

Fair Practice Code for Lenders

Scope: DBS Bank India Ltd

Issuer: Niraj Kumar Mittal (MD & Head – IBG India) & Prashant Joshi
(MD & Head – CBG India)

Global ID: [Global ID]

1 Guiding Principle

This Code sets the minimum standards of banking practices that the bank will follow when it is dealing with all borrowing customers. It provides guidelines and explains how the bank is expected to deal right from the time one applies for the loan and along the tenure of the loan.

The Code does not replace or supersede regulatory or supervisory instructions issued by the Reserve Bank of India (RBI) and we will comply with such instructions /directions issued by RBI from time to time.

2 Policy

2.1 Loan Application and processing.

All loan applications accepted for processing shall be duly acknowledged by the bank. However, in case of corporate banking, where credit proposals are initiated based on detailed discussions with the customer, the process of application/acknowledgment may not be followed however request letter from the borrower would be obtained for availing the facilities. Upon receipt of loan application, the bank would process it within reasonable period not exceeding 3 months/15 Days for Retail loans from the date of application and after receipt of all required information / documents for processing the loan. In case further information or documents are required it would intimate the borrower at the earliest in any convenient manner.

The bank would not discriminate with any borrowing customers based on sex, cast or religion however the bank would participate in credit- linked schemes framed by RBI / Government for weaker sections of the society. Our loan application forms, including those to priority sector advances up to INR 2.00 Lakhs would be comprehensive and would provide following information

- Processing fees
- Interest to be charged
- Percentage of processing fees to be refunded in case the loan application / offer letter of the bank is not accepted.
- Pre-payment options and charges.
- Time for processing the loan application
- or any other parameters which would affect interest of the borrower
 - penalty for delayed repayments.
 - conversion charges for switching loan from fixed to floating rates or vice versa
 - existence of any interest reset clause and any other matter which affects the interest of the borrower
 - The Bank would also inform the all-in-cost to the customers.

In case of rejection of loan application including those to small borrowers seeking loan up to INR 2.00 Lakhs, the bank would convey the reason for rejecting the loan in writing or as a part of the journey in digital mode. This will be done within the stipulated time (15 working days from the date of application).

2.2 Loan Appraisal and Terms / Conditions.

The bank would properly assess all loan applications received, to ascertain credit worthiness of the applicant. Stipulation of margin money and security would be based on the assessment of the borrower and would not be used as a substitute for due diligence of credit worthiness of the borrower. The assessment would be based on various policies of the bank and would be conducted as per information provided by the borrower.

In case of loan being processed by a consortium of Bankers or Financial Institutions, then the bank would try to appraise the proposal in a time bound manner as decided in the consortium meeting and communicate

the decision on financing or otherwise to the borrower and consortium leading bank within that time. The Bank would convey to the borrower credit limit and details of facilities along with the terms and conditions thereof and keep the borrower's acceptance on record. Terms and conditions governing credit facilities extended by the Bank, would be communicated to the borrower in writing with signatures of authorised official. A copy of the facility terms and conditions along with related documents would be furnished to the borrower.

The facility terms and conditions will stipulate the credit facilities are solely at the discretion of the Bank. These may include approval or disallowance of facilities, such as drawings beyond the sanctioned limits, honouring cheques issued for the purpose other than specifically agreed to in the credit sanction and disallowing drawing on a borrower account on its classification as a nonperforming asset or in the event of default or on account of non-compliance with the terms of sanction. The Bank would not have an obligation to meet further requirements of the borrowers because of growth in business etc. without proper review of credit limits and in case further limits are enhanced it would be at sole discretion of the bank.

2.3 Loan Disbursement and Post Disbursement supervision.

The Bank will ensure timely disbursement of loans sanctioned as per the terms and conditions governing the sanction. In case there is any change in the terms and conditions including interest rates, service charges etc. the bank would give notice to the borrowers. The Bank would ensure that changes in interest rates and charges are affected only prospectively (unless otherwise required by regulation/law).

While conducting post disbursement supervision particularly in respect of customers who have borrowed loans up to INR 2.00 Lakhs, the bank would take a constructive view to take care of any "lender-related" genuine difficulty which the customer may face. Calls or visits by bank officials would be avoided on inappropriate occasions such as bereavement in the family or events of similar nature. Before taking decision to recall / accelerate payment or performance under the facility terms or seeking additional securities, the Bank would give due notice to the borrower, as specified in the agreements executed or a reasonable time would be given if no such conditions exists in the various agreements.

The Bank would release all securities held with it upon receipt of all dues or realisation of loan. In case there is any right or lien for any other claim the bank may have against the borrower, the bank would give notice to the borrower before exercising the right. Also copies of documents under which the bank is entitled to retain the securities shall be provided to the borrower, along with particulars of the remaining claims.

2.4 Others:.

The bank would not interfere in the affairs of the borrower, except for what is provided in the loan documents unless new information, not earlier disclosed by the borrower, has come to the notice of the Bank. In case a request for transfer / take-over of loan account is received either from the borrower or from a bank/financial institution, which proposes to take- over the account, the bank would consent or convey objection within 21 days from the date of receipt of request.

The bank would not resort to undue harassment like persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc.

All disputes in respect of the Bank's actions/decisions concerning loans and advances, shall be dealt with in accordance with the grievance redressal procedure of the Bank.

DBS Bank India Ltd.(DBIL) is a Wholly Owned Subsidiary (WOS) of DBS Bank Ltd(DBL). headquartered in Singapore. As a matter of sharing best practices DBIL will draw on experience and expertise of DBL when dealing with complex, long tenor, large or important transactions to ensure that the minimum

acceptance criteria of the group are met. Further DBIL will reckon or consider certain policies and standards prescribed by DBL and adopt to Indian regulations to ensure that the operations meet the minimum acceptance criteria of the group.

3 Key Responsibilities

The policy to be referred by Institutional Banking Group and Consumer Banking Group when lending to customers.

4 Governance

4.1 Ownership and Approving Authority

This Policy shall be owned by Institutional Banking Group & Consumer Banking Group and approved by India Management Committee, as the case may be. Any changes that are not substantive, but incidental or administrative in nature, do not require a sign-off by the approving authority.

4.2 Deviations

Any deviations, including any addenda, if any, shall be on an exceptional basis and must be documented by Issuer and approved by India Management Committee. Any changes that are not substantive, but incidental or administrative in nature, do not require a sign-off by the approving authority.

4.3 Review

This Policy should be reviewed on annual basis (with a grace period of up to three months) or when material changes are required/appropriate to ensure continued relevance.

Appendix 1 Related Policies and Standards

- RBI Guidance on Fair Practice Code for Lenders DBOD. Leg. No.BC. 104 /09.07.007/2002-03 dated 5th May 2003 , RBI/2006-2007/280 DBOD.No.Leg.BC.65 /09.07.005/2006-07 dated 6th March 2007 and RBI / 2008-09 / 296 DBOD.No.Leg.BC. 86 / 09.07.005/2008-09 dated 25th Nov 2008.
- Grievance Policy – DBS Bank India Ltd.

Appendix 2 Version History

Version	Date Issue of	Summary of Key Changes
1.0	July 2018	Policy Issued
2.0	Nov 2022	Mode of communication for rejection added for loans disbursed through digital mode