Expression of Interest

Invited from Banks/Financial Institutions to Offer Rate of Interest for Loan

Chhattisgarh State Minor Forest Produce (Trading and Development) Co-operative Federation Limited (CGMFPFED)

"Van Dhan Bhawan", Sector-24, Nava Raipur Atal Nagar (Chhattisgarh)

Disclaimer

i. The information contained in this Expression of Interest ("EOI") document provided to the Applicant(s), by or on behalf of Chhattisgarh State Minor Forest Produce (Trading & Development) Co-operative Federation Ltd (CGMFPFED) or any of its employees or advisors, is provided to the Applicant(s) /Bidder(s) on the terms and conditions set out in this EOI document and all other terms and conditions subject to which such information is provided.

ii. The purpose of this EOI document is to provide the Applicant(s) /Bidder(s) with information to assist the formulation of their Proposals. This EOI document does not purport to contain all the information each Applicant/Bidder may require. This EOI document may not be appropriate for all persons, and it is not possible for CGMFPFED, its employees or advisors to consider the business/investment objectives, financial situation and particular needs of each Applicant/Bidder who reads or uses this EOI document.

iii. Each Applicant/Bidder should conduct its own investigations and analysis and should check the accuracy, reliability, and completeness of the information in this EOI document and where necessary obtain independent advice from appropriate sources. CGMFPFED, its employees and advisors make no representation or warranty and shall incur no liability under any law, statute, rules, or regulations as to the accuracy, reliability, or completeness of the EOI document.

iv. CGMFPFED may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this EOI document or modify it by uploading the same on the website https://www.cgmfpfed.org/new/contactus.php

Press Note

Chhattisgarh State Minor Forest Produce (T&D) Cooperative Fed. Ltd.
Van Dhan Bhawan, Sector-24, Nawa Raipur Atal Nagar
GST Reg. No. 22AABAC5137E2ZC, Phone: 0771-2513100 to 2513110
Website: www.cgmfpfed.org, Email address: mfpfed.cg@nic.in

Notification No. Fed/MFP/Accounts/2024-I, Raipur — Dated 14/03/2023

Expression of Interest (EOI)

Chhattisgarh State Minor Forest Produce (T&D) Cooperative Federation Ltd. (CGMFP) invites offers from Banks/Financial institutions for providing secured loan of INR 300 Crores. Interested parties are required to submit response to EOI in the prescribed format. **Sovereign Guarantee of Chhattisgarh Government is available.**

The willing parties may submit their offers in a sealed envelope in favor of Managing Director, Chhattisgarh State Minor Forest Produce (T&D) Cooperative Fed. Ltd. by 15-04-2024 at Vandhan Bhawan, Sector 24, Atal Nagar, Nava Raipur, Chhattisgarh.

The EOI document may be downloaded from the website www.cgmfpfed.org. Amendments / Notices will be available on above website Only.

Managing Director

Important Dates

Sr. No	Parameters	Date & Time
1	Date of Issue of EOI document	14-03-2023
2	Clarification can be sought as per clause 1.7 of the EOI	21-03-24 by 5:30 p.m.
3	Submission of Financial Proposal document and Scheme Details	15-04-2024 by 03.00 p.m.
4	Opening of Financial Proposal document	16-04-2024 by 12.00 p.m.

1. INTRODUCTION

1.1 Introduction

Chhattisgarh State Minor Forest Produce (Trading & Development) Co-operative Federation Ltd. (CGMFP Federation), Raipur a three tier Co-operative organization was created with an objective to promote the trade and development of Minor Forest Produce in the interest of forest dwelling gatherers, on co-operative pattern. Chhattisgarh State Minor Forest Produce (Trading & Development) Co-operative Federation Ltd. (CGMFP Federation) is a Co-operative Society registered under the CG Co-operative Societies Act, 1950. CGMFP FED is mandated to procure and sell the Minor Forest Produce like Tendu Leaves, Gum, Salseed etc. on behalf of the State Govt. as an agent.

CGMFP FED procures approximately 16.72 Lakhs Standard Bags Tendu patta from the forest dwellers in each season and sell those Tendupatta to the businessman who are in the business of making Bidi.Tendu patta is sold through the process of Auctioning and the highest bidders are allowed to collect the Tendupatta from the godown after making payment.

CGMFP FED receives the Sale proceeds in 4 instalments. 1st instalment is received in October month and every instalment is due on 45 days. Thus, in this way the funds are received by the CGMFP FED.

CGMFP FED requires around Rs.1150 crores for incurring the expenses for coming procurement season and currently the CGMFP FED has Rs.800 crores as its own funding for incurring expenses.

For the procurement season 2024, CGMFP FED requires Rs.300 Crores as working capital loan for payment of incentive wages to the forest dwellers and for incurring other expenses. The loan will be backed by sovereign Guarantee of State Government of Chhattisgarh

2. General Terms and Conditions for the proposed term loan

I. **Loan Amount:** CGMFPFED is seeking a Loan Amount of Rs 300 Crore from Bank/Financial institution.

II. **Repayment:** Duration of Loan Repayment will be 1 year.

III. **Repayment Interval:** Instalment Payment Period will be Half Yearly i.e., November and May.

IV. Conditional bids will not be accepted

V. **Rate of Interest:** The Rate of Interest to be linked with any of the benchmarks as per the guidelines of Reserve Bank of India. The rate of interest to be offered should be for both, with and without guarantee.

VI. **Pre-Payment Charges:** The loan amount may be paid before the date specified by the bank/financial institutions. There should not be any pre-payment charges/penalty for this. This includes prepayment due to swapping of loans.

VII. **Processing and Other Fees:** There should not be any processing fee and/or other charges related thereto.

VIII. **Open Tender**: It is an open tender for eligible Banks /Financial Institutions and Managing Director, Chhattisgarh State Minor Forest Produce (Trading & Development) Co-operative Federation Ltd. (CGMFP Federation), reserves right of swapping loan at any point of time.

IX. **Margin Money:** There will not be any requirement of margin money to be brought in by the government entity in Credit Limit Facilities.

X. **Withdrawal:** The bank/financial institutions will be required to provide for withdrawal of amount within 07 days of the acceptance of the Credit Limit proposal by the government.

XI. **Payment of Interest:** The amount of interest will be payable since the date of actual withdrawal of amount.

XII. **Changes in the Rate of Interest:** The Rate of Interest offered by banks/financial institutions under the terms and conditions of this EoI can only be changed in case of changes in the benchmarked rate.

XIII. **Execution of Agreement:** The banks/financial institutions whose proposals has been accepted have to execute the agreement containing the terms and conditions as specified in the offer letter within 15 days of acceptance of the proposal.

XIV. **Arrangements in case the selected bank/financial institution unable to provide required fund:** In case the selected bank/financial institution is not able to provide whole amount as required by

the CGMFP Federation, the next banks in line will be called for negotiation to provide the requisite loan at a rate of interest which is similar or comparable to the minimum rate of interest.

XV. **Decision on Proposal:** On the Basis of the rate of interest offered by banks/financial institutions and negotiations, if needed, the decision on acceptance of the proposal will be taken.

XVI. **Acceptability-Unacceptability of Proposal:** Managing Director, CGMFPFED will have the prerogative to consider the acceptability or unacceptability of the proposals.

XVII. **Negotiation:** The CGMFPFED reserves the right to negotiate with the banks/financial institutions on the rate of interest, terms and conditions and other matter related thereto.

XVIII. **Guarantee:** Sovereign guarantee of Chhattisgarh Government is available; the guarantee will be effective from the date of disbursal of loan to ensure smooth swapping of loans.

XIX. The Bid submitted by the bank shall be considered to be with the sanction of competent authority of the bank, requiring only execution of the documents for the purpose of Loan Drawal.

XX. The Managing Director, CGMFP Federation reserves the right to accept or reject any of the bid without assigning any reason(s) thereof.

XXI. The last date of submission of proposal will be on or before **15/04/2024 till 03:00 PM** at 1" Floor Vandhan Bhawan, Sec24, Nava Raipur.

XXII. The received Proposals will be opened on **16/04/2024 at 12.00 PM** at 1" Floor Vandhan Bhawan, Sec24, Nava Raipur.

3. Expression of Interest

Federation invites proposals from Banks/financial Institutions through this EOI for offering Interest Rate for Loan Amount of Rs 300 Crore

4. Advice to Applicant Banks

Banks are advised to study this EOI document carefully before participating and seek clarification if required from CGMFPFED. It shall be deemed that submission of Bid by the Bank has been done after their careful study and examination of the EOI document with full understanding to its implications.

5. EOI Document can be downloaded from the official website **https://www.cgmfpfed.org**

6. Validity of the EOI

The Financial Proposal submitted by applicant Bank shall be valid for a period of not less than 120 days.

7. Clarifications

Bidders may seek clarifications by submitting their queries to CGMFPFED in writing on or before **21-03-24 by 5:30 PM**. The contact information for requesting clarification is CHHATTISGARH STATE MINOR FOREST PRODUCE CO-OP. FEDERATION LIMITED "Van Dhan Bhavan" Sector 24, Nava Raipur, Atal Nagar @ E-mail: mfpfed.cg@nic.in

8. Important Dates

The Federation would endeavour to adhere to the following schedule:

Sr. No	Parameters	Date & Time
1	Date of Issue of EOI document	14-03-2023
2	Clarification can be sought as per clause 7 of the EOI	21-03-24 by 5:30 p.m.
3	Submission of Financial Proposal document and Scheme Details	15-04-2024 by 03.00 p.m.
4	Opening of Financial Proposal document	16-04-2024 by 12.00 p.m.

9. BID SUBMISSION DETAILS

I. All communications including the physical submission of Proposal/offer should be addressed and submitted to:
The Managing Director,
CHHATTISGARH STATE MINOR FOREST PRODUCE CO-OP.FEDERATION LIMITED "Van Dhan Bhavan" Sector 24, Nava Raipur, Atal Nagar, Dist.- Raipur Phone - 0771-2513100 to 2513110
E-mail: mfpfed.cg@nic.in
Website:www.cgmfpfed.org

II. Applicant should submit their offer/proposal by hand in the sealed envelope clearly indicating **"Financial Proposal from Banks Offering Interest Rate for a Loan"** in bold letters on top of the envelope in the prescribed format only.

III. The outside of the Envelope must clearly indicate the name of the project mentioned above, the Bank's name and address, and the names of primary and secondary contact persons. Failure to adequately address the outside of an envelope could cause a bid to be misdirected or to be received at the required destination after the deadline.

IV. CGMFPFED will not accept delivery of bid by fax or e-mail. Bid received by fax or Email shall be treated as defective, invalid and rejected.

10. Bid Opening Process

I. There will be single bid -opening events (i) for Financial Proposal
II. Total transparency will be observed while opening of proposals. CGMFPFED always reserves the right to postpone or cancel a scheduled bid opening, as mentioned in the Schedule. In the event of the specified date of bid opening being a declared holiday, the bids shall be opened at the appointed time and location on the next working day

11. Financial Evaluation Process

The eligible Banks/Financial Institutions shall submit their Financial Proposal as per **Annexure A**. The decision of Federation shall be final and binding on all the applicants submitting their proposal for this EOI.

12. Selection of successful bidder

I. The bidders shall be required to quote interest rate for the full-term loan amount as per tender and any bid quoting below Rs 300.00 Crore shall be treated as non-responsive bid. The work shall be awarded to the L-1 Bidder whose financial quote shall be the lowest amongst the qualified bidders.
II. In case two or more banks offered the same rate of interest "Tie bids" the decision declaring the L1 to whom the project will be awarded shall lie with the Managing Director, CGMFP FED
III. The decision of CGMFPFED will be final and bank(s)/Financial Institutions will be engaged only after the confirmation of the decision of the CGMFPFED.

13. MINIMUM ELIGIBILITY CRITERIA

The Bidder should be a Scheduled Commercial Bank of Indian Origin Bank/Financial Institution notified by Reserve Bank of India and should be listed in the approved list of Chhattisgarh Government.

14. RIGHT TO TERMINATE THE PROCESS

I. CGMFPFED may terminate the bidding process at any time without assigning any reason. CGMFPFED makes no commitments, express or implied, that this process will result in a business transaction with anyone.
II. This EOI does not constitute an offer by CGMFPFED. CGMFPFED may invite the Bank for further discussions and negotiation towards the process of selection. The commencement of such negotiations does not, however, signify a commitment by CGMFPFED to avail said services from the Bank or to continue negotiations. CGMFPFED may terminate negotiations at any time without assigning any reason.

15. SUBMISSION OF APPLICATION

In addition to above mentioned supporting documents, the Applicant shall also submit the following documents:

Appendix A	Financial Proposal

16. Jurisdiction

In all cases of legal dispute regarding the EOI, the court of Raipur shall be having the jurisdiction.

17. Fraud and Corrupt Practices

CGMFPFED requires all the applicant Banks should observe the highest standard of ethics. Pursuant to this policy, the following has been defined below:

I. Corrupt practice Means:
the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Federation who is or has been associated in any manner, directly or indirectly with the Selection Process or the LoI or has dealt with matters concerning the Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Federation, shall be deemed to constitute influencing the actions of a person connected with the Selection Process); or
save as provided herein, engaging in any manner whatsoever, whether during the Selection Process or after the issue of the LoI or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the LoI or the Agreement, who at any time has been or is a legal, financial, or Bank service provider of the Federation in relation to any matter concerning the Project;

II. **"Fraudulent practice"** means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process;

III. In such an event CGMFPFED shall blacklist or debar the applicant from participating in future bidding process of CGMFPFED for a period of 1 to 5 years

Appendix A

Financial Proposal

(On the Letterhead of the Applicant)

To Date:

The Managing Director (M.D.)
CG State Minor Forest Produce Co-operative Federation Limited
Van Dhan Bhawan Sec-24,
Nava Raipur Atal Nagar, Chhattisgarh

Subject: Expression of Interest offers are invited from Banks to Offer Interest Rate on loan of INR 300 Crore to CGMFP Federation

Dear Sir,

Being duly authorised to represent and act on behalf of …… (hereinafter referred to as "the Applicant Bank") and having reviewed and fully understood all of the Financial Proposal requirements and information provided and collected, the undersigned hereby submits the Financial Proposal on behalf of ……. (Name of Applicant Bank) for the captioned Project with the details as per the requirements of the EOI, for your evaluation. We confirm that our Financial Proposal is valid for a period of 120 days from the Proposal Due Date.

1	Name of Bank and Branch	
2	Name of Branch Manager/ Authorised Officer	
3	Address of Bank	
4	Mobile number	
5	Telephone number	
6	Fax number	
7	E-mail address	

I/ We hereby offer the below rate of interest for the Loan of INR 300 Crore:

S.no	Particulars	Rate of Interest offered by Applicant Bank (In Figure)	Rate of Interest offered by Applicant Bank (In words)
1	Interest rate for secured loan of Rs 300 Crore **(With Sovereign Guarantee)**		
2.	Interest rate for Un secured loan of Rs 300 Crore **(Without Sovereign Guarantee)**		

I/We hereby agree and confirm -

a. that notwithstanding any qualifications or conditions, whether implied or otherwise, contained in our Proposal, we hereby represent and confirm that our Proposal is unqualified and unconditional in all respects, and we agree to the terms of the proposed work order.
b. that in the preparation and submission of our Proposal, we have not acted in concert or in collusion with any other Applicant or other person(s) and also not done any act, deed or thing which is or could be regarded as anti-competitive.
c. that CGMFPFED reserves the right to reject any proposal without assigning any reasons thereof. I/We undertake that all the information furnished by me/us in the proposal is true to the best of me/our knowledge and belief. If any of the information is found to be false on subsequent verification, I/We undertake that I/We may be disqualified.

Yours faithfully,

For and on behalf of (Name of Applicant Bank)
Duly signed by the Authorised Signatory of the Applicant
(Name and Title of the Authorised Signatory)
Seal of the Applicant Bank