

ANZ INDIA BRANCH
FAIR PRACTICE CODE OF LENDERS

About the policy

PART A. ABOUT THIS CODE

Introduction

This code has been adopted by Australia and New Zealand Banking Group Limited, India Branch ("ANZ") to promote good and fair banking practices in dealing with customers. The code is expected to improve transparency to enable our customers can have a better understanding of what they can reasonably expect of our lending products and services.

1. Application for loans and their processing

- ANZ would assess the requirements of corporate clients through financial assessment / market intelligence/ discussions/ Personal visits within the stipulated regulatory guidelines from time to time. The letter of offer and the facility documents would include all information/ terms & conditions including fees/charges if any. Any refund/waiver of such fees is solely at the discretion of the Bank. Such transparent dealing should facilitate interest of the borrower and ANZ, so that a meaningful comparison with that of other banks can be made and informed decision can be taken by the borrower.
- Clients may send various facility requests to ANZ within the approved/documented credit limit availability and type of facilities sanctioned.
- ANZ would process the facilities request from clients within a reasonable period of time. If additional details/ documents are required, these would be advised immediately.

2. Loan appraisal and terms/conditions

- In accordance with its prescribed risk based assessment procedures, ANZ would ensure that there is proper assessment of each credit application made by borrowers within regulatory guidelines applicable from time to time.
- The sanction of the credit limit along with the terms and conditions thereof is to be conveyed to the borrower and ANZ shall retain the borrower's acceptance of these terms and conditions given with his full knowledge on record.
- In case of disapproval of facilities, ANZ would communicate to the customer in writing, the main reason / reasons which, in the opinion of the bank after due consideration, have led to rejection of the loan application.
- The terms and conditions and other caveats governing credit facilities given by ANZ would be produced in writing and duly certified by the authorised official. Further, a



copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement to be furnished to the borrower.

- To the extent possible, the loan agreement would stipulate if the credit facilities are solely at the discretion of ANZ. The bank may disallow facilities that involve drawings beyond the sanctioned limits, honoring cheques issued for the purpose other than specifically agreed to in the credit sanction, and drawing on a borrowal account on its classification as a non-performing asset or on account of non-compliance with the terms of sanction or on account of regulatory guidelines applicable from time to time. Further ANZ does not have any obligation to consider additional borrowing requirements of the borrowers without proper review of credit limits.
- In the case of lending under consortium arrangement, ANZ would endeavour to evolve procedures to complete appraisal of proposals in a time bound manner to the extent feasible, and communicate its decisions on financing or otherwise within a reasonable time.

3. Disbursement of Loans including changes in terms and conditions

- Sanctioned loans will be disbursed in a timely manner and in conformity with the terms and conditions governing such sanction. ANZ will give notice of any change in the terms and conditions including interest rates, service charges etc. within reasonable time & shall inform the same to client through letters/ official email. ANZ will also ensure that changes in interest rates and charges are effected only prospectively.

4. Post Disbursement Supervision

- Post disbursement supervision would be constructive, taking into account any genuine difficulties that the borrower may face and in accordance with normal banking practice.
- Before taking a decision to recall/ accelerate payment or performance under the agreement or seeking additional securities, ANZ may give notice to borrowers within reasonable time as specified in the loan agreement or a reasonable period as Bank may deem fit, if no such condition exists in the loan agreement.
- All securities pertaining to the loan would be released on receipt of full and final payment of the loan, subject to any legitimate right or lien for any other claim that it may have against borrowers. If such right of set off is to be exercised, borrowers shall be given notice within reasonable time about the same with full particulars about the remaining claims and the provisions under which the bank is entitled to retain the securities till the relevant claim is settled/ paid.
- Any excess payments collected through excess interest charges, fees etc. & higher interest charges shall be reversed / refunded after proper & fair investigation from ANZ & within 21 days of receipt of written communication / official email from client & after proper & fair investigation from ANZ.

- Any rights / actions exercised by Bank towards recovery of unpaid dues by Borrower shall be guided by Regulatory Guidelines

5. General

- ANZ will refrain from interfering in the day-to-day affairs of the borrowers except for what is provided in the terms and conditions of the loan sanction documents (unless new information, not earlier disclosed by the borrower, has come to the notice of the bank).
- ANZ would not discriminate on grounds of sex, education, caste and religion in the matter of lending.
- In the matter of recovery of loans, ANZ would not resort to undue harassment or use of force.
- In case of receipt of request for transfer of borrowal account, either from the borrower or from a bank/ financial institution, which proposes to take-over the account, the consent or otherwise i.e. objection of the bank, if any, would be conveyed within 21 days from the date of receipt of request.

PART B- GREIVANCE REDRESSAL MECHANISM

Grievance redressal mechanism: ANZ has a comprehensive Policy on Customer Grievance Redressal and Compensation. The same is available on Bank's website.