

Identify. Investigate. Decide. Assistance with stressed asset management



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Stressed asset management

How can we help

Review stressed assets case

- Forensic review of case to identify inconsistencies (Checklist based approach)
- Data Analytics to identify "Red Flag"
 transactions

Investigation and asset tracing

- Investigation into end use of funds
- Asset tracing



Our Approach

Our approach for Stressed asset management covers Forensic review, Investigation and asset tracing and reporting. The detailed approach is mentioned below:

o►		Investigation & asset tracing		Forensic review
 Review of cases Develop a checklist based on the processes at bank Review each case based on the case file and the checklist Review in detail each case identified as "Red Flags" in data analytics Report to management on suspected fraud cases 	Data Analytics • Analyze customer data and transactional data for 100% of cases • Identify anomalous data patterns/ transactions or "Red Flags"	 Investigation Conduct an in-depth investigation of cases to identify Adherence to covenants of the loans Misuse of funds or end use of funds Siphoning of funds Existence of collateral Undertake and conduct Debtors and Vendors Analysis Financial Statement analysis Review facilities provided 	Asset tracing • Undertake due diligence on the borrowers and their assets • Locate assets or individuals • Identify additional assets of the borrowers • If required, assist in providing indicative value of certain types of assets based on the information and access provided (through market information)	Report • Provide a report to bank on - Suspected fraud and their modus operandi - Location of individuals and assets
which will assist in: - Determine course o - Early detection can	 Identification of potential fraudulent cases which will assist in: Determine course of action for recovery Early detection can assist in recovery Improving their control mechanism 		 Assist in locating individuals and assets Assist in identifying funds diverted to other ventures and asset created thereof Assist in identification of additional assets which can help in recovery Identify hidden relationships and modus operandi 	

About Deloitte Forensic

Our Deloitte Forensic practice has an established team of professionals which include forensic accountants, finance specialists, ex-law enforcement officers, lawyers, investigators and research analysts besides other multi-disciplinary expertise and experience to assist clients in the below mentioned service lines. A brief overview of each of the service lines within Deloitte Forensic is mentioned below:



Fraud and Financial Investigations

Services include — Corporate Investigations, Forensic Accounting and Asset Misappropriation Investigations.



Anti-Money Laundering (AML)

Services include — AML Compliance Program Assessment, Know your Customer (KYC) Assessment, AML Risk and Control consulting and AML Training and investigations.



Anti-Fraud Consulting

Services include — Forensic Audit assistance, Fraud Awareness training, Fraud Control advisory and Fraud Risk assessment.



Data Analytics

Using proprietary technology, our professionals find innovative solutions which help to efficiently search and process data and arrive at meaningful analysis.



Computer Forensics

Services include — identification, collection and forensic analysis of computers, Personal Digital Assistants (PDAs), mobile phones and other external storage devices. We apply sophisticated tools and technologies including the use of government-level data encryption.



Business Intelligence

Services include — Background information investigations, pre-investment due diligence, vendor due diligence, litigation intelligence and fraud investigation support.



Litigation and Dispute Consulting

Services include — assessing risk and damages exposure which help clients to manage their case strategies. We provide expert opinion and testimony in litigation and arbitration matters. We also provide document review services. Deloitte Discovery is a one-stop service provider for all legal discovery related services including litigation readiness, data collection, data filtering, processing, hosting, document review and production.

Relevant illustrative experience

Illustrative experience with a public sector bank of India and its associates

- Forensic Audit on behalf of Banking Regulator for a consortium of more than 20 banks led by a public sector bank
- Forensic Services on analysis of Financial Statements/Accounting records for a borrower in the paper industry
- Background checks and Assets tracing services on individuals and a company dealing in trading of locks and safes, related to loans granted by a public sector bank
- Assistance in implementing an integrated Risk management framework and compliance to Pillar I requirements of Basel II and the Reserve Bank of India
- Assessment of Credit Risk Management across all the segments of the Bank and Business Units (BUs)

Other relevant forensic investigations in the Financial Services industry

- Provided forensic services to conduct financial statement analysis, assets tracing and identifying movement of funds for banking facilities provided to two borrower entities by 6 lending banks
- Assisted law enforcement agency in India in carrying out an investigation of facilities provided by more than 23 financial institutions to a private company
- Provided forensic services to a bank in India to analyze end use of funds disbursed to the borrower as pre-shipment and post shipment credit facilities and identified diversion of funds
- Assisted **law enforcement agency** in carrying out an investigation on a complaint made by a private sector bank
- Assisted Banking Regulator in carrying out an investigation for a private sector bank covering areas of large value advances and deposits
- Fraud Investigation for a Financial Institution relating to alleged **diversion of funds** by borrower's promoters
- Review of assets portfolio consisting of mortgages and working capital finance for a large private sector bank in India to identify high risk accounts



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