



CRISS FINANCIAL LIMITED

**Collection Recovery Agencies (CRAs)
Empanelment Policy**

Version 1.0

May 2026

Overview:

Criss Financial Limited (CFL), a subsidiary of Spandana Sphoorty Financial Ltd (SSFL), offers Loan Against Property (LAP), and Unsecured Individual Loans (IL) tailored to meet the needs of its target segment.

This document outlines a structured and standardized process for the empanelment, management, and ongoing monitoring of agencies engaged by the organization. The policy aims to ensure adequate due diligence, effective risk mitigation, regulatory compliance, and consistency in vendor engagement. This policy specifically covers the management framework applicable to Collection & Recovery Agents (CRAs).

A. Collection & Recovery Agents (CRAs): -

1. Collection Recovery Agents (CRAs)

Collection Recovery Agents (CRAs) are external individuals or agencies empanelled by CFL to support collection of dues from customers.

These may include:

- i. Field Recovery Agents
- ii. Tele-calling Agencies / Agents
- iii. Collection Agencies handling specific delinquent buckets

CRAs act as an extended arm of CFL and must adhere strictly to CFL's Fair Practice Code, Code of Conduct, customer protection principles, and regulatory requirements.

2. CRA Appointment Criteria

Appointment of CRAs shall be driven by the Collections/ Business Team of CFL. CRAs must fulfil the following criteria:

- i. Relevant experience in collections/recovery, preferably in LAP, Microfinance, or retail lending segments.
- ii. CRAs must have proven experience in collections and recovery functions.
- iii. Preference is given to experience in:
 - a) LAP (Loan Against Property)
 - b) Microfinance
 - c) Retail lending segments
 - d) Familiarity with borrower behavior, repayment cycles, and negotiation techniques is critical
- iv. Prior engagement with NBFCs / Banks / HFCs as recovery agents or agencies.
- v. Adequate infrastructure (for agencies), including manpower and basic operational capability.
- vi. No adverse market reputation or history of misconduct.

3. Process of Appointment for CRA:

The following table enunciates the process to be followed while appointing a CRA.

S No.	Process Description	Responsibility
1	Field team identifies a potential CRA and shares the details with Head office (Product team)	Field team (BM/CBH/RBH)
2	Following documents are collected from the CRA: 1. Experience certificates with other financial institutions / Banks / HFC / NBFC 2. KYC Documents (Age, ID, Signature & Address)	

	3. Latest one passport photo 4. Cancelled Cheque 5. Latest 3 months bank statement 6. Bureau check 7. Firm Registration proof (if applicable) 8. Partnership Deed, PAN Card, Partnership registration proof in case of partnership firm 9. MOA/ AOA, Form1, PAN Card in case of Pvt ltd company 10. GST Registration proof (if applicable) 11. Office verification Report by BH 12. DRA certification 13. Police verification 14. Reference verification 15. RCU & internal negative database check 16. Undertaking of CRA to abide by the code of conduct, during the time of execution of agreement. 17. Copy of Registration Certificate from DoT, Government of India (and any other registration as required by TRAI)	Product team/ Business Development Team
3	Online verifiable documents shall be verified from HO by Product team. Remaining documents shall be forwarded to Risk Containment unit (RCU) for verification.	Risk Containment unit
4	HO receives the Reports. 1. If the reports are positive, CRA profile shall be considered for further process of onboarding. 2. If the report is negative, Product/Risk team shall further proceed with due diligence and decide on the onboarding process.	Product/Risk Team
5	For further process, approval from The Manager (KMP) shall be taken for onboarding, followed by execution of Agreement for CRA onboarding.	Product
6	The Product/Business Development team empanels the CRA and makes the necessary entries in the system. System generates a CRA Code. A formal communication goes to the CRA confirming the appointment along with the CRA code. Subsequently, the CRA's name and code must also be updated on the official website of CFL, and an authorisation letter is issued to the CRA.	Product/Business Development
7	The CRA starts the collection and recovery post generation of CRA code.	CRA
8	The commission calculation shall be done at the month end by the Business Development team by the agreed parameters.	Business Development team

4. Monitoring CRA Performance

CRA performance will be monitored based on collection efficiency, recovery rates, rollback and delinquency trends, customer complaints, and adherence to the code of conduct. The Branch or Collections Manager will regularly review performance, conduct field audits and call monitoring, and provide ongoing feedback and training. In case of performance issues, a root cause analysis will be carried out and corrective actions such

as training, warnings, or penalties will be implemented, with repeated issues potentially leading to termination.

Outsourced customer activities remain subject to RBI inspection. The Company retains full responsibility for all regulatory reporting obligations, including CTR and STR filings.

5. Training & Certification

Before deployment, all CRAs must undergo mandatory training covering:

- i. RBI Fair Practices Code along with CFL Fair Practices Code
- ii. Customer interaction guidelines
- iii. Do's and Don'ts during recovery
- iv. Soft skills and non-coercive practices
- v. Data privacy and confidentiality

Agents must sign:

- i. Code of Conduct declaration
- ii. Confidentiality/NDA agreement

6. Conduct Monitoring & Grievances

Customer complaints against CRAs will be tracked and investigated, with serious complaints such as harassment or misconduct escalated immediately. Appropriate action will be taken based on the findings of the investigation.

B. Code of Conduct for Collection & Recovery Agencies (CRAs) and Executives:

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

1. Tele-calling & Customer Contact
 - i. Engage only TRAI/DoT-registered telemarketers.
 - ii. Contact prospects only with prior consent, valid data source, or existing relationship.
 - iii. Do not call numbers listed under "Do Not Disturb" (DND).
 - iv. Calls and visits should generally be between 9:00 AM – 6:00 PM, unless expressly authorized.
2. Privacy & Communication
 - i. Respect customer privacy; discuss details only with the customer or authorized persons.
 - ii. Messages left should be limited, professional, and disclose the purpose clearly.
 - iii. All communications must use Company-approved formats.
3. Fair Conduct & Transparency
 - i. No misleading statements, misrepresentation, or unauthorized commitments.
 - ii. Clearly identify self, organization, and purpose during interactions.
 - iii. Use polite, non-threatening language and maintain professionalism at all times.
4. Telemarketing Etiquette
 - i. Obtain permission before proceeding with calls.
 - ii. Avoid repeated/unsolicited calling.

- iii. Respect customer preferences, including requests to not be contacted.
 - iv. Provide accurate product details and contact information when requested.
5. Ethical Practices
 - i. No acceptance or offering of gifts or bribes.
 - ii. Maintain integrity in all dealings and report any unethical offers.
 6. Field Visits Protocol
 - i. Keep visits respectful, limited (max. 2 representatives + supervisor if needed), and non-intrusive.
 - ii. Do not enter premises without consent or engage in harassment/intimidation.
 - iii. Maintain personal space and professional conduct; no physical contact.
 - iv. Avoid contacting customers via social media channels.
 7. Conduct & Appearance
 - i. Maintain formal dress code and professional grooming.
 - ii. Carry proper identification and required documents during visits.
 8. Confidentiality
 - 1. Do not disclose customer or Company information to unauthorized persons.
 9. Process Discipline
 - i. Adhere to Company processes, product guidelines, and documentation standards.
 - ii. Record detailed interaction notes after visits.
 10. Applicability & Training
 - i. Applicable to all service providers and Company employees interacting with customers.
 - ii. Mandatory participation in training programs to maintain service standards.

C. Termination of CRA Services

CRA services may be terminated in cases of fraud or misconduct, high customer complaints, non-compliance with regulatory or internal guidelines, or sustained poor performance. In serious situations, termination may be immediate, subject to approval from the relevant authority. The Management to be informed of the same in the ORMC.

D. CRA Payout Guidelines:

- i. The Agency shall be paid charges of the recovery amount for services rendered as per agreed terms.
- ii. The charges would be payable in respect of allotted accounts on the amounts recovered through efforts of the Service Provider and credited to the borrower's accounts.
- iii. No Payout shall be given to Service Provider, if it is settled by the Court of Law.
- iv. The fee payable will be all inclusive and no operational expenses will be reimbursed to the Service Provider.
- v. The CFL "s decision shall be final and binding on the Service Provider, in relation to whether an amount or amount is/are realized or not.

- vi. The CFL shall not be liable to pay to the Service Provider any amount (whether by way of compensation, remuneration reimbursement or otherwise) other than the fee as aforesaid, in relation to the service.
- vii. Payout shall exclude:
 - Reversed transactions
 - Technical adjustments
- viii. Payouts will be processed on a monthly basis (typically by 25th of subsequent month).
- ix. Collections/Business Team will share the payout statement before processing. Any discrepancies must be highlighted within 3 working days.

E. Standard Operating Procedure:

A separate Standard Operating Procedure (SOP) on the empanelment of Collection Recovery Agencies (CRAs) shall outline the detailed process for onboarding CRAs. The SOP shall be reviewed and approved by the designated approving authority.

Periodic Review and Revision:

This policy shall be subject to periodic review to incorporate necessary updates, thereby ensuring its continued alignment with applicable best practices and regulatory requirements. Any modifications to this policy shall be undertaken only with the prior approval of the PAC members.