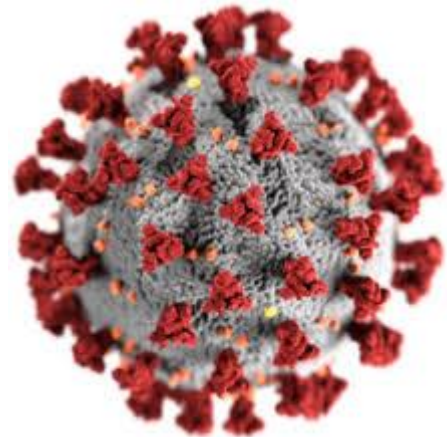


Guidance Note on Covid-19

Safety and Business Continuity

Last updated on 19th March 2020



Contents

I.	Context.....	3
II.	Safety of employees and workplace	4
III.	Interaction with customers.....	6
IV.	Business continuity	7
V.	Key information	9

I. Context

1. The micro-credit industry is based on the model of high-touch-last-mile-connectivity with the low-income-households (LIHs). This model requires employees to undertake extensive travels, have direct-frequent interactions with customers for sourcing and collections and handle cash. Further, LIHs given their volatile incomes and inadequate safety nets, are the most vulnerable to any economic shocks.
2. Spread of Covid-19¹ in India, while limited at this point², could have many adverse impacts for the micro-credit industry as under:
 - Safety and health of our employees, customers and their families
 - Loss of productivity due to limited mobility and remote working of the employees
 - Operational challenges due to restriction on travels and public dealing
 - Wage-income losses to customers leading to repayment issues
 - Wilful defaults instigated by miscreants exploiting the situation
 - Liquidity challenges
3. Given the potential impact of Covid-19 on the above, it is critical that micro-credit industry is extremely proactive in understanding the emerging situation and take appropriate steps to address them.
4. This Guidance note is prepared to support industry's response to deal with situations arising out of spread of Covid-19.
5. This Guidance Note would be regularly updated over the days based on developments around Covid-19 including government advisories/directives on the matter.
6. We encourage our members and associates to share their experiences, practices and insights, as they deal with the situation. This would help us in improvising the Note in the collective interest of the industry.
7. For any suggestions and query, please reach out to us at sro@mfinindia.org

¹ <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>

² <https://www.mohfw.gov.in/>

II. Safety of employees and workplace

1. Ensuring the health and safety of our employees and workplace is of paramount importance at this point. However, it is important that steps taken are based on scientific and accurate information from the credible sources.
2. Create awareness amongst employee to adhere to standard precautions with all individuals including promotion of respiratory hygiene and cough etiquette, early identification of potential cases. WHO³ recommends the following:
 - **Wash your hands frequently:** Regularly and thoroughly clean your hands with an alcohol-based hand rub or wash them with soap and water.
 - **Maintain social distancing:** Maintain at least 1 metre (3 feet) distance between yourself and anyone who is coughing or sneezing.
 - **Avoid touching eyes, nose and mouth**
 - **If unwell:** Stay home if you feel unwell. If you have fever, cough and difficulty breathing, seek medical care early. If you have a fever, cough and difficulty breathing, seek medical attention and call in advance. Follow the directions of your local health authority.
 - **Stay informed:** Stay informed on the latest developments about COVID-19. Follow advice given by your healthcare provider, your national and local public health authority or your employer on how to protect yourself and others from COVID-19.
3. Use communication aids (poster, audio visuals) at workplace to inform and educate your employees on a regular basis. Please refer to WHO Guidelines on workplace security at https://www.who.int/docs/default-source/coronaviruse/getting-workplace-ready-for-covid-19.pdf?sfvrsn=359a81e7_6
4. Educate employee to be extremely careful in forwarding any messages regarding COVID-19 on social media. Please note sending any unsolicited / unconfirmed message on social media with respect to Covid-19 is now a criminal offence.
5. Encourage your employees to avoid public transport, mass gatherings/crowded places (markets, cinema, religious places, stations, bus-stands, public places) and non-essential travels.
6. Make sure your workplaces are clean and hygienic, surfaces (e.g. desks and tables) and objects (e.g. telephones, keyboards) are regularly wiped with disinfectant and ensure adequate supply of clean water, soaps, sanitizers, masks/tissues and closed garbage disposal. Avoid any biometric device usage for the time being.
7. Provide greater protection to high-risk employees like pregnant women, people with underlying health conditions (heart, respiratory issues, diabetic) and old age (> 70 years). Avoid exposing such employees to travels and public interactions.

³ <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public>

8. Provide greater care (masks, sanitizers, hand gloves) and education to employees traveling or interacting with general public (customers, suppliers, vendors).
9. Provide support to quarantined/affected employee through leaves and advance payment for tests etc, as required. Ensure that the health insurance coverage for employees includes the test and treatment related expenditures.
10. Allow remote and flexible working to employee, where feasible.
11. Educate employees to become responsible rather be than scared in case of any impact/observed symptoms. Responsible behaviour will ensure appropriate care of them and reduce adverse impact on their colleagues, friends and family.
12. Keep yourself updated by referring to [WHO](#) and <https://www.mohfw.gov.in/> for latest information regarding spread, advisories, awareness materials and helpline numbers etc.
13. Assign a team to take responsibility of action outlined above.

III. Interaction with customers

1. Educate customers on prevention of Covid-19, where appropriate and required, without creating any panic. Do not provide any unsolicited advice other than personal hygiene and encourage them to refer to local medical centres in case needed.
2. Consider the possibility of changes in your interaction with customers, due to Covid-19:
 - Split centers into groups to ensure that not more than 5 customers visit center at same time. Try and advice customers and employees to maintain some distance of about 2 meters while sitting in the group.
 - Explore remote communication with centres/customers, where feasible.
 - Encourage customers to make repayments by visiting branch, BC of the partner bank or digital payments.
 - Do not allow more than 5 customers in the branch at a time.
 - Avoid any biometric devise usage for the time being.
3. Strictly follow the customer engagement norms stipulated in the Code of Conduct (CoC) and Code for Responsible Lending (CRL)⁴.

⁴ <https://mfinindia.org/mfin-publications>

IV. Business continuity

1. As per RBI Circular⁵, lenders are advised to plan and implement business continuity planning (BCP).
2. Constitute BCL team representing seniority, cross-functionality and diversity who can drive decisions, consensus and actions.
3. Assess 'high level' impact on your business and attach appropriate priority to the planning process. Examine the likely impact of Covid-19 on your market and customers.
4. Identify and agree strategic imperatives/ppriorities/key functions and risks.
5. Constantly review budget, business plans, liquidity, supplies.
6. Establish authorities, triggers and procedures for implementing plan.
7. Plan measures to reduce face-to-face contact with customers, suppliers, stakeholders and between employees
8. Provide ICT infrastructure to support teleworking and remote customer interaction.
9. Map your work-areas (district/states) for Covid-19 risk categories (low-medium-high), based on information available at the website of Ministry of Health and Family Welfare⁶ and other reliable sources.
10. Every department and function should evaluate the risks and challenges arising from COVID-19 and plan to address them with clear ownership and accountability. Some of the priorities could be as under:
 - **Administration:** Ensure availability of critical office supplies (stationaries, printing, basic hygiene amenities) for 3-months and hygiene in workplace across the company.
 - **Business:** Focus on collection and be careful with fresh disbursements. Get in touch with MFIN state teams if you find repayment issues in any area or customer segment and seek their support for uniform approach. Do not take unilateral decisions on repayment holiday, holding fresh disbursements, distributing short-term loan, dealing with customers under stress etc. Chances of mischievous messaging and interference by unscrupulous elements (vested interests) may increase to take mileage of the situation. Lenders to deal such situations carefully and collectively.
 - **Communication:** Prepare clear and consistent communication strategy for customer, employees, supplies/vendors, investor/lenders, government and regulators.

⁵ https://www.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=11820

⁶ <https://www.mohfw.gov.in/>

- **Compliance:** Keep track of advisories/orders coming from the central, state and district government with respect to travels, employee safety, mobility restrictions etc and ensure adherence with same.
- **Finance:** Prepare plan for Liquidity-Asset-liability management for various scenario for next 3 months.
- **HR:** In addition to safety measures for the employees, focus on appropriately counselling and communicating with employees. Cross-train and identify alternative sources of employees.
- **IT:** Expand ICT infrastructure to support remote/flexible working and customer interaction.
- **Risk/Audits:** Keep track of patterns in collection and disbursements and maintain high-level of connect with branch employees and customers to identify frauds.
- **Leadership:** Lead, guide, motivate, oversee and communicate across functions and regions. Where possible, leadership to be distributed across business zones.

V. Key information

1. Knowing Covid-19: <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>
2. Symptoms of Covid-19: <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses#:~:text=symptoms>

The most common symptoms of COVID-19 are fever, tiredness, and dry cough.
3. Advise for prevention: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public>
4. Workplace safety:
 - https://www.who.int/docs/default-source/coronaviruse/getting-workplace-ready-for-covid-19.pdf?sfvrsn=359a81e7_6
 - <https://www.mohfw.gov.in/pdf/PreventivemeasuresDOPT.pdf>
5. Awareness material
 - https://www.mohfw.gov.in/pdf/Poster_Corona_ad_Eng.pdf
 - https://www.mohfw.gov.in/pdf/FINAL_14_03_2020_ENG.pdf
 - <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public/videos>
6. Helpline number
 - +91-11-23978046 Toll Free No: 1075
 - <https://www.mohfw.gov.in/pdf/coronavirushelplinenumber.pdf>
7. Guidelines for notifying affected person:
<https://www.mohfw.gov.in/pdf/GuidelinesfornotifyingCOVID-19affectedpersonsbyPrivateInstitutions.pdf>
8. Testing
 - https://icmr.nic.in/sites/default/files/upload_documents/COVID_19_Testing_Laboratories.pdf
 - https://www.mohfw.gov.in/pdf/FINAL_14_03_2020_ENG.pdf