



**STRATEGY FOR MULTIPLE LENDING OVER INDEBTNESS
OF
SATIN CREDITCARE NETWORK LIMITED
(VERSION 2- 10.02.2017)**

Ownership: Operations Department

CIN: L65991DL1990PLC041796



STRATEGY FOR MULTIPLE LENDING AND OVER-INDEBTEDNESS

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1. We have educated and sensitized our operation staff to check multiple lendings in the field while sourcing loan clients and building loan applications. They conduct counterparty verification of the clients from the village and fellow members of the center.
2. Independent assessment of Client's credit history by our field staff during our client selection process is first step to check client over indebtedness and multiple lending. Our field staff collect client data through client KYC and 3 stage process of client selection including individual household visit.
3. After building the proposal we cross check the credibility of the clients from EQUIFAX by means of sharing the data of clients applied for the loan.
4. We share the entire set of customer information captured in our MIS post disbursement with High Mark and EQUIFAX so that other players/shake holders in the industry can access our data and take preventive measure to curb over indebtedness.
5. To avoid duplication of client ID we have made Aadhar card as primary and compulsory ID in the field to obtain loan. In addition to this we are also taking an additional ID of the client which is preferably the Voter Card of the client. In case of non- availability of Voter Card, we collect any Government issued ID card or Job card. This is to avoid the instances of client using multiple IDs to obtain loans from different borrowers.
6. Moreover, we are also working on capturing e-KYC of the clients to access the client database online and hence avoid all instances of multiple and duplicate IDs. We are working on this project in a time bound manner and will try to complete this by the end of this financial year.
7. In each of our branches we display the RBI guiding principle and fair practice code, MFIN-Sa-Dhan's industry code of conduct which details out practices to be followed to curb multiple borrowing. This is accessible to clients and public in general.
8. Campaigning against multiple borrowing is a regular practice during the routine center visit of supervisory operation staffs.
9. We conduct periodic motivational workshops for center leaders where we strive to empower the leaders by way of building consciousness and sensitize them against the ill impact of multiple borrowing and over indebtedness.
10. Client selection by means of weeding out clients with multiple borrowing is audited by our internal audit team and hence strongly inbuilt into our governance system. The internal audit report goes to our CMD and shared with the board members.

