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Policy on Treatment of Willful Defaulter & Large Defaulter

Approved on July 30, 2025 (Version 1)

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1. **OBJECTIVE**

The primary objective of the Policy on Treatment of Willful Defaulters and Large Defaulters is to provide for a non-discriminatory and transparent procedure, having regard to the principles of natural justice, for classifying a borrower as a wilful defaulter by Vamasundari Investments (Delhi) Private Limited (**“Vama” or “Company”**).

The Company in accordance with the provisions of Master Direction on Treatment of Willful Defaulters and Large Defaulters as issued by RBI vide circular dated July 30, 2024 and addendum thereon has prepared this Policy.

2. **DEFINITIONS**

- 1) **“Borrower”** means one who has availed credit facility from Company.
- 2) **“Credit facility”** means any fund based or non-fund-based facility, including off-balance sheet items like derivatives, guarantees and letters of credit, which Company may extend to the borrower.
- 3) **“Credit information company” (CIC)** means a company that has been granted a certificate of registration under Section 5 of the Credit Information Companies (Regulation) Act, 2005.
- 4) **“Director identification number (DIN)”** shall have the meaning assigned to it under the Companies Act, 2013.
- 5) **“Director”** means the director of a company which was classified as a large defaulter/wilful defaulter and who was associated with the company at the time when the acts of omission or commission by the company/ its directors led to the default.
- 6) **“Diversion of funds”** means and includes the under- noted occurrences:
 - (i) utilisation of short-term working capital funds for long-term purposes not in conformity with the terms of sanction of credit facility;
 - (ii) deploying funds availed using credit facility for the creation of assets other than those for which the credit was sanctioned;
 - (iii) transferring funds availed using credit facility to the subsidiaries/group companies or

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other entities, by whatever modality, without approval of the lender/ all the lenders in the consortium;

- (iv) routing of funds through any lender other than the lender or members of consortium without prior written permission of the lender or all the lenders of consortium;
- (v) investing funds availed using credit facility in other companies/entities by way of acquiring equities/debt instruments without the approval of lender or all the lenders of consortium; and
- (vi) shortfall in the deployment of funds vis-à-vis the amounts disbursed/ drawn under the credit facility and the difference not being accounted for.

- 7) **“Guarantor”** is a person/ entity who has guaranteed the credit facility.
- 8) **“Identification committee”** means the committee constituted by a Company for identifying a wilful defaulter and shall comprise an officer not more than one rank below the MD/ CEO as chairperson and two senior officials, not more than two ranks below the chairperson of the committee, as members.

In case MD/ CEO is not there in Company at a point of time, then the Company can appoint officers not more than one rank below the Whole- Time Director as chairperson .

- 9) **“Independent director”** shall have the meaning assigned to it under the Companies Act, 2013.
- 10) **“Large defaulter”** means a defaulter with an outstanding amount of ₹1 crore and above, and- (i) where suit has been filed; or
(ii) whose account has been classified as doubtful or loss (in accordance with the instructions issued by the Reserve Bank from time to time).
- 11) **“Lender”** means Vamasundari Investments (Delhi) Private Limited.
- 12) **“ Master Direction”** means Master Direction on Treatment of Willful Defaulters and Large Defaulters as issued by RBI vide circular dated July 30, 2024 and addendum thereon
- 13) **“Promoter”** means a person who has been named as such in a prospectus or is identified by the company in the annual return, and has (i) control over the affairs of the company, directly or indirectly, whether as a shareholder, director or otherwise; and/or (ii) in accordance with whose advice, directions or instructions, the Board of Directors of the

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company is accustomed to act.

- 14) **“Review committee”** means the committee constituted by a lender for the purpose of reviewing the proposal of the Identification Committee and shall comprise of the MD/ CEO as chairperson with two independent directors or non-executive directors or equivalent officials serving as members.

In case MD/ CEO is not there in Company at a point of time, then the Company can appoint officers not more than one rank below the Whole- Time Director/ Board as chairperson as the case may be .

Note: The Review Committee shall not be comprised of members who are part of the Identification Committee.

- 15) **“Siphoning of funds”** shall be construed to have occurred if any funds availed using credit facility from lenders are utilised for purposes unrelated to the operations of the borrower.

16) **“Wilful default”**

- (i) by a borrower shall be deemed to have occurred when the borrower defaults in meeting payment/ repayment obligations to the lender and any one or more of the following features are noticed:
 - (A) the borrower has the capacity to honour the said obligations;
 - (B) the borrower has diverted the funds availed under the credit facility from lender;
 - (C) the borrower has siphoned off the funds availed under the credit facility from lender;
 - (D) the borrower has disposed of immovable or movable assets provided for the purpose of securing the credit facility without the approval of the lender;
 - (E) the borrower or the promoter has failed in its commitment to the lender to infuse equity despite having the ability to infuse the equity, although the lender has provided loans or certain concessions to the borrower based on this commitment and other covenants and conditions.
- (ii) by a guarantor shall be deemed to have occurred if the guarantor does not honour the guarantee when invoked by the lender, despite having sufficient means to make payment of the dues or has disposed of immovable or movable assets

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provided for the purpose of securing the credit facility, without the approval of the lender or has failed in commitment to the lender to infuse equity despite having the ability to infuse the equity, although the lender has provided loans or certain concessions to the borrower based on this commitment.

- 17) **“Wilful defaulter”** means (i) a borrower or a guarantor who has committed wilful default and the outstanding amount is INR 25 Lacs and above, or as may be notified by Reserve Bank of India from time to time, and (ii) where the borrower or a guarantor committing the Wilful default is a company, its promoters and the director(s).

3. TREATMENT OF WILFUL DEFAULTERS

3.1. Mechanism for Identification and Classification of Wilful Defaulters

The Company shall identify and classify a person as a ‘Wilful defaulter’ by following the procedure as per Master Direction:

1. Identification:

The identification of the Wilful default should be made keeping in view the track record of the borrowers and should not be decided on the basis of isolated transactions/ incidents.

2. Classification:

The default to be categorised as Wilful must be intentional, deliberate, calculated and as per the definition of Wilful defaulter.

a)

- i) The evidence of Wilful default shall be examined by an Identification Committee.
- ii) If the Identification Committee is satisfied that an event of Wilful default has occurred, it shall issue a show-cause notice to borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity and call for the submissions from them within 21 days of issuance of show cause notice. The Company shall disclose to them all materials and information on which show cause notice is based.

Explanation: Director(s)/ persons who are in charge and responsible for the management of the affairs of the entity means who were associated with the

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company/ entity at the time when the acts of omission or commission by the company/ entity led to the default.

- iii) After considering the submissions and where satisfied, the Identification Committee shall make a proposal to the Review Committee for classification as a wilful defaulter by explaining the reasons in writing.
- iv) The borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity shall thereafter be suitably advised about the proposal to classify them as wilful defaulter along with the reasons therefor.
- v) An opportunity shall be provided to borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity for making a written representation to Review Committee within 15 days of such a proposal from the Identification Committee.
- vi) The proposal of the Identification Committee along with the written representation received shall be considered by the Review Committee.
- vii) The Review Committee shall provide an opportunity for a personal hearing also to the borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity. However, if the opportunity is not availed or if the personal hearing is not attended by the borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity, the Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision.
- viii) As the above classification process is an in-house proceeding, the borrower/ guarantor/ promoter/ director/ persons in charge and responsible for the management of affairs shall not have the right to be represented by a lawyer.
- ix) The Review Committee shall pass a reasoned order and the same shall be communicated to the wilful defaulter.

Explanation: If the Identification Committee concludes that the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity, do not qualify for classification as a wilful defaulter, such cases need not be referred to the Review Committee.

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b)

- i) The Company shall formulate the guidelines, based on their board-approved policy, designating rank of the official, who would issue the show cause notice and serve written order on behalf of the Identification Committee and Review Committee respectively.
- ii) The show-cause notice and the order served by the designated official shall clearly state that this has the approval of the competent authority, i.e., Identification/ Review Committee and must identify its members.
- c) A Director other than Whole-time Director, including an Independent Director/ Nominee Director, shall not be considered as Wilful defaulter unless it is conclusively established that: (i) the wilful default by the borrower or the guarantor has taken place with their consent or connivance or (ii) he/ she was aware of the fact of wilful default by the borrower or the guarantor, as revealed from the proceedings recorded in the minutes of the meeting of the Board or a Committee of the Board, but has not recorded his/ her objections to the same.
- d) The name of a non-whole-time director/ independent director/ nominee director who has been classified as a wilful defaulter shall be reported in **the format prescribed in Master Direction** indicating that he is a non-whole-time director/ independent director/ nominee director.

3.2. Review of accounts for identification of wilful default

- a) The Company shall examine the 'wilful default' aspect in all Non-Performing Assets (NPA) accounts with outstanding amount of ₹25 lakh and above or as may be notified by Reserve Bank of India from time to time.
If wilful default is observed in the internal preliminary screening, the Company shall complete the process of classification/ declaring the borrower as a wilful defaulter by following the mechanism set out in para above within six (6) months of the account being classified as Non-Performing Assets (NPA) [in accordance with the instructions regarding asset classification issued by the Reserve Bank from time to time].
- b) In respect of accounts where 'wilful default' was not observed during the initial examination, the aspects regarding 'wilful default' shall be subsequently re-examined in terms of the board approved policy of the Company at a periodicity as may be specified by the board.

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4. Specific measures against wilful defaulters

1)Initiation of Criminal proceedings by the lenders

Based on the facts and circumstances of each case, the Company can examine whether initiation of criminal proceedings against wilful defaulters under the provisions of the applicable law, is warranted. In cases where criminal proceedings have been initiated, removal of the name of a wilful defaulter from the List of Wilful Defaulters (LWD) shall be without prejudice to the continuation of criminal proceedings against the wilful defaulter.

2)Publishing of photographs of Wilful defaulters

The Company shall formulate a non-discriminatory board-approved criteria based on which the photographs of persons classified and declared as wilful defaulter shall be published in the newspaper.

3)Penal and other measures against Wilful defaulters

The penal measures mentioned below shall be implemented by the Company:

- i. No additional credit facility shall be granted by any lender to a wilful defaulter or any entity with which a wilful defaulter is associated.
- ii. The bar on additional credit facility to a wilful defaulter or any entity with which a wilful defaulter is associated shall be effective for a period of one (1) year after the name of wilful defaulter has been removed from the List of Wilful Defaulters (LWD) by the lender.
- iii. No credit facility shall be granted by any lender for floating of new ventures to a wilful defaulter or any entity with which a wilful defaulter is associated for a period of five (5) years after the name of wilful defaulter has been removed from the LWD by the Company.
- iv. Wilful defaulters or any entity with which a wilful defaulter is associated shall not be eligible for restructuring of credit facility. Subsequent to removal of the name of wilful defaulter from the LWD, the wilful defaulter or any entity with which a wilful defaulter is associated shall be eligible for restructuring, subject to the provision penal & other measures.

Explanation:

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- (A) If the wilful defaulter is a company, another company will be deemed to be associated with it, if that company is (i) a 'subsidiary company' as defined under clause 2 (87) of the Companies Act, 2013. (ii) falls within the definition of a 'joint venture' or an 'associate company' under clause (6) of section 2 of the Companies Act, 2013.
- (B) If the wilful defaulter is a natural person, all entities in which he is associated as promoter, or director, or as one in charge and responsible for the management of the affairs of the entity shall be deemed to be associated.
- (C) The penal provisions mentioned above, shall cease to be applicable on the associated entities when they are no longer associated with the wilful defaulters.
- (D) In cases where the existing promoters are replaced by new promoters in terms of directions contained in circular 'Prudential Framework for Resolution of Stressed Assets' dated June 7, 2019 (as amended from time to time) and the borrower company is totally delinked from such erstwhile promoters/ management, lenders may take a view on restructuring such accounts based on their viability, without prejudice to the continuance of criminal proceedings against the erstwhile promoters/ management.

b) Incorporation of covenant

- i. The Company shall incorporate a covenant in the agreement while extending credit facility to a borrower that it shall not induct a person whose name appears in the LWD on its board or as a person in charge and responsible for the management of the affairs of the entity.
- ii. In case such a person is found to be on its board or as a person in charge and responsible for the management of the affairs of the entity, the borrower would take expeditious and effective steps for removal of such a person from the board or from being in charge of its management.
- iii. Under no circumstances shall a Company renew/ enhance/ provide fresh credit facilities or restructure existing facilities provided to such a borrower so long as the name of its promoter and/or the director(s) and/or the person in charge and responsible for the management of the affairs of the entity remains in the LWD.

c) Initiation of legal action

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The Company shall, wherever warranted, initiate legal action against the borrowers / guarantors for foreclosure/ recovery of dues expeditiously.

5. **Provision for a transparent mechanism**

The Company shall put in place a transparent mechanism for the entire process of identification of wilful defaulters so that the penal provisions are applied in a fair manner and the scope for discretion is obviated.

6. **Role of Internal Audit**

- i. **The Company shall require their internal auditors to specifically look into adherence** to instructions for classifying a borrower as a wilful defaulter.
- ii. The Audit Committee of the Company shall periodically review the cases of wilful default and recommend steps to be taken to prevent such occurrences and their early detection should these occur. The review shall focus on identifying root causes of wilful default and addressing deficiencies, if any, in the wilful defaulter classification process adopted by the lender.

7. **Liability of a Guarantor**

- i. As per Section 128 of the Indian Contract Act, 1872, the liability of the guarantor is coextensive with that of the principal debtor unless it is otherwise provided by the contract.
- ii. When a default happens in making payment/ repayment by the principal debtor, the lender will be able to proceed against the guarantor even without exhausting the remedies against the principal debtor.
- iii. Where a lender has made a claim on the guarantor on account of the default made by the principal debtor, the liability of the guarantor is immediate.
- iv. In case the said guarantor refuses to comply with the demand made by the lender, such guarantor shall also be considered for classification as a wilful defaulter by following the mechanism as set out in para 3 of these Directions.
- v. While dealing with the wilful default of a single borrowing company in a Group, the lenders should consider the track record of the individual company, with reference to its repayment performance to its lenders. In cases where guarantees furnished by the companies within the Group on behalf of the wilfully defaulting units are not honoured when invoked by the lenders, such Group companies should also be considered for

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classification as wilful defaulter by following the mechanism set out in para 3 of these Directions.

8. REPORTING OF WILFUL DEFAULTERS AND LARGE DEFAULTERS

8.1. Reporting and Dissemination of Credit Information on Large Defaulters

- i. Company to submit information in **the format prescribed in Master Direction** to all credit information companies (CICs) in respect of the large defaulters at monthly intervals-
 - (a) a list of suit filed accounts of large defaulters; and
 - (b) a list of non-suit filed accounts of large defaulters whose account has been classified as doubtful or loss (in accordance with the instructions issued by the Reserve Bank from time to time).
- ii. For calculating the threshold of INR 1 crore, the unapplied interest, if any, shall also be included. In the case of suit-filed accounts, the threshold shall relate to the amount for which the suits have been filed.

8.2. Reporting and Dissemination of Credit Information on Wilful Defaulters

- i. Company shall submit at monthly intervals, information in **the format prescribed in Master Direction** to all CICs in respect of the wilful defaulters as per these directions:
 - (a) a list of wilful defaulters (LWD) in respect of suit filed accounts
 - (b) a LWD in respect of non-suit filed accounts
- ii. Company shall inform all CICs the removal of the name of the wilful defaulter from the LWD, promptly and not later than 30 days, from the date when the outstanding amount falls below the threshold of INR 25 lakh or as notified by Reserve Bank of India from time to time, subject to the provision in para 8.3 (ii) below.

8.3. Treatment of compromise settlements

- i. Any account included in LWD, where the Company has entered into a compromise settlement with the borrower, shall be removed from the LWD only when the borrower has fully paid the compromise amount.
- ii. Till such time as only part payment is made, name of the borrower shall not be removed from the LWD even if the outstanding amount becomes less than the threshold of ₹25 lakh or as notified by Reserve Bank of India from time to time.

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- iii. The compromise settlement with the wilful defaulter shall be in terms of the board approved policy of the Company .
- iv. The compromise settlement shall be without prejudice to the continuation of criminal proceedings against the wilful defaulter.

8.4. Treatment of defaulted loans sold to the other lenders and ARCs

- i. Before transferring a defaulted loan with outstanding of ₹25 Lakh and above, irrespective of its classification as NPA, to other transferees, the Company will internally conduct a comprehensive investigation from a wilful default perspective. This process need not necessarily involve a two-stage committee but should ensure a thorough examination of wilful default aspects for each defaulted loan.
- ii. In a case where wilful default is observed, the Company shall complete the process of classification of the borrower as wilful defaulter as per mechanism set out in para 3 (1) above, and report it in the LWD to CICs, before selling the asset to other lenders/ ARCs.
- iii. The details of the reporting done must be conveyed to “transferee” lenders/ ARCs and they shall be responsible for reporting it to the CICs thereafter.
- iv. Sale to other lenders/ARCs shall not be treated as recovery for the purpose of calculating the threshold limit for classification as wilful defaulter and reporting to CICs, as the loan amount is not yet fully recovered.
- v. The “transferee” lenders/ ARCs shall continue to report the account as a wilful defaulter until the balance remaining to be recovered in their account plus the amount written off by the “transferor” lender falls below the threshold of ₹25 lakh or as notified by Reserve Bank of India from time to time, subject to the provisions contained in para 3 above.

8.5. Treatment of accounts where resolution is done under Insolvency and Bankruptcy Code (IBC)/ Resolution framework guidelines issued by the Reserve Bank

- i. In case an account which is included in LWD and has subsequently undergone liquidation or where the resolution [either under IBC or under the Prudential Framework for Resolution of Stressed Assets dated June 7, 2019 (as amended from time to time) issued by the Reserve Bank] results in a change in the management and control of the entity/

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business enterprise, the name of such a borrower or guarantor who were classified as wilful defaulter [which includes in case of a company, its promoters and the director (s), and in case of entity (other than companies), persons who are in charge and responsible for the management of the affairs of the entity], shall be removed from the LWD after implementation of the resolution plan under IBC or aforesaid prudential framework.

- ii. The penal measures as detailed in para 4 (3) (a) shall not be applicable to such entities/ business enterprises after implementation of the resolution plan under IBC or aforesaid prudential framework.
- iii. The penal measures detailed in para 4 (3) (a) (ii) and (iii) shall continue to apply to the erstwhile promoter(s)/ director(s)/ guarantor(s)/ person(s) who were in charge and responsible for the management of the affairs of the entity/ business enterprise, and to the entities they are associated as a promoter or director or as one in charge and responsible for its management.

8.6. Responsibility for Correct Reporting

- i. The responsibility for reporting correct information and also ensuring the accuracy of facts and figures rests with Vama.
- ii. Vama while furnishing information to CICs shall ensure the accuracy of the particulars of the directors, and wherever possible, by cross-checking with the database maintained by the Registrar of Companies.

8.7. Reporting of Guarantors

The entities regulated by Reserve Bank or lenders, as applicable, shall report to CICs the details of guarantors who have failed to honour the commitments thereunder when invoked, as large defaulters/ wilful defaulters, as the case may be. The details shall be reported as per format prescribed in Master Direction.

8.8. Reporting of Directors

- i. In case of business enterprises registered as companies under the Companies Act,

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2013, the Company shall also report in the Director details i.e. the full names of the directors to facilitate better identity of persons concerned in the format prescribed in Master Directions, subject to the provisions of these directions.

- ii. In order to ensure that directors are correctly identified and in no case, persons whose names appear to be similar to the names of directors appearing in the LWD are wrongfully denied credit facilities on such grounds, lenders shall include the Director Identification Number (DIN) as one of the fields in the data submitted in **the format prescribed in Master Direction**, by them to CICs.

9. **PREVENTIVE MEASURES AND ROLE OF AUDITORS**

9.1. **Preventive Measures**

1) **Credit appraisal**

- a) While carrying out the credit appraisal, the Company shall verify as to whether the name of any of the directors of a company/ guarantors/ persons in charge of the management of affairs of the entity appears in the list of large defaulters/ LWD by way of reference to DIN/ PAN, etc.
- b) In case of any doubt arising on account of identical names, the Company shall use independent sources for confirmation of the identity of directors rather than seeking a declaration from the borrowing company.

2) **Monitoring End Use of Funds**

- a) The Company shall closely monitor the end-use of funds and obtain certificates from borrowers certifying that the funds have been utilised for the purpose for which they were obtained. In case of the wrong certification by the borrowers, the Company or Reserve Bank shall consider initiating appropriate legal proceedings, including criminal proceedings wherever necessary, against the borrowers.
- b) The requirements and related appropriate measures in ensuring the end-use of funds by the lenders shall form a part of their loan policy document. An illustrative list of measures for monitoring and ensuring end-use of funds by lenders are:
 - i. Meaningful scrutiny of quarterly progress reports/ operating statements/ balance sheets of the borrowers;
 - ii. Regular inspection of borrowers' assets charged to the lender as security;
 - iii. Periodic scrutiny of borrowers' books of accounts and the 'no-lien' accounts

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- maintained with other lenders;
- iv. Periodic visits to the assisted units;
- v. System of periodic stock audit, in case of working capital finance;
- vi. Periodic comprehensive management audit of the 'credit' function of the lender, so as to identify the systemic weaknesses in their credit administration.
- c) In cases of project financing, the Company should ensure end use of funds by, inter alia, obtaining certification from the Chartered Accountants for the purpose. The Company must, however, not just depend on the certificates issued by the Chartered Accountants but also strengthen their credit risk management system and internal controls to enhance the quality of their loan portfolio. Further, in all cases, especially in the case of short-term corporate/ clean loans, such an approach must be supplemented by 'due diligence' on the part of regulated entities themselves, and to the extent possible, such loans must be limited only to those borrowers whose integrity and reliability are above board.

3) **Role of Statutory Auditors**

- a) In case any falsification of accounts on the part of the borrowers is observed by the lender, and the auditors are found to be negligent or deficient in conducting the audit, the lender shall consider lodging a formal complaint against the statutory auditors of the borrowers with the National Financial Reporting Authority (NFRA)/ Institute of Chartered Accountants of India (ICAI) to enable them to examine and fix accountability of the auditor.
- b) Pending disciplinary action by NFRA/ ICAI, the complaints shall be forwarded to the Reserve Bank (Department of Supervision, Central Office) and Indian Banks' Association (IBA). Before reporting to the Reserve Bank and IBA, the Company shall satisfy themselves of the involvement of concerned auditors and also provide them with an opportunity of being heard. In this regard, the Company should follow normal procedures and processes, which shall be suitably recorded.
- c) Based on such information received from the Company, IBA shall, in turn, prepare a caution list of such auditors for circulation among the lenders, who must consider this aspect before assigning any work to them.
- d) With a view to monitoring the end-use of funds, if the lender desires a specific certification from the borrowers' auditors regarding diversion/siphoning of

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funds by the borrowers, the lender should award a separate mandate to the auditors for the purpose. To facilitate such certification by the auditors, the lenders shall ensure that appropriate covenants in the loan agreements are incorporated to enable the award of such a mandate by the lenders to the auditor.

- e) In addition to the above and with a view to preventing diversion/ siphoning of funds by the borrowers, the lenders are free to engage their own auditors for such specific certification without relying on certification given by borrowers' auditor.
- f) Depending upon the nature of the borrowers' acts underlying the wilful default and the quality of evidence available with the lenders in the normal course, the lender shall consider commissioning a forensic audit of the affairs of the borrowers and their books of accounts, in respect of accounts with an outstanding above a threshold fixed by the board approved policy of the lender.

4) **Role of third parties**

- a) As prescribed in para 4.2 of the Master Directions on Frauds Risk Management in Commercial Banks (including RRBs) and AIFIs/ UCBs, State Cooperative Banks, Central Cooperative Banks/ NBFCs (including Housing Finance Companies) dated July 15, 2024 (as updated from time to time), in case of wilful defaults also there should be some accountability for the third parties engaged by the Company, if they have played a vital role in credit sanction/ disbursement and are found negligent or deficient in their work or have facilitated the wilful default by the borrower.
- b) The Company shall forward the details of these third parties to the Indian Banks' Association (IBA) for records. Based on such information, IBA shall, in turn, prepare caution lists of such third parties and circulate to all the regulated entities of Reserve Banks who shall consider this aspect before assigning any work to them.
- c) Before reporting to IBA, the Company have to satisfy themselves of the involvement of concerned third parties and also provide them with an opportunity of being heard. In this regard, the lenders are advised to follow due process, which shall be suitably recorded.