

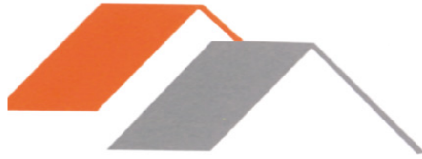


RAJIV GANDHI HOUSING CORPORATION LIMITED

(A Government of Karnataka undertaking)

Cauvery Bhavan, 9th Floor, E&F Block, K G Road, Bengaluru – 560 009

Auction Notice and terms Document for investment of surplus funds in short term FDs
/ Savings Bank Account



RAJIV GANDHI HOUSING CORPORATION LTD

(A Government of Karnataka Undertaking)

Phone : 080 - 23118888 / Fax : 080 - 22247317

E-Auction Document

(Through E-ProcurementLiveAuction)



RAJIV GANDHI HOUSING CORPORATION LIMITED

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Chapter 1

Notice for Inviting Bids

Tender Notification for Invitation of Bids for placing temporary surplus funds in Short Term Fixed Deposits / Savings Bank Accounts (through e-procurement portal)

NO. RGHCL-FIN 17 FGC 2020-21

Dt. November 27, 2020

Rajiv Gandhi Housing Corporation has been established by the State Government to implement all the State and Central Government Sponsored housing schemes for economically and socially weaker sections of the Society both in rural and urban areas. This Corporation has a wholly owned Company of Government of Karnataka, invites competitive Bids through e-procurement portal for placing temporary surplus funds in Short-Term Fixed Deposits/Savings Bank Account.

In this context competitive Bids through e-procurement portal are invited from eligible Nationalized / RRB's Banks having Branches in Bengaluru satisfying eligibility criteria mentioned in the BID document.

The eligible Nationalized / RRB's Banks may access BID document from the e-procurement portal <https://eproc.karnataka.gov.in> from November 27, 2020 onwards.

For the terms and conditions, Bidders may refer the above BID (Request for Bid) document. Please note hence for the all Tender Notifications, Bid Document and may further changes will be published only on e-procurement Portal/ RGHCL website i.e., <https://ashraya.karnataka.gov.in>

Sd/-

GENERAL MANAGER (F&A)



RAJIV GANDHI HOUSING CORPORATION LIMITED

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Chapter 2

E- Auction Notice

NO. RGHCL-FIN 17 FGC 2020-21

Dt. November 27, 2020

Sir,

Subject : Request to quote Competitive interest rates for placing temporary surplus funds in short term fixed deposits / Savings Bank Accounts through e-procurement portal.

- Competitive Interest rates, for placing short-term temporary surplus funds, are hereby invited by the General Manager – Finance & Accounts, RGHCL, Bengaluru on behalf of the Managing Director, RGHCL, as per authorization from MD, from eligible nationalized / RRB's Banks (who have expressed their interest on or before 04.12.2020 and obtained valid empanelment certificate from RGHCL) through E-procurement portal (online live auction mode).
- Details of temporary surplus funds available for placing in short term fixed deposits/ Savings Bank Account (Actual amount and no. of days may vary on the date of investment depending upon the requirement of funds received from the Project):

Item code	Item Name (Head of account)	funds available as on date	Fixed deposit for	Tenor	Initial Price (%)	Bid change Price (%)
001	Housing Grants	₹ 600.00 Crores	₹ 25.00 crore and above	46 days	4.00	0.01

Item code	Item Name (Head of account)	funds available as on date	Savings Bank Account	Initial Price (%)	Bid change Price (%)
002	Housing Grants	₹ 600.00 Crores	Daily balance ₹ 1.00 crore and above	6.00	0.01

- The following details are provided in this Request for E - Auction Document to enable the Participating Bankers to submit their Bid:

Chapter No.	Particulars
1	E- Auction Notice
2	Information to the Bidders
3	Procedure for submission of Bids
4	Terms of Reference for placing short term surplus in Fixed Deposits
Schedule A	Eligibility Criteria



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Schedule B	Declaration
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4. Following are the schedule of Events for submission of Bids:

Sl.	Events	Schedule
1	E- Auction Published Date	27.11.2020
2	Date of uploading bid Documents in e-portal	27.11.2020
3	Last date to upload the Declaration in Schedule A & B	04.12.2020
4	Last date for obtaining empanelment certificate	07.12.2020, Between 2.00PM to 5.00PM
5	Last date for expression of Interest on line	07.12.2020, 15.00:00
6	E- Auction Start Date	08.12.2020, 10.00:00
7	E- Auction End Date	08.12.2020, 16.00:00
8	Probable date of investment	Between 09.12.2020 to 15.12.2020

(Delta of 5 minutes is the time which extends scheduled time of e-auction incase bids are submitted during last 5 minutes for Example, the closure is 4: PM and delta time is 5 Minutes . In case any bid submitted between 3:57 PM and 4:PM, will extend the closure of e-auction by 5 minutes from the last submitted bid time. That means the closure of e-auction is extended from 3:57:29PM (with a round off to 3:58:00 PM) to 4:03 PM i.e 3:58 PM +0:05. Again. If any bidder submits a bid at 4:01:55 for same auction notice, then e-auction will be extended to 4:02+5Minutes

5. **Other relevant Information:**

Sl. No	Particulars	Particulars
1	Name and Address of the Auctioning Entity	RAJIV GANDHI HOUSING CORPORATION LIMITED Cauvery Bhavan, 9th Floor, E&F Block, K G Road, Bengaluru – 560 009. Phone 080 - 23118888 / Fax : 22247317
2	Auction Inviting Authority	General Manager (Finance &Accounts) Rajiv Gandhi Housing Corporation Limited

Yours faithfully

Sd/-

Dattatreya. V. Shindagi

General Manager– Finance& Accounts



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Chapter 3

Information to the Bidding / Participating Bank

- 3.1.0 **RAJIV GANDHI HOUSING CORPORATION LIMITED (RGHCL)**, was incorporated as a wholly owned Government of Karnataka Company under Companies Act on April 20, 2000.
- 3.1.1 The Government of Karnataka has been releasing the funds under various Housing / Sites Schemes to implement all the State and Central Government Sponsored housing schemes for economically and socially weaker sections of the Society both in rural and urban areas.
- 3.1.2 RGHCL has been investing temporary surplus funds in short-term fixed deposits/ Savings Bank Account by inviting competitive quotes for interest rates from the nationalized / RRB's eligible banks/ Private Sector Scheduled Commercial Banks.
- 3.1.3 As per clause 6(II) (v) (a) Government of Karnataka, Department of Public Enterprises, Circular No DPE 12 MSI 2018 dated 30.11.2018, "All investments exceeding Rs.1.00 crore and above or as may be prescribed by Government from time to time, to be invested in Fixed Deposits shall be made only by obtaining the competitive quotations through e-Bidding on the e-procurement portal of Government of Karnataka without availing or using the services of intermediaries / agents / brokers etc.,
- 3.1.4 Hence, RGHCL is inviting bids through e-procurement portal under live Auction
- 3.1.5 For terms and conditions kindly refer this e - Auction Document.



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Chapter 4

Procedure for submission of Bids

4.1 Payment of fee and EMD :

- 4.1.1 A non refundable processing fee as determined by the e-Procurement platform, shall be payable, electronically, by the Participating Bank at the time of submitting Bids.
- 4.1.2 There shall not be any EMD for the assignment.

4.2 Expression of interest and empanelment of Bankers :

- 4.2.1 The eligible Bankers may apply for empanelment in writing on or before date along with required documents as specified in Schedule – A for empanelment physically to General Manager Finance&Accounts, Rajiv Gandhi Housing Corporation Limited.
- 4.2.2 After verification of the documents submitted, RGHCL shall issue empanelment certificate to Bankers which shall be valid till 31.03.2021.
- 4.2.3 Upload scanned copy of empanelment Certificate / Signed copy of Schedule C issued by RGHCL.
- 4.2.4 Participating Banks are requested to note the eligibility criteria, Terms of Reference before submitting quotes.
- 4.2.5 Only the Bids of the eligible Bankers are accepted for placing the Fixed Deposits / Savings Bank Account.
- 4.2.6 The documents are to be uploaded properly and on no account, any deviations from the respective eligibility criteria, due dates and timings are allowed.

4.3 For Online submission of Interest Rate

- 4.3.1 The Rate of interest shall be quoted online in percentage per annum for the tenor specified in the online portal.



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4.3.2 The interest rates shall be quoted online, on the scheduled date and time, stated in this e - Auction Document through e-procurement online live Auction Management portal.

4.3.3 The basic / Minimum / Initial / Reserve price ie., interest rate is linked to State Bank of India published interest rate as on date. The subsequent bids should be increased / changed by 01 basis points ie., 0.01%.

4.3.4 RGHCL shall not be responsible for Technical problems encountered while submitting Bids, payment of processing Fee etc.

4.4 Other procedures:

4.4.1 The online live Bids along with prescribed documents shall be submitted through e-procurement portal and as such the Participating Banks are requested to familiarize themselves with the procedure of E-procurement live auction thoroughly before submission of Bids.

4.4.2 Mere Issue / downloading of e - Auction Document does not qualify any Bidding / Participating Bank for placing the Fixed Deposit. The Bidding / Participating Bank which does not comply with the eligibility Criteria mentioned in the e - Auction Document will be rejected.

4.4.3 The submission of Bids by the Banks implies that they have read and understood the contents of the e - Auction Document and accepts the terms and conditions mentioned in this e - Auction Document.

4.4.4 The Company reserves the right to accept / reject all or any of the Bids without assigning any reasons.

4.4.5 The Company reserves the right to include / exclude any terms annexed as mutually agreed.

4.4.6 Conditional quotes / Bids are not acceptable.

4.4.7 Bids shall be valid for 5 days from the date of closure of Bid / live auction.

4.4.8 The selected Bidder shall accept the mandate immediately. In case of the non- acceptance, the bank shall be black listed for further investment for one year.

4.4.9 Selection of the Bank for placing the short-term surplus shall be made as per the Government of Karnataka Guidelines.

4.4.10 The Bids will be ranked according to the Competitive Rate of interest quoted by the Banks separately for Public Sector / Regional Rural Banks and for Private Sector Scheduled Commercial Banks.



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- 4.4.11 The firm achieving the highest Interest rate will be invited for negotiations, if RGHCL feels necessary.
- 4.4.12 Further if RGHCL feels that placing fixed deposit / Savings Bank Account in short-listed banks is not safe based on the market reports, RGHCL may reject the Bid without assigning any reasons thereof.
- 4.4.13 In case no Bids are received for any of the category / item or for all the item, the funds shall be parked in State Bank of India.

4.5 E-procurement Portal information:

- 4.5.1 The Bids are accepted only through E-Procurement online live Auction, for which the Participating Bank should purchase Digital Signature Certificate from any of the Empanelled Certifying Authorities as mentioned in the e-Procurement portal.
- 4.5.2 Participating Bank who wish to undergo training on e-Procurement can contact e-Procurement Helpdesk, Government of Karnataka, M.S.Buidling, II Gate, Room No. 108, K.R.Circle, Bengaluru-560001.
- 4.5.3 Kindly note that the training on e-Procurement will be given by the Government of Karnataka on all Saturdays except, second & fourth Saturdays, between 11.00 am to 5.00 pm on prior appointment.
- 4.5.4 Any changes / notifications will be updated in the e-Procurement platform and in the Company's web site <https://ashraya.karnataka.gov.in> and shall be binding on all the participating Bank.
- 4.5.5 Further Participating Bank may note that the submission of Bids through e-Procurement portal is not possible after the Last Date and Time mentioned for submission of Bids mentioned in this e - Auction Document.
- 4.5.6 Efforts are made to provide all the required details in the e - Auction Document. In case of any query, Participating Bank may contact General Manager – Finance & Accounts, Rajiv Gandhi Housing Corporation Limited, Bengaluru at telephone number: 080-23118888.



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Chapter 5

Terms of Reference for placing Surplus Funds in Short – Term Fixed Deposits / Savings Bank account in Banks

Following are the General Terms and conditions governing the Investment of Surplus Funds as per this E-auction Document by RGHCL:

- 5.1 The Right to Deposit in FD / SB Account reserves with RGHCL.
- 5.2 The total outstanding investment in any particular Bank (including all branches of the Bank) shall not exceed:
 - 5.1.1 Rs. 1000.00 crore in a year or 5% of the Net worth whichever is lower in respect of Public Sector Banks
 - 5.1.2 Rs.50.00 crore in a year or 5% of the Net Worth Whichever is lower in respect of Regional Rural Banks
 - 5.1.3 Rs.300.00 crore in a year or 5% of the Net Worth Whichever is lower in respect of Private Scheduled Commercial Banks
- 5.3 Only Banks incorporated in India are considered. Foreign & Private Banks are not considered.
- 5.4 While Investing in Fixed Deposits, the benefit of Bulk Deposit rates shall be considered.
- 5.5 Normally on any particular day, investment in Fixed Deposits shall not be made in more than 3 banks as long as the exposure limit is not exhausted.
- 5.6 The amount of investment at any point of time shall be made in single branch of the selected bank unless it is beneficial to the Company to spread the investment in more than one branch.
- 5.7 All the criteria being equal, preference shall be given to the Bank which is the serving bank of the investor Entity or which is participating in the development / Borrowing program of RGHCL.
- 5.8 The ratio of Investing in Fixed Deposits shall satisfy the following criteria (within the overall limits):



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- 5.8.1 Not less than 70% of the availability of surplus funds, that is available at the time of investment in Public Sector Banks including Regional Rural Banks (RRBS).
- 5.8.2 Not less than 30% of the availability of surplus funds, that is available at the time of investment in Private Sector Schedules Commercial Banks, provided the yield is competitive when compared with that of Public Sector Banks including RRBS and have participated in the borrowing program of RGHCL.
- 5.8.3 If the Competitive rates are not forthcoming from the Private Sector Banks for the amount earmarked for investment in the category, in such case, the Investor Entity may take a decision to invest this amount also in Public Sector Banks.
- 5.9 This is the direct investment by RGHCL. Bank should not involve any Broker / intermediary / middle men while accepting investment.
- 5.10 No Fee / Brokerage / incentive shall be paid to any Broker / intermediary / middlemen for this investment. All benefits that will accrue shall be passed on to RGHCL.
- 5.11 Banks should not grant any loan against the Fixed Deposits placed by RGHCL.
- 5.12 Fixed Deposit receipts duly certified by the Bank shall be issued immediately after realization of the money.
- 5.13 In case, the maturity date falls on any General Holiday / Public Holiday, Interest at the contracted rate shall be paid till the next working day.
- 5.14 Rate of Interest quoted shall be firm / valid for 5 days from the date of closure of Bid. In case of any upward revision in the Deposit rate, same should be passed on to RGHCL.
- 5.15 Since, the surplus funds indicated are based on estimates and based on the prevailing condition, the Fixed Deposits may be fore closed with a notice of 2 working days. In such case, the interest should be paid without any penalty / penal interest.
- 5.16 Any queries shall be submitted in writing only within the due date mentioned in this E - Auction Document.
- 5.17 FDRs should be issued in denominations having highest interest rates.



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Schedule A

Criteria for eligibility

- I. **Issue of Empanelment certificate:** After verification of the documents submitted by the Bank, the empanelment certificate shall be issued by RGHCL which shall be valid till 31.03.2021.
- II. The empanelment certificate shall be issued to only one authorized branch of the Bank.
- III. **Valid empanelment certificate shall be uploaded by the Bank in the e-procurement portal along with the declaration as per the format given in Scheduled B for Technical qualification.**
- IV. The interested Banker should submit following documents for issue of empanelment certificate:
 - i) **Net worth:**

Net worth ie., the paid up capital plus free reserves of the bank, as at the end of March 31, 2020 shall be at least

 - a. Rs. 1,000 .00 crore in respect of Public Sector Banks;
 - b. Rs. 500.00 crore in respect of Regional Rural Banks;
 - c. Rs. 2,000.00 crore in respect of Private Scheduled Commercial Banks.
 - d. Document to be submitted: Submit Chartered accountant certified copy of the Balance Sheet and relevant Schedule (Audited) for FY 2019-20 along with a Chartered Accountant certified copy of the net worth calculation in support of Net worth.
 - ii) **Capital Adequacy Ratio:**
 - a. The Capital Adequacy Ratio (CAR) is also known as Capital to Risk Assets Ratio (CRAR) is the ratio of Bank's capital to its risk. It is a measure of a bank's available capital expressed as a percentage of a bank's risk-weighted credit exposures. This will ensure the protection investors.
 - b. Capital Adequacy Ratio of the Investee Bank shall not be less than 10%
 - c. Document to be submitted : Submit Chartered Accountant copy of the Balance Sheet and relevant Schedule (Audited) for FY 2019-20 along with a Chartered Accountant copy of CAR calculation in support of Capital Adequacy Ratio.



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iii) **Profitability Track Record:**

- a. Public Sector Banks and Regional Rural Banks shall have profitability track (operating profit) record of at least 2 years out of 5 immediate preceding years.
- b. Private Scheduled Commercial Banks shall have profitability track record during the preceding 3 consecutive years;
- c. Document to be submitted: Submit Chartered Accountant copy of the Profit and loss account for FY 2017-18, 2018-19 and 2019-20.

iv) **Net NPA:**

- a. Net NPA shall not be less than the limit fixed by finance Department, Government of Karnataka every year from time to time.
- b. As per FD Circular No FD76(T) Exp-1/2020 dated 31.08.2020, the Net NPA % as on 31.03.2020 is fixed at 5.50% for all scheduled Commercial Banks and at 8.30% for Regional Rural Banks for the year 2020-21 till 30.03.2021.
- c. Document to be submitted: Submit Chartered Accountant copy of the Balance Sheet and relevant Schedule /Note (Audited) for FY 2018–19 in support of Net NPA

v) **Submit the profile of the designated Branch as per the format given below in the official letter head of the Bank duly authenticated:**

Sl. No	Particulars	Details
1	Name of the Bank	
2	Name of the Branch	
3	Address of the Branch	
4	MICR NO.	
5	IFSC Code	
6	Account no. To which funds have to be transferred	
7	Name and Designation of the Contract Person	
8	Contact No.	
9	Fax No	
10	Official Email - ID	
11	Type / Nature of the Bank i.e, Public Sector /RRB/Co-op Apex Bank / Private Sector	



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Schedule B

The following Declaration has to be uploaded by the Bidding/ Participating Bank along with Empanelment Certificate issued by RGHCL in the letter head of the bidding/ participating Bank.

NAME OF THE ASSIGNMENT	Request to quote Competitive interest rates for placing temporary surplus funds in short term fixed deposits / Savings Bank Account.
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Declaration

1. (Name of Bank) is incorporated in India and is an Indian Bank.
2. (Name of Bank) hereby declare that we have made ourselves thoroughly conversant with Banking conditions, RBI guidelines if any, before submission of Bid.
3. Our Bid is in total conformity with the stipulations mentioned in the E - Auction Document and we do not have any additional Technical or Commercial conditions.
4. We accept all terms and conditions mentioned in E - Auction Document and terms of Reference.
5. The details / documents produced for empanelment are true and complete and are as per the Original Records.
6. We understand that this is the direct investment by RGHCL. We have not appointed any agent / broker / intermediary / middlemen while accepting these Fixed Deposits and no brokerage / Commission / Fee / Charges / any other direct / indirect benefits have been passed on to any one while accepting these deposits.

For (Name of the Bidding / Participating Bank)

**Name and Designation of the
Authorized signatory
(Seal of the Bank)**

<<<END OF THE DOCUMENT>>>