

ELIGIBILITY CRITERIA FOR EMPANELLEMENT AS “TEV” CONSULTANTS

A. Parameters for empanelment of Consultants:

1. Scope of Services Required:

The service required normally relates to project appraisal, financial management, market study/research, management consultancy, viability study of sick units and rehabilitation, etc.

In addition, our Bank has signed MOU with Bureau of Energy Efficiency (BEE) for facilitating & promoting financing under Energy Efficiency projects for which TEV cum Grading of Energy Efficiency Reports will also be required.

TEV Study report should normally cover the following aspects specifically, depending upon the availability of inputs:

- i. **Promoters & their background** – only objective assessment of Promoters and their background based on their experience, existing operations and professional qualifications etc. to be given. Relevance of these to the proposed venture in case of new units to be brought out.
- ii. **Project cost & Means of finance.**
- iii. **Financial analysis in case of existing units** with a view to ascertaining investible surplus, expected cash accruals during the implementation of the proposed new / expansion / diversification project. Other aspects to be studied include inventory and receivable levels-maintained vis-a-vis normative requirements and/or Industry standards.
- iv. **Plant and Machinery** – comments on condition, balancing / adequacy of existing / proposed machinery, technological level, suppliers of machinery etc should be given. In case of secondhand machinery, availability of chartered engineer’s certificate on age of machinery, condition of machinery, reasonability of cost, residual life and availability of spares etc should also be seen and commented upon.
- v. **Infrastructure** – availability of the required infrastructure, arrangements made / proposed and adequacy thereof.
- vi. **Raw materials** – required raw materials, quantitative requirements based on yield data, sources of supply, cost of raw materials and their availability position etc.
- vii. **Products** – main product(s) to be manufactured, bye-products and wastes etc. Quantitative projections (where available / possible) proposed selling price vis-à-vis current market prices etc.

- viii. **Market & Marketing Arrangements** – Demand supply data / position. Other competitors in the industry, imported substitutes, targeted consumer segment.
- ix. **Assessment of Working Capital requirement.**
- x. **Assessment of Term Loan requirement.**
- xi. **SWOT analysis** including risk factors and risk mitigants.
- xii. **Concluding comments** on technical feasibility and economic viability including BEP analysis, DSCR calculations, IRR calculations and sensitivity analysis on sales and major inputs. 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 list is illustrative and not exhaustive. The sanctioning authority may decide on addition deletion to the above list, on case to case basis and depending on the nature of the project and purpose of the report i.e. new finance, enhancement, restructuring etc.

2. Constitution:

The consultant may be partnership firm, private/public limited company or any consultancy organization promoted by State Government solely or jointly with financial institutions.

3. Qualification:

In case of consultant firm, specialist staff with requisite qualification i.e. Minimum BE/B.Tech. or equivalent qualification in the field of service offered, should be on the rolls of employment or available on retention basis with them. Such specialist staff may include senior retired engineers/professors.

4. Experience:

In the case of consultant firm, the specialist staff employed/retained should possess minimum 10 years experience in the field of specialization/services. Firm/ Company should be minimum 3 years in existence.

(For Energy Efficiency Projects: Expertise and sufficient experience in providing TEV cum Grading of energy Efficiency report).

5. Financial Status / Background:

Status reports from the bankers should be obtained and the same should be satisfactory. Copies of last 3 years' financial statements are to be obtained in case of firms/companies, etc.

6. Affiliation:

Consultants should have secured registration/membership with the concerned Department/Professional Body/Agency.

7. Time limit for submission of Report by Consultant:

The lime limit for submission of the Report may be decided on case to case basis and the same would be indicated in the assignment letter to be given to the Consultant.

B. Application Form:

- i. Application form for enlistment of Consultants for undertaking TEV study.
- ii. **Copies of Documents to be submitted along with application:**
 - a) Registration with local authorities.
 - b) Memorandum & Articles of Association for company.
 - c) Audited Balance sheets for the last three years.
 - d) Other documents supporting expertise / sector / industry.
 - e) Registrations with professional bodies/organizations.
 - f) Letters of empanelment from other banks/financial Institutions.
 - g) TEV reports prepared in the past (last three) [*For energy Efficiency Projects separate reports (03) should also be attached additionally*].
 - h) CV of all key personnel, including that of technical experts.
 - i) Letters of assignments from clients (for TEV studies carried out).
 - j) Copies of 'No Objection Certificate' in case of present employers of part-time professionals.
 - k) Copies of consent letters from associates (if applicable).

C. Appraisal Fee for Consultants for TEV Study:

The charges of the Consultants shall have to be borne by the concerned borrower and the loan applicant should be clearly informed of the same. Moreover, the payment to the Consultant should be made by the Bank directly and TEV study should be conducted at the instance of the Bank and not at the request of the borrower.

The fee structure in our Bank payable by the client is as under:

Above ₹.10.00 crore but less than ₹ 25 crore	0.05% of Project cost	Min Fees ₹. 50000/- & Maximum ₹.100000/-
Above ₹.25.00 crore but less than ₹.100 crore	0.04% of Project cost	Min Fees ₹. 100000/- & Maximum ₹.250000/-
Above ₹.100 crore	0.025% of Project cost	Min Fees ₹. 250000/- & Maximum ₹.400000/-

D. Disclaimer:

It may be made clear that being on the panel of consultants of Central Bank of India does not guarantee assignments during the period of empanelment.

The Bank has sole discretion of altering, adding or deleting any of its terms and conditions as deem fit during the process of approval. The decision of the Bank will be final and binding on all the parties.

All related statutory guidelines/circulars issued by RBI/GOI are incorporated in the policy.

E. Confidentiality:

TEV consultant should undertake to maintain confidentiality of customer's information even after the contract expires or gets terminated.
