

The Greater Bombay Co-operative Bank Ltd.
(Scheduled Bank)

Fair Practices Codes

1. Application form for loans and their processing:

- a) The application will contain the checklist giving the details of documents to be enclosed along with the application form and guidelines for filling up the form.
- b) All Xerox copies submitted should be verified with the originals by Bank officials and duly authenticated.
- c) The annexure regarding the schedule of processing fees to be charged should be given to the applicant and acceptance of the same by the applicant to be obtained. This annexure will contain.
 - (I) The terms of refund of processing fees in case the loan application is rejected by the Bank.
 - (II) Prepayment options pertaining to term loans/ mortgage loans and related conditions.
 - (III) The notice regarding the conveying in writing the main reason/s which in the opinion of the bank have lead to the rejection of the loan application (Circular No:179 dated 26.04.2007)
- d) Acknowledgement for having received the application complete in all respects to be given to the applicant in the form of tear of portion. The bank will intimate the period for disposing of the loan application in this acknowledgement to the applicant.

2. Loan appraisal, terms and conditions :

- a) The loan application will be processed as per the norms laid down by the Bank and will be sanctioned by the appropriate authority at the sole discretion of the Bank. The Bank will not be committed to accept the request from the borrower for higher limits based on growth in business with out proper review of the credit facilities.
- b) The terms and conditions of sanction will be specified as per the Bank's policy and intimated to the applicant in the form of a sanction letter which will include the disclosure clause to RBI / CIBIL etc.
- c) The applicant will sign the copy of the sanction letter for having accepted the terms and conditions of sanction with full understanding of the contents.
- d) Copies of the documents duly executed by the borrower and duly verified by the Centralized Documentation Cell, will be furnished to the prospective borrower if asked for.
- e) Loan agreement will clearly state that the credit facilities will be at the sole discretion of the Bank and may include approval / disallowances of drawings beyond sanctioned limits, honouring cheques issued for purpose other than agreed at the time of sanction, disallowing drawings in NPA classified accounts / accounts which have not complied with the terms of sanction.
- f) In case of disputes arising out of decisions of lending institutions' functionaries, the grievance redressal will be disposed of at the next higher-level authority.

...contd.pg.2.



The Greater Bombay Co-operative Bank Ltd.
(Scheduled Bank)

...2...

3. Disbursement of Loans including changes in terms and conditions:

- a) The disbursements will be effected on completion of all the formalities in conformity with the terms and conditions governing such sanction.
- b) Any change in the rate of interest, service charges, or terms and conditions will be duly intimated to the borrower and effected prospectively.

4) Post Disbursement Supervision :

- a) The loans will be supervised by the Bank as per norms. In case of loans upto Rs.2.00 lacs, the post disbursement supervision will as far as possible aimed at resolving any customer service issues due to unavailability of staff etc. and situations beyond the control of the bank that the borrower may face. The Branch Manager may be contacted when there is any unusual delay in the disbursement of loan.
- b) The Bank will give sufficient notice to the borrowers as specified in the loan agreement or a reasonable period of 7 days if not specified in the loan agreement before taking a decision for recalling the advance and seeking additional securities.
- c) The Bank will release all the securities on receipt of full payment of the loan amount within a reasonable period of time.
- d) The bank will exercise the right of set off after giving sufficient notice to the borrowers.
- e) The bank will intimate the borrower about the retention of securities/documents till the settlement of remaining / relevant claim.

5) General:

- a) The Bank will review in the affairs of the borrowers incase of new information, not earlier disclosed by the borrower has come to the notice of the Bank.
- b) No discrimination will be made in respect of granting facility, on the grounds of sex, caste and religion. However this does not preclude the Bank from participating in credit link schemes framed for the weaker sections of the society.
- c) In the matter of recovery of loans the Bank will act in accordance with its policies on collection of dues and repossession of security.

