

## Annexure E – Appraisal Note

(To be prepared by branch / RM / Account manager)

### APPRAISAL NOTE FOR INLAND BILL DISCOUNTING/ EXPORT FINANCE FACILITY SECURED/ COLLATERALIZED BY DEPOSITS/CASH MARGIN

Date: \_\_\_\_\_

Name of Borrower	
City	
Date of Incorporation	
Name of Proprietor / Partners / Directors	
Shareholding Pattern (if applicable)	
Relationship Vintage(No of Years)	
Constitution	Proprietorship/Partnership/Pvt Company/Institution/ Trust/ Society
Line of Business	

#### Financial Details

[if the facility amount is over Rs.50 mn]

#### Performance and financial Indicators

(₹ million)

Particulars	Audited results	Projected
	(FY- 2013)	(FY 2014)
Total sales/turnover		

Profit after tax (PAT)		
Tangible net-worth		
Total debt		
TD/TNW		
Current Ratio		
TD/NCA		

### Assistance details

(in ₹. In mn)

Facility	Current Proposal		Existing Limit	Proposed Total	Pricing for the current proposal	
	Renewal	Additional			Calculated	Proposed
Pre-shipment facility						
Post-shipment facility						
Inland bill discounting						
Overdraft facility						
Letter of Credit facility						
Buyers credit facility						
Bank Guarantee facility						

### Priority sector classification:-

Nature of Business	Gross Block of Investment P&M/Equipment	PSL Classification (Priority/Non Priority)	Sub-Sector Code**	Document obtained*
(Manufacturing/Service/Retail				

Trade/Wholesale Trade)  (as per application form)	(as per application form)			

\* For Facilities > 1 crore, CA certificate should be obtained for ascertaining Gross Block of investment in Plant & Machinery or Equipment

\*\* Subsector code will be as per following table

Classification	Manufacturing	Service	
Tiny	TINMF	TINSR	
Micro	MICMF	MICSR	
Small	SEMF	SESR	
Medium	MEMF	MESR	

**Purpose of facility:**

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**Details of Fixed Deposit(s)**

FD No.	
FD Value(Rs)	
FD Maturity Date	
Residual tenor of FDR	
Relationship of the FD Holder to the borrowing entity*	

Nature of Facility (Secured/Collateralised)	
Rate of Interest payable on FD	
Branch ID in which FD is held	

\* In case of third party deposits, documents need to be executed as prescribed by Corporate Legal in the application form.

### Assessment of Limits

(₹ million)

S/N	Particulars		Amount
A	Projected Sales/Turnover (annual)		
B	Projected Sales under credit (annual)		
C	Projected monthly sales under credit		
D	Assessed Bank Finance: 20% of projected gross sales		
E	Deposit kept with bank		
F	Margin to be maintained		
G	Eligible amount (E-F)		
H	Maximum Limits/MPBF (Lower of D and G)		
I	Applicable only for BG	Tenure of the BG.	
J		Amount of BG	
K		Validity period	
L		Claim period	
M	Applicable only for LC	Raw Material purchased under LC during last 12 months	
N		Total Raw material to be purchased under LC (projections) 120% of M	

O		Usance Preiod	
P		Assessment of L/c Limit (C/365*No. of days Usance)	
Q	Applicable for Bill discounting facility	Average usance period (credit period) in month(s)	
R		Assessed Bill Discounting Limit (CXD)	
S		Bill Discounting Limit enjoyed currently from other banks	
T		Bill Discounting Limit recommended	

For limits above Rs 50 million, MPBF method should be used

## DOCUMENTATION

I confirm the documentation specified in the Legal site – DMS for the facility type <Inland bill discounting/Export Finance (Pre-shipment/Post-shipment) > will be executed by the client before disbursement or issuance. I confirm that the FD will be duly lien marked before the issuance of the facility to the customer.

ECGC	Waived
Running Account / PO or LC based	PO or LC based*
Tenor of disbursement	

\*In case of running account require approval from JGM and above

### Declaration:

I confirm that I have conducted the due diligence on the customer is in line with the KYC guidelines and I have also obtained all documents mentioned in prevailing KYC guidelines. The validity periods of all facilities are co-terminus with the FD maturity date. Customer to be visited mandatorily by:

<b>Officials</b>	<b>Proposed exposure under existing facility</b>
RM	Above Rs.10.0 million
Regional Head	Above Rs. 50.0 million
Zonal Head (of the rank of AGM & Above)	Above Rs. 100.0 million

**None of the directors are in the RBI's / DGFT/ ECGC /ICICI Bank list of defaulters. The borrower or their partners /directors etc. are not facing any litigations which have been initiated by other lenders.** *(Please enquire with company and check with RBI / DGFT/ ECGC /ICICI Bank list of defaulters available on intranet, specify details if otherwise)*

None of the Directors of the company, or Directors of its holding / subsidiary company is the Director of ICICI Bank Limited.

We have confirmed from the borrower/security provider that there are no pending direct tax proceedings or outstanding direct tax dues and hence in good faith and in the absence of financials being taken, sanctioning authority is treating the facility as Secured.

OR,

We have gone through the Auditor's Certificate as on \_\_\_\_\_ and found no tax dues pending. There are no tax proceedings pending nor any notices have been served on company since then.

faafsOR,

We have gone through the financial statements and audit report of borrower as on \_\_\_\_\_ and found pending tax dues / pending direct tax proceedings / notice under rule 2 of the Second Schedule of the IT Act has been received for Rs. \_\_\_\_\_ and the borrower has not furnished a no due certificate from IT department under Sec 281 (1) (ii) of the IT Act. Hence the facility has been considered as Collateralised.

Prepared By: Sales Manager

<Employee No.>

**Visit Report (Required only for facility value greater than 10 million)**

<b>A</b>	<b>Basic Information</b>	
	Name of the entity	
	Name of Directors	

	Person met with designation	
	Address	
	Telephone Nos	
	Constitution (in case of partnership check whether partnership is registered)	
	Business line /Product details	
	Date of visit	
<b>B</b>	<b>General Observation</b>	
	No. of Staff permanent / Outsource	
	Name of Raw material suppliers (with contact details as far as possible)	
	Name of Major Buyers (with contact details as far as possible)	
	Any litigation against company/promoters (discreet enquiry)	
	Comment on overall infrastructure (space-own/rented)	
	Market standing of promoters/ management (overall)	
<b>C</b>	<b>Market Information (referral)</b>	
	Name, Organisation and designation	
	Contact number(s)	
	Relationship with the entity	
	Experience as to dealing & tenure of relationship	

<b>D</b>	<b>Banker Reference</b>	
	Name and designation of Bank officers	
	Contact number(s)	
	Limit availed	
	Experience as to dealing & tenure of relationship	
<b>E</b>	<b>Brief Comment (min 100 words)</b>	