



BANK OF MAHARASHTRA

**REQUEST FOR PROPOSAL (RFP) FOR ENGAGEMENT OF
AGENCIES FOR SPECIALISED MONITORING SERVICES**

RFP Ref No.: 102018

Date: 31.10.2018

**BANK OF MAHARASHTRA
HEAD OFFICE, "LOKMANGAL"
1501, SHIVAJI NAGAR
PUNE-411005**

Bank of Maharashtra invites applications for Empanelment of Agencies for Specialised Monitoring Services for monitoring of Loan Assets. Applications should be submitted in the formats given in Annexure 1 and Annexure 2

Applications along with supporting documents should be sent to

**The Deputy General Manager
SAMV Department
Bank of Maharashtra
Head Office, “Lokmangal”
1501, Shivaji Nagar, Pune-411 005**

I.ELIGIBILITY CRITERIA

- A) Firms, Companies and Organizations Having at least 2 qualified Engineers, Advocates and Chartered Accountants / Cost Accountants each as Members/employees & must be Registered with the Income Tax Authorities, Bar Council of respective state, Institute of Chartered Accountants of India (ICAI) / The Institute of Cost Accountants of India respectively as members with experience of minimum 3 years in finance related assignments, preferably having exposure in handling LIE assignments, Stock audits , cash flow audits, forensic audits and similar other finance related assignments
- B) Firms / Corporates / Organization who display professional competence in handling such assignments and having satisfactory track record.
- C) Having unblemished track record and should not have been blacklisted by any financial Institution / other organizations / any government department. The Firms, Companies and Organizations should furnish self-attested affidavit in this regard
- D) should have office at any major centers of the country
- E) The name of the Firm/Company or its promoter/partner etc. should not be in the defaulters/barred/caution list published/displayed at websites of public bodies such as by RBI/IBA/ECGC/SEBI/CICs etc.

Documentary evidence to be submitted to the Bank:

Attested copies of Certificate of Incorporation in case of Limited Company
Registration Certificate along with the latest partnership deed in case of
Partnership firm.

II. SCOPE OF WORK

S.No.	Subject	Scope	Status
1	Cash/Funds Flow Monitoring		
	Cash Inflows	Sources of cash inflows based on estimates/ projections Sources can be Capital funds infusion. Unsecured loans/NCDs – tenor/ROI etc. Term Borrowings Profits ploughed back. Sale of Fixed Assets / Investments Any Windfall/exceptional cash inflows- eg. Profit from sale of fixed assets – Tax refunds etc Interest / Dividends from Investments	Position vis-a-vis estimates/projections
	Cash Inflows	Margin towards Working capital including margin towards LC/BG Margins stipulated as per sanction terms. Sources whether through capital infusion or borrowings.	Adequacy of the margin vis-a-vis sanction terms. Sustainability. Position vis-à-vis the estimates/projections.

		<p>Cash flow from operations</p> <p>Working capital finance</p> <p>Creditors</p> <p>From book debt realization</p>	<p>Adequacy,</p> <p>Credit period</p> <p>Realization time</p> <p>position vis-a-vis estimates /projections</p>
	Cash outflows	<p>Utilization</p> <p>Inventory build up</p> <p>Creditors repayment</p> <p>Acquisition of fixed assets / purchase of investments</p> <p>Repayment of term borrowings</p> <p>Capital drawings</p> <p>Interest /Dividend payouts</p> <p>Intercorporate transactions</p> <p>Loans and Advances to other firms</p> <p>Redemption Debentures</p> <p>Shares buyback</p>	<p>Impact of the cash outflows on the business of the borrower.</p> <p>Diversion/siphoning of funds noticed if any</p> <p>position vis-a-vis estimates /projections(CMA data)</p> <p>Adequacy for meeting repayment obligations/honoring of financial commitments statutory dues etc.</p>
2	Industry Specific	<p>Current trends / cyclical changes</p> <p>Innovations, Government Policies and precautionary / mitigation measures.</p> <p>Sustainability /Sensitivity</p>	<p>Impact on Business Volumes and Asset Quality</p>
3	Asset Protection	<p>Vendor due diligence</p> <p>Market value vis-à-vis Invoice price</p> <p>Physical progress of the project vis-à-vis funds infusion.</p> <p>Loan to value ratio, Adequacy of Insurance, Life of Asset vis-à-vis Tenor of Term Liabilities. Technological Obsolescence , substitution measures</p>	<p>Impact on business volumes, asset quality during life time of the loan assets</p>

		<p>Efficiency in Inventory Management, Consistency in policy on inventory disposal (FIFO, LIFO), Unpaid Inventory, Obsolete / Non-moving Inventory.</p> <p>Quality of book-debts, Line profile and Risks spread (single client / diversified clientele) Risk perception on quality of book-debts, average time taken for realization of book-debts, confirmation of bills payables by clients / debtors.</p> <p>Age-wise classification of book-debts, Eligible book-debts and inventory for DP</p> <p>Physical verification of charged securities.</p> <p>Status of Bank's charge on securities. Search reports.</p> <p>Dilution/pilferage noticed if any</p>	<p>Consistency in availability of DP</p> <p>Shortfall in DP vis-à-vis Facility utilization. Diversion if any.</p>
4	Periodic Due Diligence	<p>Statutory dues payment, Inter-Corporate / Inter-firm transactions, IRAC Status of accounts of associate concerns.</p> <p>Check Audited Balance sheet with the Balance sheet submitted to MCA and Income Tax authorities.</p> <p>Check sales turnover with sales reported through GST returns.</p>	<p>Impact on Asset Quality</p> <p>Report variations with reasons element of tax evasion, misrepresentation for deriving higher credit limits.</p> <p>Impact on bank finance and DP.</p>

5.	Watch under consortium lending	<p>Status of borrowings with member Banks. Conduct of accounts, Pricing mechanism, Business sharing, Compliances and honoring obligations by member Banks. Exchange / sharing of information among member Banks. Mandatory consortium meetings,</p>	Consortium discipline,
6	Non Fund Limits	<p>Letter of Credits-Usance, interest cost involved. Availability of cash inflows , waterfall mechanism for honoring commitments</p> <p>Bank Guarantees</p> <p>Status of bid-bond guarantees, ability / capacity to execute contracts, assignments for contracts Bid.</p> <p>Strike-rate of bids crystallizing</p> <p>Mobilization Guarantees-utilization of mobilization of advances received under specific contracts.</p> <p>Billing cycle and treatment of Mobilization Advance, Renewal of mobilization advance</p> <p>BGs vis-à-vis balance contract works</p> <p>Penalty clauses and its impacts</p> <p>Performance Guarantees-ability / capacity to execute and perform, penalty clauses.</p> <p>Auditing the BG portfolio of the client</p>	<p>Analyze and identify probable default if any and suggest risk mitigation measures</p> <p>Impact on profitability and asset quality</p> <p>Risk mitigation</p> <p>Risk analysis of the BG portfolio.</p>

7	Export Credit	Pre and Post-Shipment- IEC Code Notification to ECGC Draft, Invoice, Packing List, Transport Document etc (FOBN) Proof of Export Adherence to Foreign Trade Policy 2015-20 Reference to OFAC (Office of Foreign Assets Control) and non-Sanctioned Countries as per USA / UN etc. Payment of ECGC premium Crystallization of bills. Credit report on buyers Submission of bill of entry LOUs Underlying transaction Tenor vis-a-vis Working capital cycle.	Compliance aspects and impact on Asset quality
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III. GENERAL TERMS AND CONDITIONS

The selection of **agencies for empanelment** by Bank will be undertaken by a Committee formed by Bank which would have Bank officials. The Bank reserves the right to select / reject any application without assigning any reason. The decision of the committee shall be considered final.

Engagement / Appointment of Agency for Monitoring Services will be done on case-to-case basis whenever need arises and the **Bank does not assure any minimum assignment to the empanelled agencies.**

The Agency selected for the assignment, will have to enter into a contract agreement directly with Bank. The contract period for providing Specialized Monitoring Services will be for a period of Two Years from the date of Project Signoff.

The contract agreement will contain various terms and conditions relating to services to be provided. The scope of monitoring is given above under Scope of Work. All correspondences and other documents pertaining to the contract shall be in English.

This RFP is open up to 31.01.2019 and further extension, Corrigendum, if any, will be notified in Bank's website only.

Contact Details:

Further information / Clarification on this RFP, if any may be sought from the following telephone numbers and e-mail.

cmsamv@mahabank.co.in

agmsamv@mahabank.co.in

Phone: 020-25614462 / 465 / 467 / 460

ANNEXURE-1: APPLICATION FORMAT

S.No.	Particulars	Details to be furnished by the applicant
1	Name of the Applicant	
2	Year of establishment and constitution Certified copy of "Partnership Deed" or "Certificate of Incorporation" should be submitted as the case may be.	
3	Location of Registered office /Corporate office / Address	
4	Names of Professionals / Experts with their qualifications, registration numbers, experience. Detailed profile of each expert / professional	
5	Names and designations of the persons authorized to make commitments to the Bank	
6	Telephone and fax numbers of contact persons	
7	E-mail addresses of contact persons	
8	Details of : Description of business and business background Service Profile & client profile Domestic & International presence Alliance and joint ventures	
9	Details of the similar assignments executed by the applicant (Name of the Bank, time taken for execution of the assignment and documentary proofs from the Bank are to be furnished)	
10	Details of the applicant's proposed methodology/approach for providing services to the Bank with specific reference to the scope of work.	

Declaration:

1. We confirm that we will abide by all the terms and conditions.
2. We hereby unconditionally accept that Bank can at its absolute discretion apply whatever criteria it deems appropriate, not just limiting to those criteria set out in this RFP, in short listing of applicants
3. All the details mentioned by us are true and correct and if Bank observes any misrepresentation of facts on any matter at any stage, Bank has the absolute right to reject the proposal and disqualify us from the selection process.
4. We confirm that this response, for the purpose of short-listing, is valid for a period of 180 days, from the date of expiry of the last date for submission of response to RFP.
5. We confirm that we have noted the contents of the RFP and have ensured that there is no deviation in filing our response to the RFP and that the Bank will have the right to disqualify us in case of any such deviations.

Place:

Date:

Seal & Signature of the applicant

ANNEXURE 2 / NON-DISCLOSURE AGREEMENT

All applicants must sign the Non-Disclosure Agreement (NDA) before obtaining the Request for Proposal (RFP). Applicants must comply with all clauses mentioned in the NDA. No changes to the NDA are allowed. The NDA must be executed on the applicant's company letterhead. The primary applicant along with all partners who gain access to the Bank's confidential data (as described in the NDA) must sign the NDA.

NDA format is provided below.

(On the Letterhead of the applicant)

Strictly Private and Confidential

The Deputy General Manager
Stressed Asset Management Vertical
Bank of Maharashtra
"Lokmangal", 1501, Shivajinagar
Pune, Maharashtra, India

[Date]

[Salutation]

Non-Disclosure Agreement

We acknowledge that during the course of bidding for Request for Proposal (RFP) floated for **Engagement of Agencies for Specialized Monitoring Services**, we shall have access to and be entrusted with Confidential Information. In this letter, the phrase "Confidential Information" shall mean information (whether of a commercial, technical, scientific, operational, administrative, financial, marketing, business, or intellectual property nature or otherwise), whether oral or written, relating to Bank and its business that is provided to us pursuant to this Agreement.

In consideration of you making Confidential Information available to us, we agree to the terms set out below:

1. We shall treat all Confidential Information as strictly private and confidential and take all steps necessary (including but not limited to those required by this Agreement) to preserve such confidentiality.

2. We shall use the Confidential Information solely for the preparation of our response to the RFP and not for any other purpose.
3. We shall not disclose any Confidential Information to any other person or firm, other than as permitted by item 5 below.
4. We shall not disclose or divulge any of the Confidential Information to any other client of [name of product vendor / implementation partner].
5. This Agreement shall not prohibit disclosure of Confidential Information:

To our partners/ directors and employees who need to know such Confidential Information to assist with the bidding for RFP floated for Specialised monitoring services; **Such partners / directors and employees will be informed of the need to keep the information confidential.**

To the extent that such disclosure is required by law;

To the extent that such disclosure is required by any rule or requirement of any regulatory authority with which we are bound to comply; and

To our professional advisers for the purposes of our seeking advice. Such professional advisors will be informed of the need to keep the information confidential.

6. Upon your request we shall arrange delivery to you of all Confidential Information, and copies thereof, that is in documentary or other tangible form, except:

For the purpose of a disclosure permitted by item 5 above; and

To the extent that we reasonably require to retain sufficient documentation that is necessary to support any advice, reports, or opinions that we may provide.

7. This Agreement shall not apply to Confidential Information that:

Is in the public domain at the time it is acquired by us;

Enters the public domain after that, otherwise than as a result of unauthorized disclosure by us;

Is already in our possession prior to its disclosure to us; and is independently developed by us.

8. This Agreement shall continue perpetually unless and to the extent that you may release it in writing.
9. We warrant that we are acting as principal in this matter and not as agent or broker for any person, company, or firm.
10. We acknowledge that no failure or delay by you in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof or shall any single or partial exercise thereof or the exercise of any other right, power, or privilege.
11. This Agreement shall be governed by and construed in accordance with Indian law and any dispute arising from it shall be subject to the exclusive jurisdiction of the Pune courts.

Yours sincerely

Signature and Stamp of Company

[Authorized Signatory (same as signing the proposal) – Applicant]

Name:

Position:

Date:

We have read this Agreement fully and confirm our agreement with its terms