



EMPANELMENT POLICY

V1.00

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EMPANELMENT POLICY

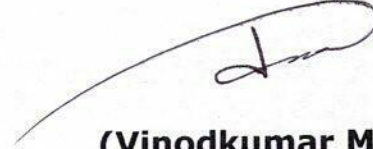
Bank invite applications from Advocates for legal work relating to TCR, drafting of specific documents, mortgages, recovery suits etc. likewise, from Engineers cum Valuers for valuation of the im/movable assets, to work as lenders engineers for various assets.

In view of the latest circumstances a need was felt to update the list of empanelment and also to empanel new knowledgeable professionals with requisite expertise to utilize their services as and when required by the bank. Therefore, this policy is framed out for empanelment of new advocates & engineers/valuers. This policy shall be applicable to our existing empaneled advocates and engineers also.

The policy was put up to the Board for approval which is approved vide Resolution No 19 dated 24-08-2023.

Head Office,

Date: 26-08-2023



(Vinodkumar M Patel)

Chief Executive

1. Application for empanelment:

Bank shall call for the application from existing empanelment advocates and from existing engineers/valuers for renewal of their empanelment. Simultaneously, fresh application to be invited for empanelment of new advocates and engineers/valuers. The specimen for the details to be provided in application form is attached herewith [ANNEXURE-A(i) & A(ii)]. The declaration will be obtained from the valuer as well as from the advocate that he is not directly or indirectly having any interest with the bank in the matter concerned, director or its relative.

2. Eligibility criteria for empanelment as Advocate:

- a) **Experience:** Advocate should be in practice as an advocate for a minimum period of -5- years and must have handled civil court cases /DRT cases at least for a period of -5- years.

However, for matters pertaining to court etc. it is preferable that advocate should have been handling such matters at least for a period of past 5-10 years. In complex cases which requires expertise, bank may at their discretion utilize the services of such senior advocates even though s/he is not in empaneled with the bank.

S/he should have expertise preferably in Bank documentation, TSR, Registration of the Documents, Stamp Law, Banking law, State Co-Op and Multi-State Co-Op Society Act, Recovery litigation for recovery suits, SARFAESI Act etc.

- b) **Registration:** Advocate should be registered with Bar Council and have an identity card issued by the Bar council.

3. Eligibility Criteria for empanelment of valuers in the Bank

A) A person shall be eligible to be empaneled as a Valuer if:

- i. He is minimum 25 years of age. (However, there is no maximum age limit for a valuer to remain on panel).
- ii. He is a member in good standing of any one of the valuer associations.
- iii. The valuer has not been removed / dismissed from valuation related service (previous employment) earlier.
- iv. The valuer has not been convicted of any offence and sentenced to a term of imprisonment.
- v. The valuer has not been found guilty of misconduct in professional capacity.
- vi. The valuer is not an undischarged insolvent.
- vii. The valuer has not been convicted of an offence connected with any proceeding under the Income Tax Act or any other Act.

B) No Partnership entity or Company shall be eligible to be empaneled as valuer if-

- i. It has been set up for objects other than for rendering professional or financial services, including valuation services and that in the case of a company, it is a subsidiary, joint venture or associate of another company or body corporate.
- ii. It is undergoing an insolvency resolution or is an undischarged bankrupt.

C) Other Criteria:

Valuer under SARFAESI Act, 2002

As per section 2 (d) of SARFAESI Act, 2002, the valuer needs to be approved by the board which will be recommended by the General Manager credit / Head of Recovery Department.

D) Qualifications and Experience

It is necessary that a valuer possesses proper educational qualifications which make him competent to carry out the task of valuation of securities. In addition, relevant work experience is also important. As such, persons possessing the requisite Educational Qualifications and Work Experience as mentioned below shall be eligible for empanelment as valuers.

4. Valuation of Land & Building / Real Estate

The educational qualifications for empanelment as valuers of Land & Building/real estate shall be as under:

S. No.	Educational Qualifications	Work Experience
1	Bachelor's degree in civil engineering / Architecture/ Town Planning or equivalent.	5 years' work experience in the field of valuation of real estate after completion of the degree or equivalent
2	Diploma in Civil Engineering / Architecture.	8 years' work experience in the field of valuation of real estate after completion of the diploma
3	Pass in examination in valuation of real estate recognized by the Govt. of India for recruitment to superior services or posts conducted by any institution	4 years' work experience in the field of valuation of real estate after completing the examination
4	Master's degree in Valuation of real estate awarded by a recognized University in India i.e. University established under State or Central Acts	2 years' work experience in the field of valuation of real estate after completing the examination
5	Chartered/ Professional membership of the Royal Institution of Chartered Surveyors (RICS)/American Society of Appraisers (ASA)/Appraisal Institute (AI), USA/ other Internationally reputed institutional players who fulfill the criteria obtained by passing an examination equivalent to examinations mentioned under sr.no. (3) & (4) above.	Since the process of procurement of membership with these organizations includes training as an integral component, no further experience requirement is being prescribed.



5. Valuation of Plant and Machinery

Educational qualifications and experience for Empanelment as Valuers of plant & machinery:

The educational qualifications for empanelment as valuers of plant & machinery shall be as under:

S. No.	Educational Qualification	Work Experience
1	Bachelor's degree in mechanical, electrical, chemical, production, electronics, computer, industrial engineering and any other stream of Engineering as required by the Banks for conduct of valuation of Plant and Machinery and other equipment's.	Work Experience of 5 years in the field of valuation of plant & machinery after completion of the degree or equivalent.
2	Diploma in mechanical, electrical, production, chemical, electronics, computer, industrial engineering and any other stream of Engineering as required by the Banks for conduct of valuation of Plant and Machinery and other equipment's.	Work experience of 8 years in the field of valuation of plant and machinery after completion of the diploma
3	Master's degree in Valuation of plant & machinery awarded by a recognized University in India i.e., University established under State or Central Acts.	Work Experience of 2 years in the field of valuation of plant & machinery after completing the examination

However, preferably, academically qualified valuers possessing Post Graduate degree in valuation of plant & machinery from a recognized university i.e. the universities established under State or Central Acts with 2 years' experience in valuation of plant & machinery shall be empanelled.

6. Revaluation of Bank Property

As RBI has allowed revaluation reserves, arising out of change in the carrying amount of a bank's property consequent upon its revaluation, be reckoned as Tier 1 capital at a discount of 55 per cent, subject to meeting the following conditions:

- Bank can sell the property readily at its own will and there is no legal impediment in selling the property.
- Revaluation reserves are presented/disclosed separately under "Reserve Fund and Other Reserves" in the Balance Sheet.
- Revaluations are realistic, in accordance with applicable accounting standards.
- Valuations are obtained, from **two independent valuers**, at least once in every three years.
- If property has been substantially impaired by any event, these are to be immediately revalued and appropriately factored into capital adequacy computations.
- the external auditor(s) of the bank have not expressed a qualified opinion on the revaluation of the property.
- the instructions on valuation of properties and other specific requirements as mentioned in Annex 1 (Guidelines on Valuation of Properties – Empanelment of Valuers) Management of Advances – UCBs, as amended from time to time, are strictly adhered to.-

Major points as mentioned in the Management of Advances – UCBs dated July 25, 2023

- The valuation should be done by professionally qualified independent valuers i.e., the valuer should not have a direct or indirect interest.
- Banks should obtain minimum two Independent Valuation Reports for properties valued at ₹50 crore or above.

The revaluation policy of fixed assets should, inter alia, cover procedure for identification of assets for revaluation, maintenance of separate set of records for such assets, the frequency of revaluation, depreciation policy for such assets, policy for sale of such revalued assets, etc. The policy should also cover the disclosure required to be made in the 'Notes on Account' regarding the details of revaluation such



as the original cost of the fixed assets subject to revaluation and accounting treatment for appreciation / depreciation etc.

3. Banks need to be guided by the relevant Accounting Standard issued by the Institute of Chartered Accountants of India. – AS2



7. Valuation and Legal Fees

(Amount in Rs.)

Value of the Asset/ (Fair Market Value)	Security	Fee applicable	Minimum fee	Maximum fee
Value upto 5 crore		0.02% of the value (fairmarket value) of the asset	3000	10000
Value above 5 crore up to50 crore		0.01% of the value (fair market value) of theasset	10000	30000
Value above 50 crore		0.005% of the value(fair mar- ket value) of the asset	30000	100000

LEGAL FEES		
SR.NO	PARTICULAR	FEES
1	Legal Notice	750 + Postage Charge
2	Issue of Cheque return notice (under section 138 of Negotiable Instrument Act.)	750 + Postage Charge
3	Title Clear report of the property for last 30 years in- cluding search fee. Up to 1 crore Above 1 crore	2000 + Actual charges namely typing, survey etc 5000 + Actual charges namely typing, survey etc
4	Regd. of E.M. Up to 1 crore Above 1 crore	2000 + Actual charges namely typing, survey etc 5000 + Actual charges namely typing, survey etc
5	Re Conveyance of Regd. E.M Up to 1 crore Above 1 crore	1000 + Actual charges namely typing, etc 2000 + Actual charges namely typing, etc
6	To file Law suit and Arbitration Up to 1 crore Above 1 crores	Rs.5000/- plus actual charges incurred. Rs.15000- plus actual charges incurred.
7	Cheque return case Up to 1 crore Above 1 crore	Rs.200/- plus actual charges incurred. Rs.5000- plus actual charges incurred.

- Fees quoted above are excluding GST
- The professional fees payable to the valuer shall be fixed by the Bank prior to the issuance of a Letter of Assignment on case-to-case basis, depending upon the work/services involved.
- For valuation of cases admitted in NCLT under Insolvency and Bankruptcy Code (IBC), valuation fee shall be applicable as decided by Committee of Creditors (COC).
- For valuation under Consortium Advances valuation fee shall be according to decision of Consortium members and to be shared accordingly.
- No out of pocket expenses shall be paid in addition to fee quoted, as above. However, In exceptional cases, out-station traveling and diem for valuation of assets outside the Centre, actual tickets up to AC- II tier/Car or bus charges (for places where train facility is not available, maximum of tickets of AC-II tier shall be reimbursed) and Rs.800.00 per day respectively may be considered for reimbursement, where specific approval has been obtained



from appropriate authority for valuation of Asset(s) by the valuers from outside the centre.

- Any specific assignment, work which requires the services of senior persons, fees payable will not be governed by the above schedule of fee and fee payable shall be decided by the CEO based on nature of the work and expertise of the concerned person. The same shall be put up to the Board for information and ratification.

8. Process of empanelment:

- a) Empanelment will be purely at the discretion of the Bank, based on need based. Bank will call for the application from advocates/engineers in a prescribed format (Annexure-A i & ii).
- b) All the applications shall be addressed to the General Manager, Head Office, Mehsana. The General Manager will scrutinize the applications and shall prepare a list of eligible persons in consultation with Chief Executive. Any deviation from the policy in empanelment of valuer / advocate will be placed to Board for approval.
- c) Once the list is approved by the CEO / Board a letter addressed to the advocate/valuer as per prescribed format (ANNEXURE-B) to be issued and get the acceptance before assigning of any work.
- d) A list of empaneled advocates/valuer to be circulated to all the branches of the bank by Head Office, Mehsana.

9. De-panelment

- a) Bank may de-list / de-panel a valuer on account of misconduct, for the instances mentioned below.
 - i) Under/ Over valuation of assets
 - ii) Not complying to the Banks' instructions or contrary to specific instructions.
 - iii) Giving any false or misleading information to the bank at the time of empanelment or obtaining empanelment by fraudulent means.
 - iv) Action to the detriment of the interest of the Bank.
 - v) Compiling the valuation report with malafide intentions.
 - vi) Committing an act amounting to professional misconduct.
 - vii) Indulging in fraudulent activities including raising of fake bills.
 - viii) Delay in submission of reports beyond the time agreed upon.
 - ix) Convicted of an offence connected with any proceedings under the Income Tax Act, 1961, or any other Act.
 - x) Threatening, intimidating or abusing any of the employees, officers/ or Representatives/constituents of the Bank.
 - xi) Deficiency in Service.
 - xii) Blacklisted by any Bank or any complaint has been filed against the valuer/ firm before CBI/ Serious Fraud Investigation Office (SFIO)/ or any other Courts.

The above instances are only illustrative and not exhaustive, and the competent authority may amend / modify any of the above conditions or may add one or more such instance that may be considered as a reason for de-panelment of the valuer.

The matter of de-panelment shall be intimated to the IBA and such other authority/body as may be considered necessary/appropriate.

4. Area of Operations/Empanelment:



Bank Area of Operation will be the area of operation for valuer / advocate. However, for some specific cases bank may utilize the services for some specific court/High court or some specific assignment to handle.

10. Empanelment Period:

The period of empanelment shall be for a period of -5- years. However, on completion of the terms of -5- years, considering the satisfactory performance of the advocate/valuer bank may renew their empanelment at bank's discretion.



ANNEXURE-A (I)

FORMAT FOR EMPANELMENT OF ADVOCATES

Please fill up the following details for empanelment/renewal for the period

S No	DETAILS	PARTICULARS
1	Full Name (with firm name)	
2	Present Office Address	
3	Present Residential Address	
4	Native Place	
5	Age	
5	PAN Card Details (Copy to be attached)	
6	Aadhar card Details (Copy to be attached)	
7	Qualifications (Starting from Graduation to last qualification. Copy of graduation and last law degree to be attached)	
8	Details of Bar Council Membership (Copy to be attached)	No : Issued by : Valid up to:
9	Identity Card issued by Bar Council -details (copy to be attached)	No: Date of Issue: Location:
10	Any other membership of professional organisation (please provide full details)	
11	Details of experience as regards standing practice and period. - Civil Matters handled during last 5 years. - Legal & Recovery matters pertaining to the Bank/ Co-Operative Banks etc. - Any other experience – specify areas. (You can attach a separate sheet for the purpose)	
12	Present Empanelment with Any Bank/Financial Institutes / NBFC and brief details of work assigned.	



13	Special Expertise (If any)	
14.	Any other information	

I hereby declare that the information provided herein is correct and all the necessary enclosure/self-attested copy etc. are attached herewith.

I am interested and willing to carry out the work assigned by the bank/branches of the bank within the time frame and shall maintain the secrecy of the information.

I also declare that I or my relative are not having any relationship with the director or its relative to have any conflict of interest.

Date:
Place:

(Signature)
Name:

Note: Please submit the above details and forward under cover of your letter.



ANNEXURE-A (II)

FORMAT FOR EMPANELMENT OF ENGINEER-VALUER

Please fill up the following details for empanelment/renewal for the period

S No	DETAILS	PARTICULARS
1	Full Name (with firm name)	
2	Present Office Address	
3	Present Residential Address	
4	Native Place	
5	Age	
6	PAN Card Details (Copy to be attached)	
7	Aadhar card Details (Copy to be attached)	
8	Qualifications (Starting from Graduation to last qualification. Copy of graduation and last Valuer examination etc. to be attached)	
9	Whether registered with Valuer organization (RVO) (Copy to be attached). Registered Valuer Organization means: Registration with Council of Engineers & Valuers (Governed by CEV Professional Development & Educational Trust) or Institutes of Valuers (IOV) or , Practicing Valuers Association of India (PVA), or Indian Institute of Valuer (IIV), others if any. (Details with proof to be provided).	No : Issued by : Valid up to: Details of Institutes/valuers with membership numbers etc.
10	Any other membership of professional organization (please provide full details)	
11	Present Empanelment with Any Bank/Financial Institutes / NBFC	
12	Details of experience as regards valuations as employee or else. Or professional valuers pertaining to the Bank/Co-Operative Banks, insurance company etc. (You can attach a separate sheet for the purpose)	



13	Any Special Expertise (If any)	
13.	Any additional information	

I hereby declare that the information provided herein are correct and all the necessary enclosure/self-attested copy etc. are attached herewith.

I am interested and willing to carry out the work assigned by the bank/branches of the bank within the time frame and shall maintain the secrecy of the information.

I also declare that I or my relative are not having any relationship with director or its relative to have any conflict of interest.

Date:
Place:

(Signature)
Name:

Note: Please submit the above details and forward under cover of your letter.



ANNEXURE-B
(On letter head of the HO)

MUCB:ADV:

Date ____/____/202

To,
Mr. _____
(Advocate/Engineer- Valuer)

Dear Sir,/Madam

Re: Your empanelment as Bank's advocate/engineer-Valuer

With reference to your application for empanelment as bank's advocate/ engineer-Valuer, we are pleased to inform you that bank has considered your application and have finalised your name for the empanelment subject to your consent/acceptance of the following terms & conditions;

1. Your empanelment will be for a period of -5- years commencing from _____ to _____. You will strictly abide by the terms and conditions of the empanelment and shall not have any right to claim retainer fee or employment in bank or you will not claim that you alone should be entrusted with bank's work.
2. The allocation of the work shall be the sole discretion of the bank and you will not have any right to challenge the same in any manners.
3. You will have to protect the interest of the Bank under all the circumstances in all the assignment/work given by the bank.
4. You will not act in any manner which may jeopardize the interest and image of the of the bank or any of its officials.
5. Bank may at their discretion remove your name from the panel list at any time without assigning any reasons.
6. Bank may withdraw you from any proceedings/matters, brief or any other matters/valuation work etc. at their discretion without assigning any specific reasons thereof. You shall not be eligible for any further fee for the same except the part amount of the fees already paid as on that date.
7. As a lawyer you will not accept any case against the bank under any circumstances.
8. As an engineer/Valuer you have to pay site visit, study the prevailing trend/market price in surroundings, enclose the photographs and any other details whatsoever nature require to protect the bank's interest.
9. You have to carry out any assignment provided to you as per the prevailing practices and law without prejudice to either party.
10. You have to collect all the details from the concern branches, carry out the while performing the assignment given to you.
11. You cannot use Bank's name, logo, sign board, name plate etc. in your letter heads.
12. In case of misconduct of any nature which may result into financial loss to the Bank, bank will have a right to recover the loss caused due to such misconduct by you.
13. Your performance shall be reviewed from time to time and if your services are not found up to the mark or bank does not require your services, bank may remove you from empanelment.
14. You shall indemnify the bank from and against any losses, cost, damages, actions, suits and proceedings relating to or resulting directly or indirectly from breach of any of the above terms and your misconduct or gross negligence in providing services to the Bank.

You are requested to convey your acceptance of the above terms and conditions of empanelment on a photocopy of this letter.

Yours faithfully,
General Manager