Rakam Credit Private Limited

Code of Conduct- Collection staff/Agency

Company Overview:

Policy Name	Code of Conduct- Collection Staff/Agency
Entity	Rakam Credit Private Limited ("the Company")
CIN	U65929RJ2016PTC055375
Registered Address	C-18, Shop No. 34, Upper Basement Floor, Silver Square Mall, Bhagwan Das Road, M. I. Road, Near Raj Mandir Cinema, C-Scheme, M.I. Road, Jaipur, Rajasthan, India, 302001
Regulator	Reserve Bank of India (RBI)
Website	https://www.rakamcredit.in/
Effective Date	April-2024
Approved By	Board of Directors
Review Frequency	At least annually, or earlier upon change in RBI regulations

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1. Introduction

This Code of Conduct outlines the mandatory operational standards for all internal collection staff and empanelled external recovery/repossession agents of Rakam Credit Private Limited (hereinafter the company). The objective is to ensure that debt collection activities are conducted in a fair, transparent, and respectful manner, keeping customer dignity intact while protecting the Company's financial interests.

The Company strictly follows Fair Practices Code. We ensure that all collection and recovery methods match our internal Policy on Dues Collection and Asset Repossession, as well as the Fair Practices Code issued by the Reserve Bank of India (RBI).

This Code applies strictly to all direct employees of the Company, our business affiliates, and all external recovery agents, repossession agencies, or field executives hired to collect dues on our behalf. Every method used for customer follow-ups, phone calls, field visits, or taking possession of security must fully comply with the law.

Any empanelled agency or collection staff found violating this Code will face strict action. This includes immediate termination of their contract, removal from the Company's panel, and permanent blacklisting across the industry.

2. General Principles of Debt Collection

All representatives of the Company shall conduct collection activities in a fair, transparent, lawful, and respectful manner, in accordance with applicable law, regulatory requirements, the Company's Fair Practices Code, and internal policies.

- Borrowers shall be treated with dignity, courtesy, and professionalism at all times during calls, written communication, and field visits.
- Collection activity shall be carried out only through fair persuasion and factual communication. Threats, abusive language, rude conduct, coercion, intimidation, harassment, or public humiliation in any form are strictly prohibited.
- All communication with borrowers shall be in simple and acceptable business language. As far as practicable, staff and agents shall communicate in a language with which the borrower is comfortable.
- Borrower information shall be treated as confidential and shall not be disclosed except as permitted under applicable law and the Company's process.
- Collection staff and agents shall make reasonable efforts to answer borrower queries and assist in resolving issues relating to dues, repayment, or collection communication.
- Collection staff and agents are also entitled to dignity and safety. If a borrower becomes abusive or threatening, the staff or agent may refer the matter to management or terminate the call after informing the borrower. Such incidents shall be appropriately documented.
- Calls or visits shall be avoided on inappropriate or sensitive occasions, including bereavement in the borrower's family or similar calamitous circumstances.
- Do not go for collections in a group of more than 2 staff members at a time

3. Verification, Identification, and Training

- **Mandatory Due Diligence:** The Company shall conduct appropriate background checks and criminal record verification before deploying any field collection staff or empanelling any recovery agency.
- **Identity and Authority Disclosure:** Collection staff and agents shall clearly disclose their identity and relationship with the Company at the commencement of every borrower interaction. Anonymous calls, calls without meaningful disclosure of identity, and misleading communication are strictly prohibited.
- **Authority Documents:** All field staff and agents shall carry a valid Company-issued identity card and an official authority letter authorizing them to collect dues for the relevant loan account. These documents shall be shown to the borrower immediately upon contact or upon request.
- **Borrower Identity Verification:** During a field visit, collection staff or agents shall first confirm the borrower's identity before discussing the loan, overdue amount, recovery process, or any confidential information. After confirming the borrower's identity, they shall identify themselves, explain their authorization, and state the purpose of the visit.
- **Public Transparency:** A current directory of empanelled external recovery agencies and partners shall be displayed on the Company's official website.
- **Compulsory Training:** Every internal and external collector shall undergo formal training covering applicable RBI requirements, the Fair Practices Code, customer conduct, borrower communication, and soft skills before handling active portfolios.
- **Dress, Decorum, and Lawful Conduct:** Collection staff and agents shall be appropriately dressed, carry required Company identification or authorization while on duty, maintain decorum and decency, provide undertakings required by the Company, and use only legally permissible recovery methods.

4. Operational Boundaries and Contact Restrictions

- **Permitted Contact Hours:** Borrowers may be contacted between 08:00 a.m. and 07:00 p.m. only, unless the borrower's business, occupation, engagements, or specific consent requires contact at another time. Requests to avoid contact at a particular time or place shall be honoured as far as practicable.
- **Permitted Locations:** Borrowers shall ordinarily be contacted at the address registered with the Company, their residence, or their business/occupation address. If the borrower is unavailable at these locations, contact may be made only at a place and time where the borrower is actually available or can reasonably be traced.
- **Initial Contact Protocol:** Calls shall first be placed to the borrower. If the borrower is unavailable, a message may be left requesting the borrower to return the call or confirming a convenient time for further contact.
- **Interaction Logging:** The time, number, and substance of collection calls, visits, and communication attempts shall be recorded in the central collection system with accurate timestamps and factual summaries. Copies of communications sent to borrowers shall be retained on record.
- **Recorded Calls:** Collection-related calls shall be made through recorded lines, with the borrower's consent wherever required. Such recordings shall be retained or shared with the

Company for preservation, monitoring, review, and audit in accordance with applicable law and Company policy.

- **Field Visit Conduct:** During field visits, collection staff or agents shall respect personal space, maintain appropriate distance, not enter the borrower's residence against the borrower's wishes, not restrict the borrower's movement, not remain inside the residence after the borrower leaves, and not embarrass the borrower before neighbours or third parties.
- **Borrower Unavailable During Visit:** If the borrower is unavailable and only minors, elderly persons, or infirm persons are present, the visit shall be ended with a request that the borrower call back. Staff or agents shall not enter or wait inside the residence unless specifically invited by the borrower or family.

5. Strict Prohibitions and Zero-Tolerance Breaches

The Company maintains a zero-tolerance approach towards the following conduct. Any violation may result in disciplinary action, termination of engagement, blacklisting, and/or legal action, as applicable.

- **Harassment and Intimidation:** Any form of physical threat, muscular force, verbal abuse, psychological pressure, coercion, intimidation, or harassment is strictly prohibited.
- **Misrepresentation:** Collection staff or agents shall not mislead the borrower about any proposed action or its consequences, falsely represent their organization or authority, claim or imply that they are lawyers, government officials, court officers, or similar authorities, or threaten imprisonment, arrest, detention, or police action unless such consequence is legally applicable, duly planned or underway, and supported by prima facie facts indicating criminal conduct.
- **Anonymous or Improper Communication:** Staff and agents shall not hide their identity, mask caller IDs, use unverified numbers, make threatening or anonymous calls, or send inappropriate messages through mobile, SMS, WhatsApp, social media, or any other channel to borrowers, their family members, referees, or friends.
- **Public or Third-Party Disclosure:** Borrower dues or loan details shall not be discussed with neighbours, employers, friends, relatives, or other third parties, except as permitted under Company process and applicable law. No recovery action or pressure tactic shall be applied to any person who is not a borrower, co-borrower, or guarantor.
- **Public Humiliation and Coercive Recovery:** Staff and agents shall not publicly shame borrowers, threaten seizure of assets without due process, use coercion, or make unrealistic demands for recovery.
- **Gifts, Bribes, and Unauthorized Payments:** Collection staff or agents shall not accept gifts, favours, bribes, or any unauthorized payment from borrowers. Any such offer shall be immediately reported to the Company and relevant management.

6. Borrower Non-Payment, Receipts, and Repossession

- **Borrower Declines or Is Unable to Pay:** If a borrower declines or is unable to pay, collection staff or agents shall explain the consequences factually, including the impact on credit history, applicable charges, possible legal action, and related costs where such action is contemplated.

They shall also ascertain the reason for non-payment and, where justified, suggest an appropriate alternative payment arrangement in accordance with Company policy.

- **Repossession and Legal Measures:** Legal action, recovery measures, or repossession of security shall not be initiated or communicated without due written notice and proper authorization from the Company. Any repossession shall be carried out strictly in accordance with the loan agreement and applicable law.
- **Receipts and Deposit of Collections:** On collection of dues, the collection agent shall immediately issue a receipt to the customer. No amount shall be collected in any personal account, and all amounts collected shall be deposited only at the branch or in the Company's designated account.

7. Corporate Liability & Governance Oversight

- **Ultimate Corporate Responsibility:** The Company shall remain responsible for collection and recovery activities undertaken by its employees, third-party recovery agents, and empanelled agencies. Outsourcing of recovery activities shall not dilute the Company's regulatory, legal, or ethical obligations.
- **Board-Level Monitoring:** A quarterly report covering collection-related customer grievances, conduct-related breaches, and corrective actions shall be placed before the Board of Directors.
- **Annual Review:** This Code of Conduct shall be reviewed by the Board at least once every financial year, or earlier if required due to regulatory amendments, business requirements, or changes in Company policy.