

CAUTIONARY NOTICE

Beware of Illegal and Fictitious Debt Settlement/Counselling Services, offered by Unauthorised Private Entities.

Dear Customers,

It has come to our attention that some un-accredited, unauthorised private entities ('entities') are targeting unsuspecting customers through (i) social media advertisements especially, Facebook and Twitter, (ii) publishing on their website and making it accessible through search engines (Ex: google etc); (iii) misusing/unauthorised publication of the brand logo and trademark of reputed financial institutions on their website, social media; (iv) publishing fake feedback on the website and enticing innocent customers to avail their unlawful debt counselling services, with false assurances of settling their loan amounts with the financial institutions, in exchange of advance /upfront fees.

We caution our customers and the general public NOT to engage with any such unauthorised, un-accredited entities, who have been targeting defaulting customers or customers intending to default from their loan payments with their fictitious debt settlement services/solutions and in the process causing monetary losses to the customers ('victims').

The modus operandi of these entities is as follows:

1. On the pretext of helping such victims, these entities proclaim themselves as mediators between the customers and the Bank or the NBFC ("Lender") to help settle their loan amounts. These entities make false assurances such as:

(i) settling loans at exceptionally lower amounts by using their special legal powers;

- (ii) saving customer's mortgaged properties by using their legal aid; and
- (iii) settling blacklisted Company's huge dues in significantly lower amounts.

2. They require the victims to enter into agreement/documentation with them and seek an authorisation letter to act on behalf of the victims.

3. They cheat innocent customers:

(a) by instigating them to stop making EMI payments for at least 2 months or so and instead pay the amounts into a special "settlement" bank account of such an entity, as a part of their fake debt settlement solution;

(b) by promising that the entities will settle customer's loans at a rather unbelievably lower amount, through their expertise;

(c) by assuring that the CIBIL records of the customers will NOT get impacted in the event, they default in their payment of EMIs or pay reduced EMIs;

(d) as part of their strategy, they issue notices with false allegations, alleging breach of law/regulations on the part of the Lender; and

(e) they even require the victims to divert their incoming phone calls if any received from the Lender and indulge in abusive conduct with the Lender over the call, which will not be entertained by the Lender.

We urge you to bear in mind that, irrespective of the engagement of the customer with such entities, non-maintenance of sufficient funds in customer's bank account will result in dishonour of payment instructions by the customer, due to which reason:

(a) the bank will levy penalty/ fees and will debit the customer's bank account, as and when there is credit balance. Such recovery of charges by the bank could

be on the same month or cumulatively for several months or any one particular month and

(b) the Lender will levy penalty charges on such non-payment of EMI, which shall be payable by the customer.

As a consequence, the customer would be burdened with payment of additional sums, over and above the EMI amount. At the same time, such non-payment would also trigger negative impact on CIBIL rating on customer's credit record.

Also, Lenders do NOT recognise Debt settlement/counselling entities since a customer cannot assign his /her loan contrary to the terms and conditions of the loan arrangement accepted by the customer.

Despite mounting burden of loan amount repayable by the customer and adverse impact on customer's credit rating, these entities do NOT provide any services, since such services are neither recognised under the law nor are they authorised by the Lenders to perform any such action. Except for misappropriating the hard-earned money of innocent victims, these entities do not provide any services.

We urge our customers to stay cautious against such illegal and fraudulent entities publishing fake / misleading advertisements on their websites and various electronic/social media platforms, since debt settlement in any unauthorised/illegal manner comes with substantial risks of poor credit record and it is our earnest request not to fall prey to such false assurances/claims by anyone whatsoever.

Stay Alert, Stay Safe.

A Public Awareness Advisory by Bajaj Finance Limited.

BAJAJ FINANCE LIMITED

