



### 1.1. Pre-Requisites for enlistment as Due Diligence Professional

1. **Technical Expertise & qualification** - The professional (firm/individual) shall consist of Chartered Accountant /Cost Accountants / Company Secretaries. The professionals shall be in full time practise. It shall be ensured that due diligence work is conducted by qualified professionals and not by trainee/articles of the firm.
2. **Experience** –The firm/individual should have minimum 5 years of experience in the field of specialization/services. Professionals already listed with other banks/financial institutions will be given due preference, while considering empanelment. This, however, is not a pre-condition for empanelment.
3. **Proven track-record** - The firm/individual should have a good track record. The professional (firm/individual) to be empanelled should not have been debarred by RBI/Institute of Chartered Accountants of India/ Institute of Cost Accountants of India/ Institute of Company Secretaries of India, should not have any case registered against them, not have dis-empaneled by any bank/FI, convicted of any offence in any law, not be an undischarged insolvent and not been found guilty of any professional misconduct. An undertaking in this regard to be obtained at the time of application
4. **Constitution** – Professionals means Individual or Firms of Chartered Accountants (CA)/ Cost Accountants / Company Secretaries (CS).
5. Engagement of the Professional (firm/individual) should be restricted to the Zone where he is empanelled. A declaration to the effect that the professional (firm/individual) is not empaneled nor has sought empanelment from any other Zonal Office of the bank, shall be obtained at the time of applying for empanelment.
6. The firm/individual should not have been caution listed in the list published by IBA.
7. **Affiliation** - Professionals should have valid registration/ active membership with the concerned Professional Body/ organization.

The professional (firm/individual) on receiving empanelment letter shall submit an acceptance of empanelment cum undertaking to Zonal Office.

### 2. Duration and Performance Review of Professionals approved by the Bank

- 2.1. The duration of empanelment shall be for a period of 3 years. Already empanelled professionals (firms/individuals) are required to apply for the empanelment again after 3 years and shall be treated as fresh applicants.
- 2.2. The performance of such firms/Individual shall be reviewed annually.
- 2.3. In case an empanelled professional is submitting reports in a casual manner, steps can be initiated any time for his removal.



- 2.4. In case any adverse observations is found in performance review, suitable action shall be taken including removal of the empanelled professional.

### **3. Terms and Conditions of Empanelment**

Utilization of services of the approved professionals, as circulated by respective ZO from time to time, shall be on merits and subject to the following conditions: -

- i) Empanelment would not amount to any commitment on the part of Bank to provide any professional assignment.
- ii) Bank reserves the right to cancel the empanelment at any time without assigning any reason for the same.

### **4. General Rules and Instructions to the Intending Applicants**

- 4.1. No costs incurred by the applicant in applying, in providing necessary clarifications or attending discussions, conferences or site visits will be reimbursed by the Bank.
- 4.2. Documentary proof with respect to the details furnished in the application form regarding eligibility criteria shall be furnished along with the application form. In this regard, copies of the work order and/or completion certificate and/or such documents shall be submitted. Incomplete applications or applications without proper proofs for establishing their credentials will be summarily rejected and no correspondence will be entertained in this regard.
- 4.3. If the application is made by a registered partnership firm / Limited Liability partnership, a certified copy of the partnership deed / LLP agreement, current address of the firm and the full names and current addresses of all the partners of the firm shall also accompany the application.
- 4.4. The empanelment will be based on the technical qualification & experience of the professional and may also include inspecting the works furnished by them, for which, necessary co-ordination shall be made by them. Decision of the Bank regarding selection / rejection for empanelment will be final and binding and no further correspondence will be entertained. The empanelled professional will only be informed by post/E-mail.
- 4.5. If information and details furnished by applicants are found to be false at any time in future or any information withheld, which comes to the notice of the Bank at a later date, the empanelment of such applicant will be cancelled immediately.
- 4.6. Bank reserves its right to reject any/or all the applications without assigning any reasons, whatsoever.

### **5. Dis-Empanelment**

#### **5.1. Criteria for Dis-empanelment**

- i. Not complying with Banks' instructions or contrary to specific instructions;
- ii. Giving any false or misleading information to the bank at the time of empanelment or obtaining empanelment by fraudulent means;



- iii. Action to the detriment of the interest of the Bank;
- iv. Compiling the Due-diligence Report with malafide intentions; Committing an act amounting to professional misconduct;
- v. Indulging in fraudulent activities including raising of fake bills;
- vi. Delay in submission of reports beyond the time agreed upon;
- vii. Threatening, intimidating or abusing any of the employees, officers/ or Representatives/ constituents of the Bank;
- viii. Deficiency in Service;

Or in the following cases if information is available in public domain or is gathered through any other sources:

- ix. Blacklisted by any Bank or any complaint has been filed against the individual/ firm before CBI/ Serious Fraud Investigation Office (SFIO)/ or any other Courts.
- x. Convicted of an offence connected with any proceedings under any Act/ Law of the country.

The above instances are only illustrative and not exhaustive.

## **6. Re-Empanelment**

The professionals (firm/individual) once removed from the panel can be re-empanelled again after a period of 3 years from the date of disempanelment after giving proper justification and completing process for empanelment except professionals dis-empanelled due to indulging in any fraudulent activities.

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**APPLICATION CUM UNDERTAKING FORMAT FOR EMPANELMENT FOR CHARTERED ACCOUNTANT/COST ACCOUNTANT/COMPANY SECRETARY (FIRMS / INDIVIDUALS) FOR PREPARATION OF DUE DILIGENCE REPORT**

**A. Applicant's Basic Information**

1. Name				
2. Constitution	<i>Individual/Proprietorship concern/Partnership firm/Limited Liability Partnership (Documents of the firms, as applicable, to be enclosed)</i>			
3. Professional Credentials	<i>Membership Details /Registration with Institute of Chartered Accountants of India / Institute of Cost Accountants of India/ Institute of Company Secretaries of India.</i>			
4. Date of Registration/ Incorporation	__/__/__	4. Date of commencement of business	__/__/__	5. Email
5. Principal Person	Membership Details		Landline/Mobile No. /Email	
6. Contact Person			Landline/Mobile No./Email	
7. Details of Registered Office, Administrative office and branches, if any				
Location	Address		Telephone Number/ Fax Number	Email
8. If there has been a change in name/constitution/management in the past, please furnish details below along with supporting documents.				
9. Brief Particulars of activities				

**B. Applicant's Financial Information ( in Lacs)**

Particulars	As on 31.03. XX	As on 31.03. XX	As on 31.03. XX
1. Capital			
2. Net worth			
3. Income/Revenue			
4. PAT			
5. Borrowings			
6. Debt/Equity Ratio			

**Particulars of major Shareholders**

Name of the Shareholder	Resident or Non Resident	Address	% of share holding

Please enclose copies of past three years audited financial statements/annual reports or copies of provisional financial statement in the absence of audited accounts & Income Tax Returns



C. Applicant's Knowledge Resources						
1. Personal & professional details of individuals/partners						
S N	Name	Designation	Date of Birth	Qualification(s)	Experience in the field of Audit	Whether Fellow of the Institute of Chartered Accountants of India / Institute of Cost Accountants of India/ Institute of Company Secretaries of India If yes, give details.
2. Personal & professional details of Professional Staff (Part time/full time/associate)						
S N	Name	Designation	Date of Birth	Qualification(s)	Experience	Whether Fellow of the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India/ Institute of Company Secretaries of India . If yes, give details.
Note: the above information must be supported by:						
a. Detailed bio data of all the people mentioned above.						
3. List of Important Assignments Handled (In India)						
Name & address of the client		Details of services rendered	Month & year in which the assignment was completed		Fee earned	Other relevant information
(Relevant documentary evidence such as letters of assignments from clients, reports etc.)						
4. Details of Empanelment with other Banks/FIs (Copies of letters empanelling the consultant to be enclosed)						
Name of the Bank/FI	Details of services rendered (Stock Audit/Statutory Audit, etc.)			Date of Empanelment	Validity	
D. Declaration						
1.	Whether the applicant has been empanelled in any other Bank/Financial Institutions. If yes, name of the Bank along with latest supporting documents					
2.	Has the Applicant been barred dis-empanelled by any Bank					
3.	If the answer to 2 is yes, mention the name of the Bank/s and its Branch, which has dis-empanelled & reason thereof. Does the bar subsist as on the date of Application?					
Further, I / We declare that:						
i. I am a citizen of India or Business entity registered in India as per the Laws of India i.e. .... (Name of the Act).						
ii. None of the partners or proprietor of the firm is Director of the Bank.						
iii. There are no criminal cases pending against me/us and I/we are not convicted in any criminal case.						
iv. I/We have not been found guilty of misconduct in professional capacity.						



- v. I /We am/are not an un-discharged insolvent.
- vi. I/We have not been dis-empaneled by any bank/FI.
- vii. In case of Proprietary firm, I am the sole Proprietor of the firm and a full time practicing Chartered Accountant/Cost & Management Accountant/Company Secretary not employed elsewhere and that I do not have any other business interest. (Note: Chartered Accountant/ Cost Accountant/CS in professional service and engaged in part-time teaching vocation can be considered as in full time practice)
- viii. I/we hereby undertake that the firm/company, if empanelled, shall have arm's length distance with the proposed clients for whose due diligence report is being prepared by us, will not have any business dealings with them or give them undue favor, will not demand additional remuneration than what is not initially settled nor will unnecessarily delay the Due Diligence Report.
- ix. I/we have not been debarred by RBI/Institute of Chartered Accountants of India / Institute of Cost Accountants of India / Institute of Company Secretaries of India or any other financial institution/ statutory body.
- x. I/we hereby apply to the bank to empanel firm/company on the Bank's panel as independent Chartered Accountant / Cost & Management Accountant/ Company Secretary for undertaking the task of preparation of Due Diligence Report.
- xi. I/We hereby apply to the respective Zonal Office of the bank in my jurisdiction and not empaneled nor has sought empanelment from any other Zonal Office of the bank.
- xii. I/we understand that any discrepancy/wrong information/breach of undertaking would lead to cancellation of empanelment with immediate effect.
- xiii. I/we understand that mere fulfilling all the eligibility criteria shall not confer any right for empanelment of the independent CA/ CS / CMA for due diligence report preparation of borrowers. Bank decision in this respect shall be final and binding to applicants.
- xiv. Further, I/we understand that the empanelment would not amount to any commitment on the part of the bank to provide any professional assignment.
- xv. 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.

For,

Sign: \_\_\_\_\_

Place:

Name:

Date:

Seal of the firm/ Partner/ Authorised Signatory