

### **Engagement of Recovery Agents by the Bank**

In view of the exhaustive guidelines from Reserve Bank of India for engagement of Recovery Agents for recovery in NPA accounts, and on being necessary approval accorded by the Board of Directors of the Bank, we invite proposal(s) from eligible agencies / firms who are qualified, experienced and already engaged as Recovery Agents for the Banks.

The broader terms & conditions for engagement of Recovery Agents would be as under –

1) The empanelment of Recovery Agents for deployment/ utilization of their services for strengthening Bank's recovery position in all types of NPA accounts, and will be reviewed on half-early basis by the Head Office on the analytical and monitoring report of the Regional Heads.

The Chairman of the Bank is authorized to amend / modify or to take appropriate decision in this regard.

2) On the basis of satisfactory performance of the existing Recovery Agents; half-yearly review at Head Office will take place and the Chairman will offer fresh letter of empanelment to them. The said empanelment will be reviewed by the Head Office as at the end of 31<sup>st</sup> Dec. & as at 30<sup>th</sup> June each year.

3) A panel of Recovery Agents ranging from 10-15 in numbers will be prepared by the Head Office. The Head Office may also go for fresh empanelment if required, inviting applications through a regional daily newspaper.

#### **4) Fees / Service charges payable to the Recovery Agents :**

In view of the number and nature of NPA accounts vis-à-vis amount involved in each account, we propose to revise the fee structure / service charges payable to Recovery Agents as under :-

(i)- All declared NPA A/Cs of Tractor - 06% of recovery made & Rs.2500/- as service charge for each tractor for taking possession and to sale off the same for recovery.

(ii)- All NPA A/Cs under KSY – 06% of recovery made.

(iii)- All NPA A/Cs under PMEGP, SGSY, SHGs, LUCC, GCC, SCP, SCC, and NPA A/Cs under Govt. sponsored scheme – 06%

(iv)- NPA A/Cs under SARFAESI Act, 2002 – 5% of the recovery made plus the cost of publications in News papers on actual basis. Amount may be negotiated keeping in view amount involved in the account.

(v)- Other all declared NPA A/Cs – 10% of the recovered amount.

(vi)- All other NPA A/Cs, which have not been captured by the system like KCC & other A/Cs., for which separate list is being prepared by H.O. - 05% (of the amount so recovered).

The Chairman is authorized to take decision in respect of any modification / amendment in the structure of fees payable / service charges as and when needed in the interest of the Bank.

5) The Branches/ Regions will keep close watch on the functioning of the Recovery Agents and it is to be ensured that their function will be in line with the guidelines of

Reserve Bank of India within the parameters of law of the land and within the ambit of Code of Bank's Commitment to Customers.

The undertakings from the Recovery Agents are to be obtained during empanelment including compliance of the RBI guidelines in this regard.

**6) All the Recovery Agents should be duly trained and should have certification from Indian Institute of Banking and Finance (IIBF) as stipulated by RBI.**

7) As regards grievances redresses mechanism & utilization of the services of credit counselors as stipulated by RBI, the bank's instruction in this regard would be communicated separately.

**8) If no recovery is effected in the allotted accounts within a period of six months from the date of allotment, the Recovery Agents will have no right to claim the commission for any recoveries made in those accounts after six months period and such accounts shall also be withdrawn from them for further reallocation.**

9) It has been reiterated by RBI vide their letter dated May 4, 2009, referred to here in above, lenders should not resort to undue harassment such as persistently bothering the borrowers at odd hours.

10) The agents should not resort to intimidation or harassment of any kind either verbal or physical against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude the privacy of the debtors' family members.

11) The Bank is required to inform the borrowers the telephone numbers of the relevant Recovery Agents.

12) The interested agencies / firms / Recovery Agents should apply to the Bank at the following address, **with in 15 days of this publication, but not later than 25<sup>th</sup> July 2015** giving full details with documents of their area of operation and credentials for empanelment as Recovery Agent(s) –

**Mail Address :**        **The General Manager**  
                              **Allahabad UP Gramin Bank,**  
                              **Head Office,**  
                              **DM Colony, Civil Lines, Banda – 210 001 (UP)**

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