

Kolkata
Date: 24.06.2020

**NOTICE FOR EMPANELMENT OF TECHNO ECONOMIC VIABILITY (TEV) STUDY
CONSULTANTS/ LENDER'S INDEPENDENT ENGINEERS (LIE)**

Applications are invited for empanelment of TEV consultants (for Techno Economic Viability study) / LIE (Lender's Independent Engineers) in our Bank. We append below the general instructions for information of applicants for empanelment of TEV Consultants/LIE.

1. Applications should be submitted in Bank's prescribed format only (as per Annexure-I enclosed). Applications in any other form will not be considered.
2. A declaration from TEV consultant/LIE and Code of Conduct for LIE/TEV consultant as stated in Annexure-III should be submitted along with application and other supporting documents viz. KYC, qualifications, experience, affiliation etc.
3. Consultants who are already empanelled and their validity remains up to 30.06.2020 are required to apply fresh along with up to date credentials.
4. Additional sheet of papers may be used for submitting the applications wherever, the space in the format is found inadequate.
5. Bank reserves the right to call for report from the existing clients of the applicants, if required.
6. The list of TEV work executed in other Banks/Govt. Departments/ Public Sector Organizations/ Reputed Private Sector Organizations may be furnished with details like name of project, its value, locality, completion date etc. Similar separate list of work executed for UCO Bank may be furnished in case of completed project, if any.
7. Copies of complete KYC documents confirming identity proof and address proof along with applications should be submitted.
8. Audited balance sheet and income tax returns of the applicant for the last 3 years should be submitted along with applications.



9. The Bank reserves the right to accept or reject any application without assigning any reason thereof.

10. The various parameters set for empanelment of TEV consultants are append below for ready reference:

A) Scope of Services: The service required normally relates to project appraisal, financial management, market study/research, management consultancy, viability study of sick units and rehabilitation etc. The details are mentioned as under:

- i. Promoter's qualifications (specially professional qualifications)
- ii. Promoter's experience
- iii. Promoter's means
- iv. Due diligence of the promoters
- v. Capacity of the promoters to establish and run the business successfully including infusion of promoter's contribution
- vi. Government policies and restrictions
- vii. Statutory clearances
- viii. Climate condition
- ix. Product: Main product(s) to be manufactured, by-product and waste, nature of product, demand/supply & Gap position global as well as local
- x. Comparison with other similar projects
- xi. Production Technology Evaluation
- xii. Industry Structure and Market Dynamics
- xiii. Availability of backward/forward linkages like raw material, power, Power Purchase Agreement(PPA), Fuel Supply Agreement(FSA)
- xiv. Availability of raw materials, source of raw materials, cost of raw materials and volatility in price of raw materials
- xv. Availability of trained/skilled manpower in vicinity
- xvi. Availability of infrastructure support like road, rail, port connectivity
- xvii. Plant and Machinery: Condition of existing/proposed machinery, technological level of machinery, suppliers of machinery, sourcing of technology. In case of second hand machinery, availability of chartered engineer's certificate on age/condition/residual life/availability of spares/cost etc. should be examined and commented upon.
- xviii. Market and Marketing arrangements, Demand-supply data position, Position of other competitors in the industry, Imported substitute, Targeted Consumer Segment



xix. Any other factors considered relevant to project.

xx. Acceptability of projections

1. Financial analysis in case of existing units with a view to ascertain investible surplus, expected cash accruals during the implementation of the proposed new/ expansion /diversification project.
2. Assessment of Working Capital Requirement.
3. Inventory and receivables level maintained vis-à-vis normative requirements and/or industry standards.
4. Assessment of Term Loan requirement.
5. SWOT analysis including risk factors and risk mitigants.
6. Comments on technical feasibility and economic viability including BEP analysis, DSCR calculation, IRR calculation and sensitivity analysis on sales/ major inputs.
7. Debt servicing capacity of the project at different DSCR levels may be worked out where the project DSCR is lower than the benchmark figure for the limits sought by the applicant/borrower.

The above lists are illustrative and not exhaustive. The sanctioning authority may decide on addition/deletion to the above lists on case to case basis and depending upon the nature of the project and purpose of the report i.e. new finance or restructuring.

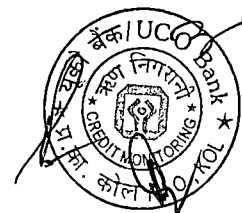
(TEV study should not cover aspects like need for collateral security, charges etc. as these are to be left to the sanctioning authority).

Other scopes of Services:

- * To vet the cost of various components of the project.
- * To monitor the progress of the project on an ongoing basis in terms of time schedule as well as cost angle. **(LIE Role)**

Before financial closure:

- i) Project Review & Assessment
- ii) Project Risk & Risk Mitigants
- iii) Assessment of envisaged DCCO
- iv) Pre-finance Due Diligence to assess selection of appropriate technology



- v) EPC (Engineering, Procurement and Construction) contracts and permit, terms and schedule
- vi) Performance assumptions
- vii) Long term agreements like Fuel Supply Agreement (FSA), Power Purchase Agreement (PPA), Operation & Maintenance (O&M) etc.
- viii) Required statutory clearances and approvals including Pollution Control Board Clearance.

During implementation stage:

- i) Periodic review of construction schedule
- ii) Review of compliance of EPC contract and permits
- iii) Monitor progress of the project with respect to the schedule and applicability of delays
- iv) Review and approve payment requirements
- v) Contract amendment and modification orders
- vi) Commissioning and start up plans

Performance Testing:

Repairs and Renovation(R&R) programmes, environmental and other statutory clearance and progress.

Annual Operational Review:

- i) Regular plan audit, maintenance cost and actual –review of amount and major maintenance budget
- ii) Outage report in power project
- iii) Identifying any significant technical and operational issues
- iv) Reviewing all major fixed and variable cost
- v) Compliance with permits and regulatory requirements and reconfirm performance inputs

DCCO:

To ensue achievement of DCCO

Other:

Any other factors considered relevant to the project by LIE.

B) Constitution: The consultant may be an individual, proprietorship concern, partnership firm, private/public limited company or a co-operative society.



C) Qualification: (Proprietor/Partner/Director)

BE (Mechanical, Electrical, Civil, Electronic/ Telecom, Textile, Chemical) or equivalent educational qualification

OR

M Tech from a recognized University in India & abroad

Additional for TEV, professional qualification in finance i.e. CA, CS, ICWA, MBA etc. from a recognized University in India and abroad is required.

Membership of Professional Body (Proprietor/Partner/Director):

The TPSPs should be members of their respective governing council/ Association.

The TPSPs should be members of Institution of valuers/ Association of Engineers/ Institute of Engineers/ registration under companies (Registered valuers and valuation) Rules, 2017 for which Insolvency and Bankruptcy Board of India (IBBI) is the responsible authority, etc.

D) Experience:

Minimum 10 years' experience as TEV/ LIE consultants.

The TPSPs should be on the approved list of at least 2 public sector Banks. The condition may be waived by the competent authority provided the firm has adequate /expertise in LIE/ TEV study.

E) Financial Status/background: Status reports from the bankers should be obtained and the same should be satisfactory. Copies of last 3 years' Income Tax returns may be obtained in case of individuals. Copies of last 3 years' financial statements are to be obtained in case of firms/companies, etc. In case of individuals who were previously employed, cross checking of their conduct/details with their previous employers and/or through market reports may be done.

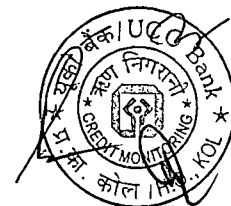
F) Infrastructure:

In case of company, minimum 3 professional Directors with experience as per 7.4 and Professional Directors should not be less than 50% of total directors.

Adequate support of Trained/Semi-Trained Employees

Adequate support of Trainees/ Apprentices

Office space equipped with modern technology



G) Affiliation: Consultants should have secured registration/membership with the concerned Department/Professional Body/Agency.

H) Other Requirement:

Adequate knowledge of financial analysis

In case of proprietorship, the proprietor should have the requisite qualification and experience prescribed as per 7.2 and 7.4 respectively

In case of Partnership Firm/ Private Limited Company/ LLP, at least one partner/ director should have the requisite qualification and experience as per 7.2 and 7.4 respectively.

Entity, Proprietors, Partners and Directors should not have been blacklisted by Bank(s)/ FIs or statutory bodies.

I) Consultancy Charges: The charges/fees of the consultant should be reasonable and in line with the market trend. The consultant should indicate the charges/fees and other conditions, if any, for each of the services offered separately. (The service charges/fees indicated would serve only as a reference and actual charges are to be negotiated at the time of giving a specific assignment in consultation with the applicant/borrower. Payment of fee to the consultant shall be made by Bank after receipt of report.

J) Time Limit for TEV/LIE Report Submission:

The time limit for submission of the report may be decided by the sanctioning authority on case to case basis and the same would be indicated in the assignment letter to be given to the consultant.

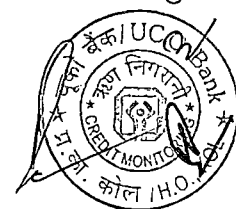
K) Validity of Empanelment: Normally panel would be valid for a period of three years. Annual review would be carried out by 31st July every year.

L) De-panelment:

Consultant shall be removed from the Bank's panel for unsatisfactory performance/poor service quality and/or for any negligence, lapses, professional misconduct and/or unfair practices resorted by consultant.

The Bank reserves its right for de- panelment of such TEV/ LIE (TPSPs), whose names have been circulated by IBA and other agencies for de-paneling them with other Banks/FIs.

On receipt of misconduct/adverse report, Head Office Credit Monitoring Department shall issue a show cause notice to the consultant giving 30

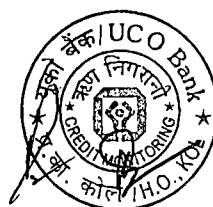


day's time for clarifying his/her/its action. Immediately on receipt of clarification from the consultant, Head Office Committee for empanelment of consultants shall consider the same and make its recommendation for continuation on its panel or otherwise would recommend for removal to MD&CEO/ED for final decision.

On removal from panel, Head Office Credit Monitoring Department shall report the name of such delinquent consultant to IBA for placing it on the IBA's caution list of Third Party Entities (TPEs).

11. Sealed envelopes containing the application for empanelment as TEV Consultants/LIE **in Annexure-I** along with Declaration from LIE/TEV Study Provider & Code of Conduct for TEV Consultant/LIE **in Annexure-III** should be submitted by the eligible aspirants to respective Zonal Offices located in centers/geographical area **within 31.07.2020** for consideration of the applications for empanelment as TEV/LIE Consultants.
12. Incomplete application, application without supporting documents viz. KYC, qualifications, experience, affiliation etc. and application received after due date are liable for cancellation without further reference.
13. Banks has the right to suspend, withheld and stop the process of empanelment of TEV/LIE without assigning any reason.


Arun Gupta
General Manager
SAV & Credit Monitoring Department



Annexure I**APPLICATION FORM FOR EMPANELMENT OF CONSULTANTS (TEV Study) AND
LENDERS INDEPENDENT ENGINEERS:**

1.Name								
2.Office Address								
3.Constitution								
3.1 GST no. and Date of Registration								
4.Date of establishment								
5.Details of Promoters								
Name	Designatio	DIN	PAN	Others (Passport ,Aadhar Card no., Driving License)	Full address	Qualificat ion /s	Industrial consultan cy experien ce	
6.Name, contact no. & email id of concerned officials								
7.Personal & professional details of professional staff:								
Sr.	Name	Designation	Date of birth	Qualification /s	Area of specialization	Details of experience		
8.Assignment completed in last 5 years (minimum required period for eligibility) with commercial Banks / Financial Institutions etc. other than Union Bank of India:								
Date of Assignment	Nature of work	Name of Project with brief details (Sector, Project cost, Name of promoters / group, location, etc)		Assignment completed on	Name of Commercial Bank / Fls / Organisation	Name, address & contact number of Commercial Banks / Fls / Organisation		
9.Applicant's Financial Information as on 31.03.2____(Rs. in lacs)								
Year	31.03.____			31.03.____		31.03.____ (Current year)		
Paid up Capital								
Income / Revenue								
Borrowings								
Net Worth								
PAT								
Debt / Equity Ratio								
Particulars of Capital / Shares held								

Policy on empanelment of TEV/LIE_2020-21

Name of holder	Resident or Non resident	Address	% of share holding
10.Details of regulatory			

issues faced by the agency / promoters if any in the past 5 years and present status:	
11.List of financial institutions / Banks with which the firm is already empanelled	
12.Any other relevant details (any special achievement, etc):	

Declaration:

I/we declare that the particulars furnished above are true to the best of my knowledge and belief. I/we, further confirm that all the necessary supporting documents are enclosed with the application.

I/we hereby undertake that the firm/company, if empanelled, shall have arms length dealing with the proposed clients for whose projects TEV Study is done, will not have any business dealings with them or give them undue favour, will not demand additional remuneration than what is initially settled nor will unnecessarily delay the TEV Report.

I/we hereby apply to the bank to empanel firm/company on the Bank's panel as consultant for Techno Economic Viability Report/Financial appraisal.

I/we understand that any discrepancy/wrong information/breach of undertaking would lead to cancellation of empanelment as consultant with immediate effect.

For _____

Seal of the company / firm

Place

Proprietor / Partner / Authorised signatory

Date

Enclosures: Related documents/enclosures as required in notice for empanelment of TEV/LIE

ANNEXURE III

DECLARATION FROM LIE & TEV STUDY PROVIDER

I hereby declare that-

- a) The information furnished in my report dated ----- is true and correct to the best of my knowledge and belief and I have made an impartial and true assessment/valuation/Technical & Economical viability;
- b) I have no direct or indirect interest in the project;
- c) I have personally inspected the site on-----;
- d) I have not been convicted of any offence and sentenced to a term of imprisonment;

Or

I have been convicted of an offence and sentenced to a term of imprisonment for a period of ----- (particulars of offence and sentence attached); and

- e) I have not been found guilty of misconduct in my professional capacity.

Or

I have been found guilty of misconduct in my professional capacity (particulars attached).

CODE OF CONDUCT FOR TEV Consultant/ Lender Independent Engineers (LIE)

All TEV consultant / LIE empanelled with bank shall strictly adhere to the following code of conduct:

Integrity and Fairness

- 1) A TEV consultant / LIE 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) A TEV consultant / LIE shall maintain integrity by being honest, straightforward, and forthright in all professional relationships.

- 3) A TEV consultant / LIE shall endeavour to ensure that he/it provides true and adequate information and shall not misrepresent any facts or situations.
- 4) A TEV consultant / LIE shall refrain from being involved in any action that would bring disrepute to the profession.
- 5) A TEV consultant / LIE shall keep public interest foremost while delivering his services.

Professional Competence and Due Care

- 6) A TEV consultant / LIE shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
- 7) A TEV consultant / LIE shall carry out professional services in accordance with the relevant technical and professional standards that may be specified from time to time.
- 8) A TEV consultant / LIE 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.
- 9) In the preparation of a TEV/LIE report, the TEV consultant / LIE 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 (ie. whose TEV/LIE report is undertaken) or its auditors or consultants or information available in public domain and not generated by the TEV consultant / LIE.
- 10) A TEV consultant / LIE shall not carry out any instruction of the subject firm in so far as they are incompatible with the requirements of integrity, objectivity and independence.

Independence and Disclosure of Interest

- 11) A TEV consultant / LIE 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.

- 12) A TEV consultant / LIE 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.
- 13) A TEV consultant / LIE shall maintain complete independence in his/its professional relationships and shall conduct the assigned work independent of external influences.
- 14) A TEV consultant / LIE shall wherever necessary disclose to the Bank , possible sources of conflicts of duties and interests, while providing unbiased services.
- 15) A TEV consultant / LIE shall not indulge in “mandate snatching” or offering “convenience report” in order to cater to a client’s needs.
- 16) As an independent entity, TEV consultant / LIE shall not charge success fee.

Confidentiality

- 17) A TEV consultant / LIE shall not use or divulge to any other party any confidential information about the subject client for whom TEV/LIE 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.

Information Management

- 18) A TEV consultant / LIE 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.

- 19) A TEV consultant / LIE shall appear, co-operate and will provide all information and records in case of any need or legal or statutory or professional requirement.

Gifts and hospitality:

- 20) A TEV consultant / LIE or his/its relative shall not accept gifts or hospitality which undermines or affects his independence as a TEV consultant / LIE.

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).

- 21) A TEV consultant / LIE 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.

Remuneration and Costs

- 22) A TEV consultant / LIE 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.
- 23) A TEV consultant / LIE 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.

Occupation, employability and restrictions

- 24) A TEV consultant / LIE shall refrain from accepting too many assignments, if he/it is unlikely to be able to devote adequate time to each of his/ its assignments.

- 25) A TEV consultant / LIE shall not conduct business which discredits the profession.

Place:

Signature

Date:

Name of TEV/ LIE consultant