**ANNEXURE - 5**

**REPORTING FORMAT BY ASM**

**PART – A – GENERAL**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Particulars** |  |
|  | Name of the borrower  Location |  |
|  | Line of Activity:  Major:  Minor: |  |
|  | Banking Arrangement: Consortium / Multiple Banking |  |
|  | Aggregate Exposure FB and NFB  Exposure: WC FB, WC NFB, TL  Lead Bank / Largest Exposure Bank |  |
|  | Validity of limits |  |
|  | External Rating  (Name of the agency and date of reporting)  Short term rating:  Long term rating:  (Rating migration from last rating) |  |
|  | Report for the Quarter ended |  |
|  | Date of Report |  |
|  | Reference of Appointment |  |

**PART B**

**REPORTING CHECKLIST FOR ASM – GENERAL (INDICATIVE LIST)**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Statement** | **Comments of ASM** |
| 1 | General observations at the time of unit visit |  |
| 2 | Comment on the Level of co-operation by the borrower |  |
| 3 | Level of Transparency in terms of disclosures and information made available |  |
| 4 | Adequacy of replies / clarification / justifications for the queries raised by the Agency |  |
| 5 | Adequacy of document provided by the company for study |  |
| 6 | Inspection / verification of stocks / book debts and submission of monthly (or as stipulated by Lenders) report on the format given by the lender |  |
| 7 | Movement of current assets during the review period |  |
| 8 | Movement of debtors / ageing of debtors / bad debts etc.  List of top ten debtors by value and age |  |
| 9 | Drawing Power (DP) calculation - adherence to accounting standards, adequacy of DP |  |
| 10 | Deficit if any - reasons and clarifications from the party |  |
| 11 | Margin / security / charges / insurance on current assets |  |
| 12 | Buildup of inventories / slow moving / obsolete stocks etc. |  |
| 13 | 1. Movement of stock and book debts vis-à-vis sales turnover achieved during the period 2. Whether stock statement and book debt statement generated through SAP / ERP or manually on monthly basis |  |
| 14 | Bills including export bills outstanding for more than period stipulated in sanction with reasons |  |
| 15 | Sales turnover achieved vis-à-vis estimates  Production achieved vis-à-vis estimates for manufacturing unit |  |
| 16 | Verification of sales invoices raised by the company.  Discrepancies if any |  |
| 17 | Verification of purchase bills  Discrepancy if any |  |
| 18 | Verification of transactions in the operating account / TRA  Unsatisfactory features if any including incidents of cheque return, non-payment of statutory dues etc. |  |
| 19 | Verification of debits entries during the review period vis-à-vis purchases payment expenses etc. |  |
| 20 | Verification of high value debits - purpose and beneficiary |  |
| 21 | 1. Verification of high value debtors and creditors through information available in the public domain 2. Verification of high value LC / BG beneficiary parties |  |
| 22 | Assessment of financial information that has been and that will be provided by the company to its lenders including information related to its short term and long term cash flows |  |
| 23 | Additional verification of evidence of end use of facilities to company and its utilization as per the conditions laid down by the consortium of lenders |  |
| 24 | Verification of credits in the account for the review period vis-à-vis advances received from customers  Shortfall, if any |  |
| 25 | Sales turnover rotated through bank account vis-à-vis sales as per sales register. Amount of turnover routed through each bank |  |
| 26 | Infusion of funds during the period by promoters - Capital, preference shares, quasi capital, unsecured loans etc. Source of funds  Any round tripping post Balance sheet date |  |
| 27 | Short term / long term loans raised during the review period with purpose |  |
| 28 | Undisputed statutory dues outstanding for more than 6 months |  |
| 29 | Verification of fixed assets Register - Additions vis-a-vis sources, deletions v/s utilisation etc. |  |
| 30 | Devolvement of LC / LoU / Buyers Credit |  |
| 31 | Invocation of BG during their view period and its impact |  |
| 32 | Verification of export credit transactions. Discrepancy if any |  |
| 33 | Adequacy of ECGC - pre and post shipment / buyer wise policy |  |
| 34 | Nature and extent of Hedging - if no hedging is available reasons therefor |  |
| 35 | Payment received and paid through third parties |  |
| 36 | Related party transactions with group entities, JVs, subsidiaries etc. The agency shall look into floating of new subsidiary / JV  Whether payments made with the approval of Lead Bank |  |
| 37 | Diversion / Siphoning of funds  Transactions unrelated to business |  |
| 38 | Cash Flow adequacy vis-à-vis debt obligations |  |
| 39 | Verification of contingent liabilities  Any unsatisfactory feature |  |
| 40 | Legal Suits-filed by company and filed against the company including cases of related parties pending before various legal forums including NCLT  List with comments |  |
| 41 | Claims against the company (legal or otherwise) |  |
| 42 | Incidents of short / long term closure of manufacturing facilities |  |
| 43 | Cases of untoward incidents fire, floods and other cases of Force Majeure |  |
| 44 | Incidents of Labour unrest, strike tax raids etc. |  |
| 45 | Suspicious activities |  |
| 46 | Any fraudulent practices noticed during the visit |  |
| 47 | Any cases of misrepresentation of facts, malfeasance, suppression of facts etc. |  |
| 48 | Changes in key Management personnel/Key technical personnel during the period |  |
| 49 | 1. Changes in the shareholding pattern and its impact on the business 2. Change in pledge of shares by promoters |  |
| 50 | Short term / long term impact of policy changes on the business / cash flows |  |
| 51 | Long term impact of adverse developments on the industry front |  |
| 52 | Performance at NSE / BSE with reasons for volatility during the review period, if any, in case of listed companies |  |
| 53 | Identification of key issues and submission of the report along with the suggestions with regard to smooth operations of the entity |  |
| 54 | Overall assessment of the health of account and its likely performance over short to medium term |  |
| 55 | Comments on Key Financial Indicator as per latest ABS |  |
| 56 | Comments on quarterly/ half yearly reports/results |  |
| 57 | Comment on any other matter of relevance |  |
| 58 | Default in undisputed payment to the statutory body as declared in Annual Report |  |
| 59 | Frequent Overdraft |  |
| 60 | High Value RTGS to unrelated parties |  |
| 61 | Claims not acknowledged as debt high |  |
| 62 | Unbilled revenue (Advance Receipt) |  |
| 63 | Substantial Related Party Transaction  (more than 10% of turnover) |  |

**Pro-rata performance**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Estimate for Current Year | Achievement till Quarter End | Pro-rata achievement percentage |
| Net Sales |  |  |  |
| Net Profit after Tax |  |  |  |

Note:

1. The above points may be used as indicative list for preparation of report. ***The format can be revised based on the specific requirements of each entity***. The details against each item may be elaborated in the main report wherever necessary.
2. Necessary documents, photo copies, reports, certificates, copies of approvals etc. may be included in the report as enclosures.
3. The report must provide proper conclusive comments that would enable the lenders to take appropriate decisions.

**Part C:**

**REPORTING CHECKLIST FOR ASM –**

**MONITORING OF PROJECT UNDER IMPLEMENTATION (INDICATIVE LIST):**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Particulars** | **ASM Comments** |
|  | Site visit, document reviews and study of progress reports, especially vis-à-vis original timelines |  |
|  | Determine progress achieved and appropriateness of related transactions (e.g. payments made to contractors and sub-contractors, vendors, orders placed and commercial terms thereof). Also flag any issue which is resulting in non/under – performance by the Contractor |  |
|  | Genuineness of payment to related parties & any adverse impact |  |
|  | Deviations in project progress vis-a-vis timelines and amount disbursed. Monitoring of high value payments / dues and its proper utilisation  Discrepancy if any |  |
|  | Review of invoices and submission of exception report |  |
|  | Fortnightly review of production/ supplies (quantities of works certified) vis-a-vis inventory consumption records and cash flow to Contractors, sub-contractors and vendors, wastages, extent of rework and quality non-conformities raised by company and highlight exceptions. A single review report will be released each fortnight for invoices raised and inventory consumed in that period |  |
|  | Scheduled COD and number of months remaining to COD |  |
|  | Progress of project vis-à-vis cost of project / means of finance  Ultimate equity infusion and source thereof |  |
|  | Status of physical progress |  |
|  | Verification of Transactions in TRA- discrepancies, if any, to be reported |  |
|  | High value credits into TRA vis-à-vis disbursements from banks / capital infusion |  |
|  | High value debits vis-à-vis payments to contractors, suppliers etc. |  |
|  | Adequacy of land acquired |  |
|  | Delay in terms of land acquisition and its impact on COD |  |
|  | Delay in terms of construction and its impact on COD |  |
|  | Delay in terms of equipment supplies and its impact on COD |  |
|  | Delay on account of legal issues |  |
|  | Delay on account of socio-economic issues and its impact on the success of project |  |
|  | Delay from the contractors side and its impact on the COD |  |
|  | Delay on account of untimely disbursement of funds / infusion of capital |  |
|  | Delay on account of obtaining statutory licenses / approvals / permissions / Government clearances |  |
|  | Overall impact of the above delays on the COD and success of project |  |
|  | Estimate of cost overruns on account of delays |  |
|  | Resourcefulness of promoters to cover cost overruns |  |
|  | Changes, if any, in the scope of originally conceived project |  |
|  | Permissions / approvals from lenders for change in the scope of the project |  |
|  | Additional funding if any by lenders to finance cost overruns and its impact on the financial viability |  |
|  | Approvals / Agreements like Toll rights / Fuel supply Agreement / PPA etc. |  |
|  | Financial health of promoting companies in case of SPVs |  |
|  | Third party payments |  |
|  | Verification of DSRA in case of projects who have achieved Provisional COD |  |
|  | Overall assessment of the project and its likely success post COD |  |
|  | Suggestions, if any, for improving the project management practices |  |
|  | Perform such other services as requested by the lenders and mutually agreed to by the party and lenders |  |

**Note**:

1. The above points may be used as indicative list for preparation of Report. ***The format can be revised based on the specific requirements of each entity***. The details against each item may be elaborated in the main report wherever necessary.
2. Necessary documents, photo copies, reports, certificates, copies of approvals etc. may be included in the report as enclosures.
3. The report must provide proper conclusive comments that would enable the lenders to take appropriate decisions.

**CERTIFICATE**

1. I / we hereby certify that we have verified the transactions of Bank/s vis-a-vis movement of current assets for the quarter ended ....... and the transactions are found to be in line with the operations of the company for the said period.
2. No inventory build- up on account of slow moving / obsolete stocks was observed. Movement of stocks and book debts are found to be satisfactory and in line with the industry trends.
3. High value debits in the account have been verified vis-a-vis purchases of raw material / stores and found to be order. Similarly, High Value credits in the account have been verified vis-a-vis advances from customers / income from operations and found to be in order.
4. Related party transactions have been verified and observed that these transactions have arisen purely on account of business relations.
5. The sales books have been verified vis-a-vis GST / DGFT (for export) / 26AS Returns and no major discrepancy was observed.
6. The company is maintaining required level of transparency in terms of submission of data/ statements to the lenders as stipulated at the time of sanction.
7. The cash flows for the review period were normal and there was no diversion of funds whatsoever and we are of the view that the loan funds availed by the company from Banks / FIs have been utilised for the purpose for which it was intended.
8. We observe that there are no suspicious activity / transactions, cases of mis-representation / suppression of facts and fraudulent practices. The business operations of the company are found to be satisfactory and in accordance with the law.
9. Overall dealings of the company are found to be satisfactory.

We hereby certify that the facts, figures / data provided in the report are true and correct to the best of our knowledge.

(**Signature with Stamp)**

Place:

Date: