**Annexure V**

**Code of Conduct**

(To be executed by Empanelled for ASM on Non-Judicial Stamp Paper)

I/ We hereby undertake to strictly adhere to the following Code of Conduct:

**A. Integrity and Fairness**

1. ASM shall, in the conduct of his/its business, follow high standards of integrity and fairness in all his/its dealings with his/its clients.
2. ASM shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.
3. ASM shall endeavour to ensure that he/she/it/they provides true and adequate information and shall not misrepresent any facts or situations.
4. ASM shall refrain from being involved in any action that would bring disrepute to the profession.
5. ASM shall keep public interest foremost while delivering his services.

**B. Professional Competence and Due Care**

1. ASM shall always render high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
2. ASM shall carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time.
3. ASM shall continuously maintain professional knowledge and skill to provide competent professional service based on up-to-date developments in practice, prevailing regulations/guidelines, and techniques.
4. In the preparation of a ASM report, the ASM shall not disclaim liability for his/its expertise or deny his/its duty of care, except to the extent that the assumptions are based on statements of fact provided by the subject firm (i.e., whose ASM is undertaken) or its auditors or consultants or information available in public domain and not generated by the ASM.
5. ASM shall not carry out any instruction of the subject firm in so far as they are incompatible with the requirements of integrity, objectivity, & independence.

**C. Independence and Disclosure of Interest**

1. ASM shall act with objectivity in his/its professional dealings by ensuring that his/its decisions are made without the presence of any bias, conflict of interest, coercion, or undue influence of any party, whether directly connected to the assignment or not.
2. ASM shall not take up an assignment, if he/it or any of his/its relatives or associates is not independent in terms of association to the subject client.
3. ASM shall maintain complete independence in his/its professional relationships and shall conduct the assigned work independent of external influences.
4. ASM shall, wherever necessary, disclose to the Bank, possible sources of conflicts of duties and interests, while providing unbiased services.
5. ASM shall not indulge in “mandate snatching (to undertake assignments for ASM inspection of a particular site / unit using unscrupulous means)” or offering “Convenience Report” in order to cater to a client’s needs.
6. As an independent entity, ASM shall not charge success fee (Success fees may be defined as a compensation / incentive paid to any third party for successful closure of transaction. In this case, favourable ASM report).

**D. Confidentiality**

1. ASM shall not use or divulge to any other party any confidential information about the subject client for whom ASM is conducted , which has come to his/its knowledge without proper and specific authority or unless there is a legal or professional right or duty to disclose.

**E. Information Management**

1. ASM shall ensure that he/ it maintains written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision. This shall be maintained so as to sufficiently enable a reasonable person to take a view on the appropriateness of his/its decisions and actions.
2. ASM shall appear, co-operate and will provide all information and records in case of any need or legal or statutory or professional requirement.

**F. Gifts and Hospitality**

1. ASM or his/its relative shall not accept gifts or hospitality which undermines or affects his independence as a ASM.

**Explanation:** For the purposes of this code the term ‘relative’ shall have the same meaning as defined in clause (77) of Section 2 of the Companies Act, 2013 (18 of 2013).

1. ASM shall not offer gifts or hospitality or a financial or any other advantage to a public servant or any other person with a view to obtain or retain work for himself/ itself, or to obtain or retain an advantage in the conduct of profession for himself/ itself.

**G. Remuneration and Costs**

1. ASM shall provide services for remuneration which is charged in a transparent manner, is a reasonable reflection of the work necessarily and properly undertaken, and is not inconsistent with the applicable rules.
2. ASM shall not accept any fees or charges other than those which are disclosed in a written contract with the person to whom he would be rendering service.
3. ASM shall not conduct business which discredits the profession.

Signature

**(Name of ASM)**

Date:

Place:

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