

DHARA MOTOR FINANCE LIMITED

WRITE OFF POLICY FOR BAD AND UNSERVICABLE ASSETS F.Y 2025-26

Policy reviewed and framed as under:

At the time of finalisation of finance transaction, the customer undertakes to pay the Monthly EMI as per agreed schedule. The monthly EMI is collected vide post-dated cheques taken in advance from the customer. However, in case the cheque is not honoured by the bank due to insufficient balance in the customer's account, the recovery of EMI is made in the following manner:

1. Before the due date, Customer is informed by telephone to arrange the funds in his bank account in advance.
2. In case of the cheque/NACH/other mandates dishonours, then the borrower is requested by the concerned executive/tele caller to pay his/her EMI with late fees.
3. In case the borrower does not pay the EMI despite the call request then the concerned executive will visit the customer and ask for the reason for default/delay and convinces him to make the pending payment without further delay.
4. After overdue 1 EMI, the concerned branch will send three Recovery Notices (in the gap of every 10 days) to the customer for pending EMI along with overdue interest.
5. Even after sending the three recovery notices by the concerned branch, if the customer does not pay the overdue/default amount, then the legal notice will be served.
6. If the customer does not pay up the default amount, then the company will start the repossession of the asset in the case of asset finance/vehicle finance through legal courses.
7. After repossession of the asset, the company will give 30 days' notice to the customer for clearance of all the pending dues, if the customer clears pending dues the asset is given back to the customer
8. In case the default still continues, the company will make an auction of the asset to recover the total dues of the company through legal recourses.
9. Even after the auction, if the dues of the company are not recovered in full, then for the remaining amount, the company will continue legal proceedings through section 138 of the NI Act to recover the balance amount.
10. After exhausting all the efforts for recovery of the balance amount including legal action against the borrower as well as guarantors in all types of default loan accounts then the balance outstanding amount is written off.

11. In case, there is a case of will ful default, where the party (borrower & guarantor) has the capacity to pay but does not pay the loan amount due to bad intention, in such cases all our recovery efforts are exhausted then the case is put up to the competent authority for technical write-off.

12. Side-by-side we can also take up with the recovery agencies to sell the bad loan portfolio to clean our loan portfolio.

13. The power of written-off is vested in the hand of the Senior Committee.

14. The Board of Directors if thinks fit, further delegates the power in duly held Board meetings.

For and on behalf of the board of Directors.

Gajendra Singh
Managing Director

Ghanshyam Singh Chauhan
Whole Time Director