the customer.

ix. Handling Of Letters & Other Communication:

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

- x. A declaration shall be obtained from DSA/DMA or its employees and employees of the Company before assigning them their duties as per the **Annexure - A**.

E. CODE OF CONDUCT FOR COLLECTION- RECOVERY AGENTS (CRAS):

The Collection-Recovery Agents /collection employees engaged by the Company must adhere to the below mentioned guidelines in the course of performing their duty as a Collection-Recovery Agent:

- The Debt Recovery Management Agency shall not engage Telemarketers who do not have any valid registration certificate from the Department of Telecommunication (DoT), Government of India as telemarketers. They should engage only those telemarketers, who are registered in terms of the guidelines issued by TRAI, from time to time for all telemarketing activities;
- The Debt Recovery Management Agency /Collection Employee shall furnish the list of Telemarketers engaged by them along with the registered telephone numbers being used by them for making telemarketing calls to TRAI.
- Customer should be contacted at an appropriate time between 08:00 Hrs and 19:00 Hrs.
- Customer request to avoid calls at a particular time or at a particular place should be honoured as far as possible;
- Customer should be contacted ordinarily at the place of his/her choice and in the absence of any specified place at the place of his/her residence and if unavailable at his/her residence, at the place of business/ occupation;
- Customer privacy should be respected;
- Interaction with the customer should be in a polite and civilised manner;
- Customer should be provided with the information regarding his dues;

- Reasonable notice would be given before repossession of security and its realization;
- All assistance should be given to resolve disputes or differences in a mutually acceptable and in a normal manner;
- During visit to the customers place for collection of dues, decency and decorum should be maintained;
- Inappropriate occasions such as bereavement in the family or such other calamitous occasions should be avoided for making calls/ visits to collect dues;
- Strictly avoid any appearance which may suggest any criminal intimidation or threat or violence;
- Provide his/her telephone number, supervisor’s name or contact details, if asked for by the customer.
- A collection agent or its employee/s while collecting the amount due should not:
 - a. Resort to any false, deceptive or misleading representation,
 - b. represent or imply that he or she is connected with or affiliated with any of the governmental or judicial authority,
 - c. Falsely represent the character, amount, or legal status of the debt.
 - d. Abstain from using any identification which can lead to wrong representation.
- It shall not resort to undue harassment viz., persistently bothering the customers at odd hours, use muscle power for recovery of loans etc.

In case of non-adherence to above terms, agency will be solely responsible consequences, if any, arising therefrom.

A declaration shall be obtained from Collection Agents or its employees and the employees of the Company before assigning them their duties is as per the **Annexure - B**.

F. GENERAL GUIDELINES FOR ALL SERVICE PROVIDER ON DO’S & DONT’S FOR PERSONS UNDERTAKING FIELD VISITS:

SR.NO.	KEY FACTORS	DO’S	DON’TS
1.	APPEARANCE	<ul style="list-style-type: none"> • Well-groomed with proper hair cut • Clean shave, well maintained beard 	<ul style="list-style-type: none"> • No Long hair
2.	DRESS CODE	<ul style="list-style-type: none"> • Light color shirts, well ironed shirt • Shirt sleeves preferably buttoned down • Well ironed, creased trousers of dark shade • Salwar Kameez/Saree/Western Formal for Ladies • Formal Shoes 	<ul style="list-style-type: none"> • Shirt sleeves should not be rolled up • The attire should not be gaudy or fluorescent • Jeans/T Shirt/Sleeveless outfits should not be worn.
3.	BELONGINGS	<ul style="list-style-type: none"> • Daily Collection Run Rate (DCR) Sheet (in case of collection) • Receipt book • Mobile for mobile receipting (With sufficient battery or Power Bank) • Identity Card • Minimal Stationary 	

SR.NO.	KEY FACTORS	DO'S	DON'TS
		<ul style="list-style-type: none"> This Code of Conduct 	
4.	ETHICS		<ul style="list-style-type: none"> Collection Employees/Collection Agents or its employees should not make any verbal or written promises to customer without Supervisor's/ Company's written approval. Eating Paan, Smoking or consuming alcohol in the presence of the Customer is strictly prohibited.
5.	CONFIDENTIALITY		Unauthorized information written or verbal cannot be given or shown to any customer/ competitor/ any other person. Ex — Photocopy of Stat card, Previous trails of customer etc.
6.	PROCESS/ PRODUCT DISCIPLINE	Employees/Service Provider will perform role within the framework of instructions issued in terms of process notes and specified actions based on products.	
7.	MAXIMUM EFFECTIVENESS	<ul style="list-style-type: none"> Employees/ Service Provider will strive to maximize effectiveness by pre visit preparation and documenting visit and action taken in detail. 	Collection Employees/Collection Agents should not document his visit to customer's premises in a single line or in brief (It has to be detailed interaction)
8.	PROXIMITY	Maintain reasonable distance from customer	<ul style="list-style-type: none"> No physical contact with customer No obstruction to customer's movement Strictly no contact with customer on WhatsApp or via any other social media channel like Facebook, LinkedIn, Instagram, Snapchat etc.

G. EXTENDING APPLICABILITY OF CODE OF CONDUCT TO THE EMPLOYEES:

Guidelines as mentioned under this document shall be extended to the employees of the Company dealing with customers for activities related to sourcing, marketing and collection of dues from the customers.

H. TRAINING TO SERVICE PROVIDER OR ITS EMPLOYEES/REPRESENTATIVES:

Service Provider should ensure that they attend training sessions as and when conducted by the personnel or employees of the Company for the purpose of maintaining high service standards in respect of the services expected to be rendered by the Service Providers to the customers of the Company.

I. REVIEW OF THE CODE OF CONDUCT:

This code of conduct will be reviewed on an annual basis by the Management. If there is any change to the code, then the Management will seek Board approval.

ANNEXURE – A
DECLARATION-CUM-UNDERTAKING
(To be obtained by the DSA/DMA or its employees appointed by Ashv Finance Limited or its employees)

To,
Ashv Finance Limited

Dear Sirs,

Subject: Undertaking on Code of Conduct

I, Mr./Ms. _____ working with _____ as _____.

My job profile, inter-alia, includes offering, explaining, sourcing, and assisting documentation of products and linked services to prospective customers of Ashv Finance Limited. In discharge of my duties, I am obligated to follow the Ashv Finance's Code of Conduct for Direct Marketing Agents (DMA)/Direct Selling Agents (DSA). I confirm that I have read and understood the Ashv Finance's Code of Conduct for Direct Marketing Agents (DMA)/Direct Selling Agents (DSA) and I agree to abide by the same.

In case of any violation / non-adherence, you may initiate such action against me as you may deem appropriate.

(Signature)

Full Name: _____

Address: _____

Date: _____

ANNEXURE – B
DECLARATION-CUM-UNDERTAKING
(To be obtained from Collection Employees/Collection Agents or its employees)

To,
Ashv Finance Limited

Dear Sirs,

Subject: Undertaking on Code of Conduct for Collection Employees/Collection Agents or its employees

I, Mr./Ms. _____ working with
_____ as _____.

My job profile includes collection of dues and/or repossession of security from the borrowers of Ashv Finance Limited. In discharge of my duties, I am obligated to follow the Ashv Finance's Code of Conduct for Collection Employees/Collection Agents.

I confirm that I have read and understood the Ashv Finance's Code of Conduct for Collection Employees/Collection Agents and I agree to abide by the same.

In case of any violation / non-adherence, you may initiate such action against me as you may deem appropriate.

(Signature)

Full Name: _____

Address: _____

Date: _____

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