



## **ANZ INDIA BRANCH**

### **FAIR PRACTICE CODE OF LENDERS**

#### **ABOUT THIS CODE**

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 increase 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 client's through discussions/ Personal visits. The letter of offer and the facility agreements would include information about the fees/charges, if any, payable for processing, the amount of such fees refundable in the case of non acceptance of application, pre-payment options and any other matter which affects the interest of the borrower, 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 facilities request to ANZ as per the 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 credit application made by borrowers.
- 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.
- The terms and conditions and other caveats governing credit facilities given by ANZ would be produced in writing and duly certified by an authorised official. Further, a copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement may be furnished to the borrower, if asked for.
- 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. Further ANZ does not have any obligation to meet additional requirements of the borrowers on account of growth in business etc. without proper review of credit limits.

- In the case of lending under consortium arrangement, ANZ would endeavor 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. The 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 as specified in the loan agreement or a reasonable period, 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 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.

### **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, 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.
- ANZ currently follows a relationship bases model for Institutional Business. The Relationship managers attend to all client requests and address their grievance appropriately by escalating to internal stakeholders.
- The customers are regularly invited to Customers service committee meeting of the bank and feedback on service quality is discussed therein.
- The bank has still not commenced electronic banking products over internet for customer usage. The aspects related to safety and security of electronic transactions will be considered, once such products are launched.
- The details of dedicated helpline for single branch at Mumbai are available on our website.