

Kay Kay Hire Purchase Private Limited

Recovery, Collection & Repossession Practices Code

The Company may recover lawful dues, but only through fair, proportionate and lawful means. This Code applies to employees, call centres, field representatives, advocates, recovery and repossession agents, dealers and every other authorised service provider. **The dignity of the borrower is not negotiable, and no recovery outcome justifies its breach.**

1. Authorisation and identification

- Only duly authorised and trained representatives may contact a customer for collection or recovery.
- The customer is informed of the assigned agent or agency where required, and the representative must disclose identity, Company authority and purpose, and produce authorisation on request.
- **Payments must be made only through official Company channels. An agent must never demand transfer to a personal account.**

2. Communication conduct

- Contact occurs only through reasonable channels and **within the contact hours permitted by RBI and law.**
- Representatives use respectful language, state the outstanding obligation accurately, and provide a means to verify their authority.
- **There will be no threat, intimidation, abuse, humiliation, public disclosure, misleading legal claim, impersonation of a public authority, or repeated contact designed to harass.**
- A customer's family, employer, references or other third parties will not be told loan details except where lawful and necessary; third-party contact will never be used to shame or pressure.

3. Collection process

A graduated process is followed: courtesy reminders before the due date; reminders on non-payment through SMS, email, telephone and letter; contact by the collections team; field visits where warranted and within permitted hours; a demand or recall notice in accordance with the loan agreement; reference to an authorised recovery agent where appropriate; repossession where the agreement so provides and circumstances warrant; and legal proceedings where required.

For bullet-repayment facilities, the Company communicates the impending maturity and the total amount payable in advance of the maturity date, so the borrower has notice and time to arrange funds.

Every reminder for non-compliance with a material term also communicates the applicable penal charges.

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4. Privacy and vulnerable circumstances

- Collection information is handled on a need-to-know basis, in accordance with the Privacy Policy.
- The Company considers verified hardship, medical emergency, bereavement, disability or vulnerability under its approved assistance and settlement authority, **without making false promises**.
- A dispute or complaint is recorded and escalated. Recovery conduct must never obstruct the grievance process.

5. Accuracy and payment handling

- Representatives must use current account information and explain principal, interest, charges and adjustments accurately.
- Receipts or electronic confirmation are provided for authorised payments.
- Cash collection, if permitted at all, follows strict receipt, reconciliation and deposit controls.

6. Field visits

- A field visit occurs only for a legitimate purpose, with proper identification, reasonable notice where appropriate, and respect for privacy and local law.
- **No unauthorised entry, seizure, confrontation at a workplace, crowding, surveillance or publication of debt information is permitted.**

7. Repossession of financed vehicles

Contractual basis. Repossession is undertaken only where the loan or hire purchase agreement contains a repossession clause, in a language the borrower understands, setting out the notice period, the circumstances in which it may be waived, the procedure for taking possession, the provision for returning the vehicle on repayment of dues, and the procedure for sale and realisation. A copy of these terms is furnished to the borrower with the agreement.

Notice. Repossession is preceded by a demand or recall notice in accordance with the agreement, save in the circumstances in which the agreement permits the notice period to be waived.

Conduct. Repossession is carried out by authorised personnel who identify themselves and produce authorisation. It is conducted **without the use or threat of force and without breach of the peace**. Where the borrower or any person in possession objects, the Company does not force the issue and pursues its remedies through the appropriate legal process.

Inventory. An inventory of the vehicle and of its contents is prepared at the time of repossession and acknowledged. **Personal belongings found in the vehicle are returned to the borrower.**

Right to redeem. The borrower is informed in writing of the amount payable to redeem the vehicle and of the period within which redemption may be exercised, and the vehicle is released on payment.

Sale. Where the vehicle is not redeemed, it is sold in a transparent manner intended to obtain a fair value, after notice to the borrower. The borrower is informed of the sale proceeds and of the

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manner in which they have been appropriated. **Any surplus remaining after appropriation of all dues and costs actually incurred is refunded to the borrower.** Where a shortfall remains, the borrower continues to be liable for it.

Records. Complete records of every repossession are maintained — the notice, the inventory, the redemption communication, the sale process and the account of proceeds.

8. Unsecured personal loans

An unsecured personal loan carries no security interest. No agent may seize a vehicle, household article or personal asset in respect of such a facility, and no representative may threaten to do so. Recovery is pursued through lawful demand and, where necessary, legal process.

9. Legal action and credit reporting

- Legal notices, arbitration, enforcement or court action may be used only under the contract and applicable law. **Representatives must not threaten an action the Company is not legally entitled or genuinely prepared to take.**
- Credit-bureau reporting is accurate and timely and subject to the applicable customer-notice and dispute processes. Where a borrower disputes reported information, the Company examines it and corrects any error with the credit information company within the prescribed period.

10. Restructuring, settlement and write-off — public summary

- Where a borrower is in genuine difficulty, the Company may restructure the repayment obligation in accordance with applicable regulatory direction and accounting standards. Any such arrangement is documented and reported as required.
- A settlement for less than the full amount may be accepted where recovery in full is unlikely and settlement is in the Company's commercial interest. Every settlement requires approval under the Board-approved delegation by an authority independent of the person who sanctioned the facility, is documented in writing, is followed by a settlement letter on receipt, and is reported to credit information companies with the correct status, which the borrower is informed of. Settlement is not offered as an inducement and is not available where fraud or wilful default is established, save as regulation permits.
- **Write-off is an accounting treatment and does not extinguish the borrower's liability.** Segmentation, settlement authority levels and write-off criteria remain internal.

11. Monitoring and complaints

- Calls and visits may be recorded or audited where lawful. The Company reviews complaints, agent conduct, scripts, incentives and repeat breaches.
- A material breach may result in corrective action, suspension, termination, restitution and regulatory reporting.
- Customers may complain through the published grievance channels, giving the representative's name and number, the date, and details of the conduct. Such complaints are examined by an officer **independent of the collections function.**