

<p>Indicative Scope of Work</p>	<p>Project appraisal, financial management, market study / research, management competence, viability study of sick units under rehabilitation. (Scope of work listed here is only indicative & operating units to take project specific calls as per the requirement)</p> <p><u>Background of Promoters/ Project</u></p> <ul style="list-style-type: none"> • Background of Promoters, their overall experience, details of their Group Companies and its past financials. Status of Group Company Loan Accounts i.e., whether Standard or NPA • Profile of the Sponsor & concessionaire • Background of the Project and Project Specific experience of Promoters in executing similar projects • Purpose of TEV • Assessing the capacity of promoters to bring equity and ability to arrange funds for cost overrun should be made as a part of the TEV Report • Site Visit Observations <p><u>Technical Feasibility</u></p> <ul style="list-style-type: none"> • Assessment of the available land in use for the project • Assessment of suitability and availability of infrastructure available for the activity of the company along with ESG Impact Study • Availability of skilled manpower and Technology • Assessment of existing capacity • Assessment of Implementation Schedule • Critical Success Factors • Validation of Cost of Project • Requirement of Applicable Statutory Approvals & its status as on the date of conducting of TEV study <p><u>Market Potential</u></p> <ul style="list-style-type: none"> • Present and future Macro-economic scenario both local and global aspects (Size, Trend, Regulations, Government Support and incentives etc.) • Assessment of marketing infrastructure available • Demand-Supply Analysis • Competitive Analysis • Industry Scenario (Macro & Micro) <p><u>Financial Viability</u></p>
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	<ul style="list-style-type: none"> • Assessment of future cash flows and profitability of the project • Financial viability of the unit based on the financial projections, profitability (income and costs), cash flow, IRR, DSCR, DE, TOL/ATNW, MPBF etc. • Conduct sensitivity analysis of the project • Assessment of Cost of Project, Means of Finance and Source of Promoter's Contribution <p><u>Management Capabilities</u></p> <ul style="list-style-type: none"> • Assessment of management capabilities and Corporate Governance with covering following key areas: <ol style="list-style-type: none"> 1. Acquisitions, Sale and Investments <ul style="list-style-type: none"> ➤ Whether company is sticking to their core competencies ➤ Diversification steps ➤ Shareholders wealth protection 2. Compensation <ul style="list-style-type: none"> ➤ Whether Management is paying exorbitant amount to Managers? ➤ What level of compensation would be too high or low, as per peer comparison/ industry average. 3. Stock buyback and insider trading (applicable in case of listed companies) <ul style="list-style-type: none"> ➤ How long the management holds shares. ➤ Buyback history and anecdotes 4. Debt Discipline <ul style="list-style-type: none"> ➤ Whether management is sincerely looking forward to deleverage or its mostly change of hands? ➤ Or there is a trade-off in lowering firm's cost of capital. 5. Goals and Strategies <ul style="list-style-type: none"> ➤ Evaluating company's mission statement and strategy. 6. Length of Tenure <ul style="list-style-type: none"> ➤ The length of tenure, the CEO and the top management has been associated and serving the company-serves as an important indicator. 7. Investor Presentation <ul style="list-style-type: none"> ➤ Takeaways from company's latest investor presentation and the press release. 8. Market Intelligence
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	<p>➤ How is the management's reputation in the market, industry and employees?</p> <p>9. Environmental and Social concerns are also to be discussed in the report.</p> <p><u>SWOT Analysis</u></p> <ul style="list-style-type: none"> • SWOT Analysis to be carried out to identify the key internal and external factors which are important for success of the project. • Strength and weakness (internal to company) – Evaluating experience, team size and expertise, machinery level, patents and intellectual property and location. • Opportunities and threats (external) that are going on outside the company, in the larger market such that competitor's action and analysis, prices of raw materials, change in law, regulatory aspects and trends. • Risk & Mitigation analysis.
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