

**DHARA MOTOR FINANCE LIMITED**

**POLICY ON COLLECTION OF DUES AND REPOSSESSION**

**OF SECURITY 2025-26**

1. Introduction:

The Company believes in following practices with regard to the collection of dues and repossession of security in Hard/NPA cases thereby fostering customer confidence and loan-term relationships.

The repayment schedule for any loan sanctioned by the company will be fixed taking into account the paying capacity and cash flow pattern of the borrower. The company will explain to the customer upfront the method of calculation of interest and how the Equated Monthly Instalment (EMI) or any other mode of repayment will be appropriated against interest and principal due from the customers. The method of collection of EMI (say post-dated cheque, direct debit, ECS, NACH, etc.) would be fixed taking into consideration the convenience of the borrower. The company would expect the customer to adhere to the repayment schedule agreed to and approach the company for assistance and guidance in case of genuine difficulty in meeting repayment obligations.

The company's security Repossession Policy aims at recovery of dues in the event of default and is not aimed at whimsical deprivation of the property/asset. The policy recognizes fairness and transparency in repossession, valuation, and realization of security. All the practices adopted by the company for follow-up and recovery of dues and repossession of security will be in consonance with the law. Security repossession would commence after other attempts by the company to discuss with the borrower the means to resolve the default situations have failed. In exceptional situations, the company has the right to repossess the financed asset, as a preventive measure, even in instances where there has been no default but on account of a mis-statement of information by the customer that is in violation of the terms and conditions of the loan agreement.

2. General Guidelines:

All the members of the staff or any person authorized to represent our company in collection or/and security repossession would follow the guidelines set out below:

1. The customer would be contacted ordinarily at the place of his/her choice and in the absence of any specified place, at the place of his/her residence and if unavailable at his/her residence, at the place of business/occupation.

2. The identity and authority of persons authorized to represent the company for follow-up and recovery of dues would be made known to the customers at the first instance. The company staff or any person authorized to represent the company in the collection of dues and/or security repossession will identify himself/herself and display the authority letter issued by the company upon request.

3. The company would respect the privacy of its borrowers. It shall however be noted that contacting the borrower on phone or personal visits for recovery of dues (in line with this model policy) will not be construed as an intrusion of the privacy of the borrower.

4. All assistance will be given to resolve disputes or differences regarding dues in a mutually acceptable and orderly manner.

5. Inappropriate occasions such as bereavement in the family or such other calamitous occasions will be avoided for making calls/visits to collect dues.

### **3. GIVING NOTICE TO BORROWERS:**

While telephonic reminders in the local language or visits by the company's representatives to the borrowers' place or residence will be used as loan follow-up measures, the company will not initiate any legal or other recovery measures including repossession of the security without giving due notice in writing.

### **4. REPOSSESSION OF SECURITY THROUGH LEGAL RECOURSE**

Repossession of security is aimed at recovery of dues and not to deprive the borrower of the property/asset. The recovery process through repossession of security will involve repossession, valuation of security, and realization of security through appropriate means. All these would be carried out in a fair and transparent manner.

### **5. SALE OF PROPERTY:**

The sale of property repossessed by the company will be carried out as per law and in a fair and transparent manner. The company will have the right to recover from the borrower the balance due if any, after the sale of property. The excess amount if any, obtained on the sale of the property will be paid to the borrower after meeting all the related expenses.

### **6. OPPORTUNITY FOR THE BORROWER TO TAKE BACK THE SECURITY:**

As indicated earlier in the policy document the company will resort to repossession of security only for the purpose of realization of its dues as a last resort and not with the intention of depriving the borrower of the property/asset. Accordingly, the company will be willing to consider handing over possession of property/asset to the borrower any time after repossession and before concluding the sale transaction, provided the company dues are cleared in full

## **7. ENGAGEMENT OF RECOVERY AGENT:**

The company may utilize the services of recovery agents for collection of dues and repossession of securities. Recovery agents will be appointed as per regulatory guidelines issued in this regard. In this respect:

- a) Only recovery agents from the impanelled vendors will be engaged by the company.
- b) In case the company engages service of such recovery/enforcement/seizure agent for any recovery case, the identity of the agent will be disclosed to the borrower.
- c). The recovery agents engaged by the company will be required to follow a code of conduct covering their dealings with customers.

**For Dhara Motor Finance Limited**

**Gajendra singh**  
**Managing Director**

**G.S Chauhan**  
**Whole Time Director**