



**Credit Guarantee Fund Trust for Micro and Small Enterprises
Setup by Ministry of MSME, Govt. of India and SIDBI**

Request for Empanelment [RfE]

of

**Rating Agencies / Consulting Firms for computation of guarantee fee using
Risk based Pricing Framework developed internally under CGS II Scheme**

(RfE No.: 01/CGTMSE/2024-25 dated June 27, 2024)

Credit Guarantee Fund Trust for Micro and Small Enterprises

**1st Floor, SIDBI Swavalamban Bhavan,
Avenue 3, Lane 2, G- Block, Bandra-Kurla
Complex, Bandra (East), Mumbai - 400 051.**

www.cgtmse.in

Notice of Confidentiality:

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Important Information for RfE

The **Rating Agency / Consultancy Firm** should note the following timelines to help them adhere to the same.

1	Name of the Organisation	Credit Guarantee Fund Trust for Micro and Small Enterprises (hereinafter referred to as "CGTMSE" or "the Trust")
2	Address for Communication Website address of CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises 1st Floor, SIDBI Swavalamban Bhavan, Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. www.cgtmse.in
3	CGTMSE- Contact details	Shri. MSRK Murthy Assistant General Manager 022 67531236 mrmurthy@cgtmse.in Smt. Kirti S. Bangar Manager 022 67531225 kirti@cgtmse.in
	Activity	Date, Time & Place
4	Date of RfE Publishing on website	Wednesday, June 27, 2024
5	Last date and time for receipt of written queries for clarification	Thursday, July 04, 2024, up to 12:00 hrs
6	Pre-Proposal Meeting (No clarification will be given after Pre-Proposal meeting)	Friday, July 05, 2024, up to 16:30 hrs All the interested parties may submit their request to the mail id aditic@cgtmse.in (Mail subject should be " Empanelment of Rating Agencies / Consultancy Firms for Risk based Pricing Framework under CGS II – CGTMSE ") No physical meeting / visit to our office will be entertained. In case of any query, you may please contact 9321702100 .
7	Last date for issue of corrigendum /clarification, if any.	Monday, July 08, 2024
8	Last Date for submission of proposals	Thursday, July 18, 2024, up to 18:00 hrs It should be received in sealed cover at CGTMSE, 1st Floor, SIDBI Swavalamban Bhavan, Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

9	Opening of Proposals	Monday, July 22, 2024, at 15:00 hrs CGTMSE, 1st Floor, SIDBI Swavalamban Bhavan, Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
10	Application Fee (Non-Refundable)	₹1,000/- (Rupees One Thousand only) Application Fee should be enclosed with the Technical Proposal
11	Discussion / Presentation of eligible Rating Agencies / Consultancy Firms with the selection committee	Will be informed to the eligible Rating Agencies / Consultancy Firms in due course.

Note:

1. The **Trust** reserves the right to change dates without assigning any reasons thereof. Intimation of the same shall be notified on the **Trust's** website.
2. This proposal document is not transferable.
3. If a holiday is declared on the dates mentioned above, the proposals shall be received / opened on the next working day at the same time specified above and at the same venue unless communicated otherwise.

SECTION I: TERMS OF RfE

1. Terms of RfE

- 1.1 This **Request for Empanelment (RfE)** document has been prepared solely to solicit proposals for **empanelment of 6 Rating Agency / Consultancy Firm** for Risk based Pricing Framework under Credit Guarantee Scheme for NBFCs-CGS II Scheme. The provision of the services is subject to observance of selection process and appropriate documentation being agreed between the **Trust** and any successful **Rating Agency / Consultancy Firm** as identified by the **Trust** after completion of the process as detailed in **Section VII** of this document.
- 1.2 The empanelment of the **Rating Agencies / Consultancy Firms** would be for a period of 4 years.
- 1.3 The **Trust** would require to carry out the **Risk Based Pricing for the loan portfolio of the NBFC to be guaranteed by it on yearly basis**. This work would be given to the **empanelled Rating Agencies / Consultancy Firms** on **L1 (lowest financial quote) and rotation basis**. The Scope of work is given at **Section III** of this document.
- 1.4 The **empanelled Rating Agencies / Consultancy Firms** have to carry out the **Risk Based Pricing** based on the method mentioned at **Annexure I** to this document.
- 1.5 While this document has been prepared in good faith, neither the **Trust** nor any of its employees make any representation or warranty or shall have any responsibility whatsoever in respect of this document. Any liability is accordingly and expressly disclaimed.
- 1.6 This document is meant to provide information only and upon the express understanding that the **Recipients / Rating Agencies / Consultancy Firms** will use it only for the purpose set out herein.
- 1.7 The **Rating Agencies / Consultancy Firms** shall bear all costs associated with the preparation and submission of the proposal including but not limited to additional information required by the **Trust**, attendance of meeting etc. and the **Trust** will in no case be held responsible or liable for these costs, regardless of the conduct or outcome of the tendering process.
- 1.8 The **Rating Agencies / Consultancy Firms** must apply its own care and conduct its own investigation and analysis regarding any information contained in the RfE document and the meaning and impact to that information.
- 1.9 This document would not form basis for any commitment on the part of the **Trust**. Each **Rating Agency / Consultancy Firm** acknowledges and accepts that the **Trust** may, in its sole and absolute discretion, apply whatever criteria it deems appropriate in the selection of agency, not limited to the selection criteria set out in this RfE document. The issuance of RfE document is merely an invitation to offer and must not be construed as any agreement or contract nor would it be construed as material for any investigation or review to be carried out by the **Rating Agencies / Consultancy Firms**. The **Rating Agencies / Consultancy Firms** unconditionally acknowledge by submitting its response to

this RfE document that they have not relied on any idea, information, statement, representation or warranty given in this RfE document.

- 1.10 The **Trust** reserves the right to reject any or all the proposals without assigning any reasons thereof without thereby incurring any liability to the **Rating Agencies / Consultancy Firms** or any obligation to inform the affected **Rating Agencies / Consultancy Firms** on the grounds for the **Trust's** action or without assigning any reasons, whatsoever. The decision of the **Trust** shall be final, conclusive and binding on all the **Rating Agencies / Consultancy Firms** directly or indirectly connected with the proposed process and the same shall not be questioned / challenged.
- 1.11 The **Trust** may be notified of any omission / discrepancy in the RfE before the closure of proposal. If required, the **Trust** may thereafter modify the RfE. The modified RfE would be hosted on the **Trust's** website. Any subsequent modification in the dates / timelines will be at the sole discretion of the CGTMSE.
- 1.12 The **Trust** also reserves the sole right for carrying out any amendments / modifications / changes including any addendum to this RfE. Such amendments / modifications / changes including any addendum to this RfE shall be notified on the **Trust's** website and these will be binding on the **Rating Agencies / Consultancy Firms**.
- 1.13 The **Trust** reserves the sole right to cancel the RfE at any stage without assigning any reason.
- 1.14 Before submitting the Proposal, the **Rating Agencies / Consultancy Firms** are requested to carefully examine the Proposal Documents, Terms & Conditions of RfE, Specifications and if there is or appears to be any ambiguity therein, they should immediately refer the matter to the **Trust**, for clarification.
- 1.15 Any Proposals received by the **Trust** after the deadline for submission of proposal prescribed by the **Trust** will be summarily rejected and returned unopened to the respective **Rating Agency / Consultancy Firm**. The **Trust** shall not be responsible for any delay / non-receipt / non-delivery of the documents.
- 1.16 From the time the proposals are opened to the time of appointment, the **Rating Agencies / Consultancy Firms** should not contact the **Trust** or any of its employees or representatives on any matter related to the proposal with a view to influence the examination, evaluation, ranking and appointment. Such an effort shall result in rejection of the proposals.
- 1.17 All submissions, including any accompanying documents, will become the property of the **Trust**. The **Rating Agencies / Consultancy Firms** shall be deemed to have licensed, and granted all rights to the **Trust** to reproduce the whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other **Rating Agencies / Consultancy Firms** and to disclose and/or use the contents of the submission as the basis for any resulting RfE process, notwithstanding any copyright or other intellectual property right of the **Rating Agencies / Consultancy Firms** in the submission or accompanying documents.

- 1.18 Recipients are required to direct all communications for any clarification related to this RfE, to the RfE Coordinator mentioned above in the '**Important Information for RfE**' section.

All queries relating to the RfE, technical or otherwise, must be by email only and will be entertained by the **Trust** only in respect of the queries received up-to the date and time specified in the section "**Important Information for RfE**". Queries received within the stipulated time will be responded to in the pre-proposal meeting.

Trust may, in its absolute discretion seek, but being under no obligation to seek, additional information or material from any the **Rating Agency / Consultancy Firm** after the closure of RfE and all such information and material provided will be taken to form part of that the **Rating Agency's / Consultancy Firm's** response.

- 1.19 RfE Validity period: Proposals shall remain valid for a period of **90 (Ninety days)** from the date of submission without change in the personnel proposed for the assignment. The **Trust** will make its best efforts to empanel **Rating Agencies / Consultancy Firms** within this period. The **Trust** may solicit the consent of the **Rating Agencies / Consultancy Firms** for an extension of validity of proposal (but without any modification in the Proposal). A Proposal valid for a shorter period may be rejected as non-responsive.
- 1.20 Sub-contracting: The **Trust** expects the **Rating Agencies / Consultancy Firms** to have in-house capabilities to deliver the scope as per the Terms of Reference. The service provider shall not outsource / sub-contract any part of this contract / assignment.

SECTION II: BACKGROUND OF CGTMSE

1. Introduction

Ministry of Micro, Small and Medium Enterprises (MSME) and the Government of India (GoI) launched the Credit Guarantee Scheme (CGS) to strengthen credit delivery system and facilitate the flow of credit to the MSE sector without the hassles of collateral and / or third-party guarantee. For operationalizing the scheme PAN India, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was set up in July 2000 with a committed initial corpus of ₹2,500 crore contributed by Ministry of Micro, Small and Medium Enterprises (MSME) and Small Industries Development Bank of India (SIDBI). Recognizing the contribution made by CGTMSE so far, GoI had increased the corpus of the Trust to ₹16,500 crore.

First generation entrepreneurs in the Micro and Small Enterprises (MSE) sector find it difficult to access credit from the organized banking sector. The banks on their part are concerned about the likely defaults in small loans and hence try to collateralize their exposure to the small borrowers. Keeping this in mind, it was thought fit to create the instrument of Credit Guarantee to enhance the comfort level of the banks for financing loans, as well as opening a new gateway for MSE entrepreneurs to get funding without collateral security and / or third-party guarantee.

Presently, the financial assistance up to ₹500 lakh extended to micro and small enterprises by Banks / NBFCs are being guaranteed by CGTMSE through an automated B2B digital platform. Further details about CGTMSE are available on our website www.cgtmse.in.

SECTION III: SCOPE OF WORK

1. Scope of Work

This enquiry is in the nature of Request for Empanelment (RfE) intended to result in the selection of **Rating Agencies / Consultancy Firms**. The responses received pursuant to this RfE will be evaluated as per the criteria specified in this document and the qualified **Rating Agencies / Consultancy Firms** will be empanelled to carry out the Risk based Pricing Framework.

It is for the information of **Rating Agencies / Consultancy Firms** that the work shall be assigned to the **empanelled Rating Agencies / Consultancy Firms** on **L1 (lowest financial quote) and rotation basis**. Further, the analysis of one NBFC assigned to an **empanelled Rating Agency / Consultancy Firm** in one financial year shall not be assigned to the same **empanelled Rating Agency / Consultancy Firm** in the subsequent financial year.

Currently, **Trust** is providing guarantee to 50+ NBFCs under the CGS-II scheme. The guarantee fee is computed based on **Risk based Pricing Framework** adopted by the **Trust** in 2023. The **Risk based Pricing Framework** takes into account various parameters of the NBFC which enables the **Trust** to charge the guarantee fee on loan portfolio of the NBFC to be guaranteed by it. The **empanelled Rating Agencies / Consultancy Firms** are expected to compute the guarantee fee for such NBFCs in the upcoming years. Around 35-40 such NBFCs of different size, nature and portfolio will be seeking guarantee for FY24-25 from the **Trust**. The **empanelled Rating Agencies / Consultancy Firms** are expected to carry out the following activities as a part of the scope of work:

1. Computation of loss estimates for each NBFC using Internal data of the NBFC's MSE portfolio. This will be carried out for NBFCs based on the data shared by the NBFCs to the **Trust** as per the template provided by the **Trust**. Further the method to be adopted for arriving at the Risk based Pricing is given at **Annexure I**.
2. Computation of Guarantee Fee range to be charged to the NBFCs based on the **Trust's** approved Risk Based Pricing Model as given at **Annexure I**.
3. On completion of the task, a detailed report on how the **Rating Agency / Consulting Firm** has arrived at the guarantee fee range for each NBFC has to be submitted.

The nature, quantum and scope of work for specific assignment will mainly relate to estimating the loss on the portfolio of the NBFC and deriving a guarantee fee range chargeable to the respective NBFC on the basis of the derived estimated loss followed by the submission of a detailed report on the approach undertaken. Under these circumstances, the **Rating Agencies / Consultancy Firms** to be empanelled in pursuance of this RfE would be utilized for a period of 4 years from the date of empanelment subject to satisfaction of **Trust** on review of the performance at the end of each financial year. If on review, it is observed by the **Trust** that the **empanelled Rating Agencies / Consultancy Firms** is not delivering the service to the satisfaction of the **Trust**, **Trust** may on its sole discretion, discontinue the services of the **empanelled Rating Agencies / Consultancy Firms**.

Further, the empanelment of the **Rating Agencies / Consultancy Firms** by the **Trust** does not guarantee assignment of any work to it.

SECTION IV: SCHEDULE FOR COMPLETION OF THE TASKS

1. Schedule for completion of the tasks

The above scope and deliverables have to be designed, executed and be completed / implemented to the satisfaction of the **Trust**.

The **empanelled Rating Agencies / Consultancy Firms** would be expected to take up / commence the work on the award of work by the **Trust**.

The guarantee pool data and other relevant information required for carrying out the task as per **Section III** will be shared as and when received. The **empanelled Rating Agencies / Consultancy Firms** is expected to share the guarantee fee computation to the **Trust within 7 days from receipt of complete information**.

SECTION V: ELIGIBILITY CRITERIA FOR EMPANELMENT

1. Eligibility Criteria for Empanelment

This invitation to respond to the RfE is open only to experienced and skilled **Rating Agencies / Consultancy Firms**. **Rating Agencies / Consultancy Firms** satisfying the following criteria are eligible to submit Proposal for RfE:

- 1.1 The **Rating Agencies / Consultancy Firms** shall be of National Repute.
- 1.2 The **Rating Agencies / Consultancy Firms** should be a Limited Company (Public or Private) registered in India under the Companies Act, 1956/2013 or Partnership firm / LLP registered in India under Partnership Act 1932/2008 as on date of issuance of RfE.
- 1.3 The **Rating Agencies / Consultancy Firms** should not have been censured / blacklisted / banned / barred / disqualified / prohibited by GoI or State Government or PSBs / All India Financial Institutions / RBI or any regulator or any court of law including NCLT / NCLAT or any quasi-judicial authority or any other statutory authority as on date of issuance of RfE.
- 1.4 The **Rating Agencies / Consultancy Firms** should be empanelled on the panel of Banks/ FIs/ Statutory Body.
- 1.5 The **Rating Agencies / Consultancy Firms** should have a positive net worth of at least INR 500 crore as per audited financials of FY2024, if audited financials are not available, then as per the provisional financials of FY2024 certified by the auditor.
If financials of FY2024 (audited / provisional) are not available, then as per the audited financials of FY2023.
- 1.6 The **Rating Agencies / Consultancy Firms** should have experience of computing Expected Loss for multiple Indian Public Sector Bank / Private Sector Banks / Foreign Banks / Financial Institutions / NBFCs in the last 5 years in India.
- 1.7 The **Rating Agencies / Consultancy Firms** should have in-house capability to take up assignments on its own. The Team should comprise of Full-time professional staff exclusively engaged in Financial Services.
- 1.8 The **Rating Agencies / Consultancy Firms** should have National Presence (Presence in Mumbai- Preferred).

2. Disqualification

The **Trust** may at its sole discretion and at any time during the evaluation of Proposal, disqualify any **Rating Agency / Consultancy Firm**, if the **Rating Agency / Consultancy Firm** has:

- 2.1 Submitted the Proposal documents after the response deadline;
- 2.2 Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements;
- 2.3 Submitted a proposal that is not accompanied by required documentation or is non-responsive;
- 2.4 Failed to provide clarifications related thereto, when sought;
- 2.5 Submitted more than one Proposal;
- 2.6 Declared ineligible by the Government of India/State/UT Government for corrupt and fraudulent practices or blacklisted;

SECTION VI: SUBMISSION OF PROPOSALS

1. Submission of Proposals

1.1 The response to the RfE:

The response to the RfE should be submitted in sealed envelopes giving full particulars in the manner specified in the points below. The envelope should reach on or before the timeline mentioned in the '**Important Information for RfE**' given at beginning of this RfE.

1.2 RfE Response documents:

List of documents to be submitted as part of the Proposal are as below:

Sr. No.	Form No.	Particulars
I.	Form F-1	Cover letter for the submission of the Technical Proposal
II.	Form F-2	Form of Submission of Technical Proposal
III.	Form F-3	Assignments of similar nature successfully completed
	Form F-3A	Assignments of similar nature in hand
IV.	Form F-4	Proposed List of Key Personnel and Team Details

- i. The **Rating Agencies / Consultancy Firms** should submit 2 printed copies of the proposal containing the Proposal along with all annexes and forms/letters.
- ii. All pages of the proposal must be sequentially numbered and shall be initialled by the Authorized Representative of the **Rating Agencies / Consultancy Firms**.
- iii. The proposal should not contain any pricing information whatsoever on the services offered.
- iv. The **Rating Agencies / Consultancy Firms** shall submit the sealed Proposal as detailed below:

The sealed envelope shall be addressed to:

The Chief Executive Officer,

Credit Guarantee Fund Trust for Micro and Small Enterprises
1st Floor, SIDBI Swavalamban Bhavan,
Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

- Marked clearly: Proposal for - **“Empanelment of Rating Agencies / Consultancy Firms for Risk based Pricing Framework under CGS II – CGTMSE”**;
- The envelope shall contain the Proposal with 2 hard copies duly marked “Original” and “Copy”;
- The e-mail address and phone / fax numbers of the **Rating Agencies / Consultancy Firms** should also be indicated on the sealed envelope;
- All correspondence will be in English. All forms may please be filled in Arial 12 Font in double spacing format. The Proposal shall be typed in indelible ink and shall be signed by the **Rating Agencies / Consultancy Firms** or a person or persons duly authorized by the **Rating Agencies / Consultancy Firm** to bind the **Rating Agencies / Consultancy Firms** to the process. The person or persons signing the Proposals shall initial all pages of the Proposals. Any interlineations, erasures or overwriting shall be valid only if they are initiated by the person signing the Proposals. The **Trust** reserves the right to reject the Proposals not conforming to the above.
- The **Rating Agencies / Consultancy Firms** shall submit the Proposal properly in a file ensuring that the papers are not loose. All the pages of the proposals including documentary proofs should be numbered as "Page ###".
- Only one submission of the RfE response by each **Rating Agency / Consultancy Firm** will be permitted.
- Submission by Fax transmission or emails is not allowed and will be considered invalid.

2. Rules for responding to this RfE

- 2.1 The **Rating Agencies / Consultancy Firms** should use the formats prescribed by the **Trust** in submission of the RfE Response which are attached as Annexures with this RfE.
- 2.2 All responses received after the due date/ time as per schedule mentioned in the **‘Important Information for RfE’** given in the beginning of the RfE would be considered late and would be liable to be rejected.
- 2.3 Documents not required as part of the RfE should not be provided.
- 2.4 Unsigned responses would be treated as incomplete and are liable to be rejected. The proposals once submitted cannot be withdrawn / modified after the last date for submission of the proposals unless specifically permitted by the **Trust**.
- 2.5 The **Trust** reserves the right to not to allow / permit changes in the technical requirements and not to evaluate the offer in case of non- submission of the technical details in the required format or partial submission of technical details.

- 2.6 **Rating Agencies / Consultancy Firms** at no point in time can excuse themselves from any claims by the **Trust** whatsoever for their deviations in confirming to the terms and conditions and other schedules as mentioned in the RfE circulated by the **Trust**. **Rating Agencies / Consultancy Firms** shall be fully responsible for deviations to the terms & conditions etc. as proposed in the RfE.

SECTION VII: EVALUATION OF PROPOSALS

1. Evaluation of Proposals

1.1 Opening of Proposals

The proposals received within the prescribed date and time will be opened as per schedule mentioned in the '**Important Information for RfE**' given in the beginning of the RfE. During the opening of the proposals, the **Rating Agencies / Consultancy Firms** can depute an authorized representative (only one) to attend the proposal opening process. No separate information will be given in this regard to the **Rating Agencies / Consultancy Firms** for deputing their representatives. The representative has to submit an authority letter duly signed by the **Rating Agency / Consultancy Firm**, authorizing him/her to represent and attend the Proposal opening on behalf of the **Rating Agency / Consultancy Firm**. The authorised representative, having photo identification, shall sign a register of attendance. However, proposals would be opened even in the absence of any or all representatives of the **Rating Agencies / Consultancy Firms**.

1.2 Preliminary Scrutiny

Preliminary scrutiny of the Proposals for eligibility will be done to determine whether the Proposals are complete, whether the documents have been properly signed, whether any computational errors have been made, and whether the Proposals are generally in order. Proposals not conforming to such preliminary requirements will be prima facie rejected.

1.3 Evaluation Committee

The proposals will be evaluated by **Trust's Evaluation Committee** based on the proposal submitted by the **Rating Agencies / Consultancy Firms**. The evaluation committee shall evaluate the responses to the RfE and all supporting documents / documentary evidence. Inability to submit requisite supporting documents / documentary evidence would lead to rejection of the proposal. The decision of the Evaluation Committee in the evaluation of responses to the RfE shall be final.

1.4 Conformance to eligibility criteria

Proposals conforming to preliminary scrutiny requirements will be checked by a committee for conformance with the eligibility criteria stated in the **Section V**. Non-conforming Proposals will be rejected.

Evaluation will be based upon the following criteria:

Sr. No.	Eligibility Criteria	Supporting Required Letter of acceptance for Compliance
1	Nationally reputed Agency	Y/N

Sr. No.	Eligibility Criteria	Supporting Required Letter of acceptance for Compliance
2	Rating Agency / Consultant Firm should be a Limited Company (Public or Private) registered in India under the Companies Act, 1956/2013 or Partnership firm / LLP registered in India under Partnership Act 1932/2008 as on date of issuance of RfE.	Y/N
3	Rating Agency / Consultant Firm should not have been censured / blacklisted / banned / barred / disqualified / prohibited by GoI or State Government or PSBs / All India Financial Institutions / RBI or any regulator or any court of law including NCLT / NCLAT or any quasi-judicial authority or any other statutory authority as on date.	Y/N
4	Empanelled on the panel of Banks/ FIs/ Statutory Body (Maximum 25 marks)	<ul style="list-style-type: none"> (i) Up to 05 organisations- 10 marks (ii) More than 05 and up to 10 organisations- 15 marks (iii) More than 10 and up to 15 organisations- 20 marks (iv) More than 15 organisations- 25 marks
5	The Rating Agency / Consultant Firm should have a positive net worth of at least INR 500 crore as per audited financials of FY2024, if audited financials are not available, then as per the provisional financials of FY2024 certified by the auditor. If financials of FY2024 (audited / provisional) are not available, then as per the audited financials of FY2023. (Maximum 15 marks)	<ul style="list-style-type: none"> (i) Up to INR 500 Cr.- 10 marks (ii) More than INR 500 Cr.- 15 marks
6	Rating Agency / Consultant Firm should have experience of computing Expected Loss for multiple Indian Public Sector Bank / Private Sector Banks / Foreign Banks / Financial Institutions / NBFCs in the last 5 years in India. (Maximum 35 marks)	<ul style="list-style-type: none"> (i) Up to 05 Assignments- 20 Marks (ii) Up to 10 Assignments- 25 Marks (iii) Up to 25 assignments- 30 marks (iv) Above 25 assignments- 35 marks

Sr. No.	Eligibility Criteria	Supporting Required Letter of acceptance for Compliance
7	<p>The Rating Agencies / Consultancy Firms should have in- house capability to take up assignments on its own.</p> <p>Full- time professional staff engaged exclusively in Financial Services (Number of staff)</p> <p>(Maximum 15 marks)</p>	<p>(i) < 250: 5 Marks</p> <p>(ii) >=250 to < 1000: 10 Marks</p> <p>(iii) >=1000: 15 Marks</p>
8	<p>National Presence of the firm (No. of branches) (Presence in Mumbai- Preferred)</p> <p>(Maximum 10 marks)</p>	<p>(i) One centre- 5 marks</p> <p>(ii) More than one centre-10 marks</p>
<p><i>Adequate proof for same should be provided in form of Signed EL/letter from client.</i></p>		

Quality and competence of the consulting services shall be the paramount requirement. The decision of the empanelment would be made as under:

The **Rating Agencies / Consultancy Firms** with score of **60** shall only be considered for empanelment. If there are no such **Rating Agencies / Consultancy Firms** who meet the minimum score, the **Trust** may, at its sole discretion, reduce the minimum score as it may deem fit.

It may be brought to the notice of the **Rating Agencies / Consultancy Firms** that if more than 6 **Rating Agencies / Consultancy Firms** qualify then the top 6 **Rating Agencies / Consultancy Firms** securing the highest score will be empanelled for Risk based Pricing Framework. However, if the number of responses received by the **Trust** happen to be less than or equal to 6 in number, then all the qualifying **Rating Agencies / Consultancy Firms** shall be empanelled.

In case of a tie in the combined score between **Rating Agencies / Consultancy Firms**, the **Rating Agency / Consultancy Firm** with the highest score in Sr. No. 6 of Section 7 (1.4) will be given a higher rank.

1.5 Notification of Outcome

Trust will notify the **Rating Agencies / Consultancy Firms** who have been empanelled either in writing or by email as soon as practicable. The **Trust** is not obliged to provide any reasons for any such acceptance or rejection. The decision of the **Trust** shall be final, conclusive and binding on all the **Rating Agencies / Consultancy Firms** directly or indirectly connected with the RfE process and the same shall not be questioned / challenged.

SECTION VIII: GENERAL TERMS AND CONDITIONS

1. General Terms and Conditions

1.1 Adherence to terms and conditions

Rating Agencies / Consultancy Firms who wish to submit their responses to this RfE should note that they should abide (in true intent and spirit) by all the terms and conditions contained in the RfE. If the responses contain any extraneous conditions put in by the **Rating Agencies / Consultancy Firms**,

such responses may be disqualified and may not be considered for the selection process.

1.2 **Adherence to Statutory Requirements**

The **Rating Agencies / Consultancy Firms** should adhere to laws of the land and 'rules, regulations and guidelines' prescribed by various regulatory, statutory and Government authorities.

1.3 **Taxes and Duties**

All applicable taxes on the consultancy fee will be paid by the **Trust**. The **empanelled Rating Agencies / Consultancy Firms** shall be responsible for deposit of all taxes, duties, levies, fees or charges in respect of the works as required for the Assignment to concerned Government authorities. Also, TDS will be deducted from the payments to the **empanelled Rating Agencies / Consultancy Firms** as per applicable laws.

The **empanelled Rating Agencies / Consultancy Firms** is expected to submit the invoice inclusive of all the applicable taxes after the completion of the allotted work.

The total amount payable by the **Trust** to the **empanelled Rating Agencies / Consultancy Firms** shall be inclusive of Consultant's fee and taxes as applicable. The **Trust** shall pay the amount due after deducting any tax deductible at source (TDS), as required. The **Trust** shall pay each undisputed invoice raised within thirty (30) Working Days after ensuring the satisfaction to the job assigned unless otherwise mutually agreed in writing, provided that such invoice is dated after such Fees have become due and payable.

1.4 **Obligations, notices, fees & charges**

The **Rating Agencies / Consultancy Firms** would comply with all Applicable Laws as they relate to its performance under this RfE. This RfE shall be governed, interpreted by and construed in accordance with the laws of India.

1.5 **Legal Jurisdiction**

All legal disputes between the parties shall be subject to the jurisdiction of the Courts situated at Mumbai only.

1.6 **Single Point of Contact**

The **Rating Agencies / Consultancy Firms** should have a local office in Mumbai, Maharashtra, India and has to provide details of single point of contact viz. Name, designation, address, e-mail address, telephone/ mobile no. etc.

1.7 **Authorised Signatory**

The **Rating Agencies / Consultancy Firms** shall indicate the authorized signatories who can discuss and correspond with the **Trust**, with regard to the obligations under the process. The **Rating Agencies / Consultancy Firms** shall submit at the time of submission of the proposal, a certified copy of the resolution of their Board, authenticated by Company Secretary, authorizing an official or officials of the company to discuss, sign agreements / contracts with the **Trust**. The **Rating Agencies / Consultancy Firms** shall furnish proof of signature identification for above purposes as required by the **Trust**. Any change in authorised signatory, till the contract is signed, is required to be intimated to the **Trust** along with documentary evidence.

1.8 Rights of CGTMSE

- i. At any time, the **Trust** may, for any reason, modify the RfE Document by an amendment.
- ii. The amendment will be intimated to all **Rating Agencies / Consultancy Firms** who confirm their intention to participate by email.
- iii. In order to accord prospective **Rating Agencies / Consultancy Firms** reasonable time to take the amendment into account, the **Trust** may, at its discretion, extend the last date for the receipt of Proposals.
- iv. The **Rating Agencies / Consultancy Firms** are allowed to resubmit their proposal, if required, after such amendments.
- v. If the **Trust** deems it appropriate to revise any part of this RfE or to issue additional data to clarify an interpretation of provisions, it may issue supplements to this RfE.
- vi. The **Trust** may, at its discretion, extend the deadline for submission of proposals by issuing a corrigendum through email to all confirmed **Rating Agencies / Consultancy Firms**, in which case all rights and obligations of the assignment and the **Rating Agencies / Consultancy Firms** previously subject to the original deadline will thereafter be subject to the deadline as extended.
- vii. The **Trust** may terminate the RfE process at any time without assigning any reason.
- viii. The **Trust** reserves the right to accept or reject any proposal, and to annul the short-listing process and reject all responses at any time without thereby incurring any liability to the affected **Rating Agencies / Consultancy Firms** or any obligation to inform the affected **Rating Agencies / Consultancy Firms** of the grounds for CGTMSE's action.

1.9 Erasures & Alterations

All details must be filled. All the corrections or alterations, if any, should be authenticated. There should be no hand-written material.

1.10 Confidentiality

Information relating to the examination, clarification and comparison of the Proposals shall not be disclosed to any **Rating Agency / Consultancy Firm** or any other persons not officially concerned with such process until the proposal process is over. The undue use by any **Rating Agency / Consultancy Firm** of confidential information related to the process may result in rejection of its Proposal and blacklisting in terms of extant guidelines. Disclosures of receipt of this RfE or any part of the information contained in the RfE, to parties not directly involved in providing the services requested, could result in the disqualification of the **Rating Agency / Consultancy Firm**, premature termination of the empanelment, and / or legal action against the **Rating Agency / Consultancy Firm** for breach of **Trust. Empanelled Rating Agencies / Consultancy Firms** shall have to sign a legal non-disclosure agreement with the **Trust** before starting any assignment.

The **Rating Agencies / Consultancy Firms** (and its employees) shall not, unless the **Trust** gives permission in writing, disclose any part or whole of this RfE document, of the proposal and/or contract, or any specification, plan, drawing, pattern, sample or information furnished by the **Trust** (including the users), in connection therewith to any person other than a person employed

by the **Rating Agencies / Consultancy Firms** in the performance of the proposal and/or contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance. The employees or the third party engaged by the **Rating Agencies / Consultancy Firms** shall maintain strict confidentiality.

The **Rating Agencies / Consultancy Firms**, its employees and agents shall not, without prior written consent from the **Trust**, make any use of any document or information given by the **Trust** or its Authorized personnel, except for purposes of performing the allotted work. In case of breach, the **Trust** shall take such legal action as it may be advised. The **Rating Agencies / Consultancy Firms** have to maintain confidentiality even after completion / termination of the empanelment.

1.11 Conflict of Interest

The **Trust** requires that the **Rating Agencies / Consultancy Firms** should provide professional, objective, and impartial advice and at all times hold the **Trust's** interest paramount, strictly avoid conflicts with other assignments / jobs or their own corporate interests and act without any consideration for future work.

1.12 Publicity

Any publicity by the **Rating Agencies / Consultancy Firms** in which the name of the **Trust** is to be used should be done only with the explicit prior written permission of the **Trust**.

1.13 Professionalism

- i. Attention of **Rating Agencies / Consultancy Firms** is drawn to the relevant and extant instructions of GoI, GFR issued by Ministry of Finance, guidelines of Central Vigilance Commission (CVC) as applicable to the subject matter of advice / service to be rendered by the **Rating Agencies / Consultancy Firms** and are required to be complied with.
- ii. The **Rating Agencies / Consultancy Firms** shall, subject to the provisions of the Assignment and with due care, execute the work and take all responsibility, including the supervision thereof and all other things, whether of a temporary or permanent nature, required in and for such execution.
- iii. The **Rating Agencies / Consultancy Firms** shall carry out and complete the work in accordance with prevailing good industry practices and using workmanship of the quality and standards there in specified, provided that where and to the extent some approval of the quality of the standards of workmanship is a matter of opinion, such quality and standards shall be to the satisfaction of the **Trust**.
- iv. The **Rating Agencies / Consultancy Firms** carries with him/her/it a certain degree of accountability for any advice or / and any services rendered to the **Trust**, keeping in view norms of ethical business, professionalism and the fact that such advice or service is rendered for a consideration. The **Trust** may enforce such accountability in case of improper discharge of contractual obligations / deviant conduct by / of any of the parties to the contract. In this, share of **Trust's** responsibility, for accepting advice / and services provided by the **Rating Agency / Consultancy Firm**, will also be taken into consideration.
- v. The **Rating Agencies / Consultancy Firms** must act, at all times, in the interest of the **Trust** and render any advice / service with professional integrity.

- vi. The **Rating Agency / Consultancy Firm** shall always keep in view transparency, competitiveness, economy and efficiency in regard with matters related to the subject of the contract or assignment.
- vii. The **Rating Agencies / Consultancy Firms** are expected to undertake assignment / project, only in the areas of its expertise and where it has capability to deliver efficient and effective advice / services to the client.
- viii. The **Rating Agencies / Consultancy Firms** will have to cooperate fully with any legitimately provided / constituted investigative body conducting enquiry into processing or execution of the consultancy contract / any other matter related with discharge of contractual obligations by the **Rating Agencies / Consultancy Firms**.

1.14 Expenses

It may be noted that the **Trust** shall not pay any amount / expenses / charges / fees / travelling expenses / boarding expenses / lodging expenses / conveyance expenses / out of pocket expenses etc. whatsoever other than the fees as and when due to the **empanelled Rating Agencies / Consultancy Firms** as per the undisputed invoices.

1.15 Pre-Contract Integrity Pact (IP)

IP is an agreement between the prospective **Rating Agencies / Consultancy Firms** and the **Trust** committing the persons / officials of both the parties not to exercise any corrupt influence on any aspect of the contract.

The **Rating Agency / Consultancy Firm** has to submit signed Pre-Contract Integrity Pact (IP) as per the format at **Annexure VII** on the non-judicial stamp / e-stamp paper of requisite value (cost of stamp paper to be borne by the **Rating Agency / Consultancy Firm**) applicable at the place of its first execution.

1.16 Dispute Resolution

The **Trust** and the **empanelled Rating Agencies / Consultancy Firms** shall make every effort to resolve amicably, by direct informal negotiation, any disagreement or dispute arising between them under or in connection with the empanelment. If after 30 days from the commencement of such informal negotiations, the **Trust** and the **Rating Agencies / Consultancy Firms** have been unable to resolve amicably an empanelment dispute; either party may require that the dispute be referred for resolution by formal arbitration.

All questions, disputes or differences arising under and out of, or in connection with the empanelment, shall be referred to Arbitrator(s) and decided as per the provisions of the Arbitration and Conciliation Act, 1996 and amendments, if any, thereof. The venue of the arbitration shall be at Mumbai. The expenses incurred by each party with the preparation, presentation, etc. of its proceeding as also the fees and expense paid to the appointed arbitrator by such party or on its behalf shall be borne by each party itself.

1.17 Assignment

Neither the empanelment nor any rights granted under the empanelment shall be sold, leased, assigned, or otherwise transferred, in whole or in part, by the empanelled **Rating Agency / Consultancy Firm**, and any such attempted sale, lease, assignment or otherwise transfer shall be void and of no effect without the prior written consent of the Trust.

If an **empanelled Rating Agency / Consultancy Firm** undergoes a merger, amalgamation, takeover, consolidation, reconstruction, change of ownership, etc. the service level agreement executed with the **empanelled Rating Agencies / Consultancy Firms** after empanelment shall be considered to be assigned to the new entity and such an act shall not affect the rights of the **Trust** under the executed service level agreement.

SECTION IX: TECHNICAL PROPOSAL - FORMATS AND ANNEXURES

1. Forms

FORM F-1

COVER LETTER FOR THE SUBMISSION OF THE TECHNICAL PROPOSAL

Date.....

To,

Chief Executive Officer

Credit Guarantee Fund Trust for Micro and Small Enterprises

1st Floor, SIDBI Swavalamban Bhavan,
Avenue 3, Lane 2, G- Block, Bandra-Kurla
Complex, Bandra (East), Mumbai - 400 051.

Dear Sir,

Subject: Technical Proposal for Empanelment of Rating Agencies / Consultancy Firms for Risk based Pricing Framework under CGS II – CGTMSE

We have examined the proposal document and having understood the scope of work, we, the undersigned, offer to provide all the services mentioned in the 'Technical Proposal' and the other Proposal Documents.

We attach hereto the Technical Response as required by the Proposal document, which constitutes our proposal.

We agree to abide by this Technical Response for a period of 90 days from the last day of proposal submission and it shall remain binding upon us, until within this period a formal contract is prepared and executed, this Proposal Response, together with your written acceptance thereof in your notification of award, shall constitute a binding contract between us.

We agree that you are not bound to accept any Proposal Response you may receive. We also agree that you reserve the right in absolute sense to reject all or any of the services specified in the Proposal Response without assigning any reason whatsoever.

It is hereby confirmed that I/We are entitled to act on behalf of our corporation / company / firm / organization and empowered to sign this document as well as such other documents which may be required in this connection.

We undertake that in competing for and if the award is made to us, in executing the subject Contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

Dated this Day of 2024

.....

(Signature)

(In the capacity of)

Duly authorized to sign the Proposal Response for and on behalf of:

.....
.....

(Name and address of Rating Agency / Consultancy Firm)

Seal/Stamp of applicant

Witness name:

.....

Witness address:

.....
.....

Witness signature:

.....

FORM F – 2

FORM FOR SUBMISSION OF THE TECHNICAL PROPOSAL

From:

(Name/address of Rating Agencies / Consultancy Firms)

.....
.....
.....
.....
.....

To,

Chief Executive Officer

Credit Guarantee Fund Trust for Micro and Small Enterprises

1st Floor, SIDBI Swavalamban Bhavan,
Avenue 3, Lane 2, G- Block, Bandra-Kurla
Complex, Bandra (East), Mumbai - 400 051.

Dear Sir,

Subject: Empanelment of Rating Agencies / Consultancy Firms for Risk based Pricing Framework under CGS II – CGTMSE

Reference: TP No. _____ Your letter dated _____

We herewith enclose Technical Proposal for the above assignment. We undertake that, in competing for (and, if award is made to us, in executing) the contract for the above assignment, we will strictly observe the laws against fraud and corruption in force in India, namely "Prevention of Corruption Act 1988"

Yours faithfully,

Signature:

Name:

Address:

FORM F – 3

ASSIGNMENTS OF SIMILAR NATURE SUCCESSFULLY COMPLETED

Brief description of the Firm/Organization

Outline of the recent experience on assignments of similar nature:

Sr. No.	Name of Assignment	Name of Project	Trust	Date of Commencement	Date of completion	Was assignment satisfactorily completed
1	2	3	4	5	6	7

Form F – 3A

ASSIGNMENTS OF SIMILAR NATURE IN HAND

Sr. No.	Name of Assignment	Name of Project	Trust
1	2	3	4

FORM F – 4

PROPOSED LIST OF KEY PERSONNEL AND TEAM DETAILS

Sr. No.	Name	Age	Qualification	Experience relevant to RfE	Proposed role in the Team
1					
2					
3					
4					

Profile of Proposed Team Leader and other Senior Team	
Name	
Present Designation	
Qualifications	
Total Work experience	

A list of key personnel to be deployed for the project to be furnished with details as per the table above.

The Trust shall reserve the right to seek the change of resource personnel in case on need.

We hereby acknowledge that the information provided by us is true and to the best of our knowledge.

Signature of the Authorized Signatory

Name:

Designation:

Date:

.....

Seal of the Rating Agency / Consultancy Firm

2. Annexure(s)

Annexure I

Risk based Pricing Framework Model (based on Loss Estimation)

This is an advanced forward-looking framework. In this framework, estimated loss (which would be provided by an external party to the NBFC) is being used in the computation of the guarantee instead of taking NPAs from the previous years. The loss estimate will be provided for the pool that an NBFC is seeking guarantee for and the pricing will be fixed on the loss estimate. This Framework is more risk sensitive as it is forward looking and based on estimated loss.

Inputs considered under this Framework:

1. Estimated loss (adjusted for recovery rate)
2. Repayment Rate
3. Prepayment Rate
4. Operating Cost
5. Tenure
6. Interest income from the corpus and reserves
7. Growth rate of the guaranteed portfolio
8. Risk appetite of the Trust

Formula for Calculating Guarantee fee is as below:

Guarantee Fee / Annual Guarantee Fee = (Estimated Loss * (1-Recovery Rate) + Operating Cost - Interest Income on corpus) divided by Cumulative Guaranteed Amount

Annexure II

Undertaking regarding agreement of all terms of RfE

(To be submitted on Rating Agency/ Consulting Firm's letter head)

Date:

To,

The Chief Executive Office,

Credit Guarantee Fund Trust for Micro and Small Enterprises

1st Floor, SIDBI Swavalamban Bhavan,

Avenue 3, Lane 2, G- Block, Bandra-Kurla

Complex, Bandra (East), Mumbai - 400 051.

Dear Sir,

1)

Sr. No.	Particulars	Details
1.	Name of Rating Agency/ Consulting Firm	
2.	Registered/ Head/Corporate Office Address	
3.	Website address	
4.	Nature of entity (partnership/ private/ public etc)	
5.	Name of Partners / Directors / Proprietor	
6.	Date of Incorporation	
7.	Details of authorized contact person:	
	Name	
	Designation	
	Telephone no.	
	Mobile no.	
	Email Address	
	Fax no.	

- 2) We confirm that we have the in-house capabilities to complete the assignment mentioned under this RfE.
- 3) We confirm that we have the technical capabilities to deliver all the requirements of the above mentioned RfE.
- 4) We hereby certify that we have provided all the information requested by the Trust in the format requested for. The information provided is correct and true to the best of our knowledge and belief. In case at any stage, it is found that the information given by us is false / not correct or in a different format, Trust shall have the absolute right to take any action as deemed fit without any prior intimation to us.
- 5) We agree to abide by the terms of this RfE from the date fixed for receiving the same or agreed extended period and it shall remain binding upon us and may be accepted at any time before the expiry of the period.

- 6) If our Proposal is accepted, we undertake to complete and deliver the whole of the works comprised as and when assigned in the RfE/RFE; comply with the delivery schedule as mentioned in the RfE/RFE and agree to abide by the General Terms and Conditions.
- 7) We agree to abide by this Proposal for 90 days from the date of the Proposal opening and our Offer shall remain binding on us and may be accepted by the Trust any time before expiry of the offer.
- 8) Unless and until a formal Agreement is prepared and executed, this RfE together with our written acceptance thereof shall constitute binding Terms and Conditions between CGTMSE and us.
- 9) We understand that the RfE does not commit CGTMSE to reimburse the Rating Agencies / Consultancy Firms for any costs incurred in submission of this proposal. All statements in RfE and any pre-proposal negotiations, understandings and agreements resulting from RfE are preliminary; consequently, CGTMSE has no obligation to us until a written contract is executed.
- 10) We agree that the Trust is not bound to accept any proposal that the Trust may receive.
- 11) We understand that CGTMSE has the right, without assigning reasons thereof, to-
 - a. Reject, amend, and modify any condition contained in the RfE
 - b. Terminate this RfE
 - c. Negotiate with one or more Rating Agencies / Consultancy Firms
 - d. Not award the assignment to any of the Rating Agencies / Consultancy Firms and / or recommence the entire process.
 - e. Empanel one or more Rating Agencies / Consultancy Firms for any reason whatsoever.
 - f. Modify the requirements and terms of this RfE and request

Signature of the Authorized Signatory

Name:

Designation:

Date:

.....

Seal of the Rating Agency / Consultancy Firm

Annexure III

Non- Disclosure Agreement

This Agreement is made at **Mumbai** on the _____ day of _____, **2024**, by and between _____, a company, within the meaning of the Companies Act, 2013 and having its registered office at _____, (hereinafter referred to as the / 'the Consultant' / Rating Agency / Consultancy Firm / 'service provider', which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns), of the **ONE PART**,

AND

Credit Guarantee Fund Trust for Micro and Small Enterprises, 1st Floor, SIDBI Swavalamban Bhavan, Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 (hereinafter referred to as "CGTMSE" / 'the Trust' as the context may require, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **OTHER PART**.

_____ and CGTMSE shall also hereinafter be jointly referred to as the "Parties" and severally as the "Party".

WHEREAS,

The parties intend to engage in discussions and negotiations concerning the establishment of a business relationship between themselves. In the course of such discussions and negotiations, it is anticipated that each party may disclose or deliver to the other certain or some of its trade secrets or confidential or proprietary information, for the purpose of enabling the other party to evaluate the feasibility of such business relationship (hereinafter referred to as "the Purpose").

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. Confidential Information:

"Confidential Information" means all information disclosed / furnished by either of the Parties to another Party in connection with the business transacted / to be transacted between the Parties. Confidential information shall include any copy, abstract, sample, note or module thereof.

The party disclosing the confidential information would hereinafter be referred to as "Disclosing Party" in respect of the confidential information disclosed and the party receiving the confidential information would hereinafter referred to as "Receiving Party".

The Receiving Party shall use the Confidential Information solely for and in connection with the Purpose.

Notwithstanding the foregoing, "Confidential Information" shall not include any information which the Receiving Party can show: (a) as now or subsequently being legally and publicly available without breach of this Agreement by the Receiving Party, (b) was rightfully in the possession of the Receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party, (c) was rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality, (d) was developed by or for the Receiving Party independently and without reference to any Confidential Information and such independent development can be shown by documentary evidence, or

(e) is disclosed pursuant to an order of a court or governmental agency as so required by such order, provided that the Receiving Party shall, unless prohibited by law or regulation, promptly notify the Disclosing Party of such order and afford the Disclosing Party the opportunity to seek appropriate protective order relating to such disclosure, if so required.

2. Exchange of Information at cost:

The parties to this Agreement agree that any information documents, materials, copy, abstract, extract, sample, note, module or any other thing received or exchanged under this Agreement, whether in physical or electronic form shall be free of cost or at such costs as are mutually agreed by and between the parties.

3. Non-Disclosure:

The Receiving Party shall not commercially use or disclose any Confidential Information or any materials derived there from to any other person or entity other than persons in the direct employment of the Receiving Party who have a need to have access to and knowledge of the Confidential Information solely for the authorized Purpose. The Receiving Party may disclose Confidential Information to consultants only if the Rating Agency / Consultancy Firm has executed a Non-disclosure Agreement with the Receiving Party that contains terms and conditions that are no less restrictive than these. The Receiving Party shall take appropriate measures by instruction and written agreement prior to disclosure to such employees to assure against unauthorized use or disclosure. The Receiving Party agrees to notify the Disclosing Party immediately if it learns of any use or disclosure of the Disclosing Party's Confidential Information in violation of the terms of this Agreement.

4. Publications:

Neither party shall make news releases, public announcements, give interviews, issue or publish advertisements or publicize in any other manner whatsoever in connection with this Agreement, the contents/ provisions thereof, other information

relating to this Agreement, the Purpose, the Confidential Information or other matter of this Agreement, without the prior written approval of the other party.

5. **Term:**

This Agreement shall be effective from the date hereof and shall continue till expiration or termination of this Agreement due to cessation of the business relationship between _____ and CGTMSE. Upon expiration or termination as contemplated herein the Receiving Party shall immediately cease any and all disclosures or uses of Confidential Information; and at the request of the Disclosing Party, the Receiving Party shall promptly return or destroy all written, graphic or other tangible forms of the Confidential information and all copies, abstracts, extracts, samples, notes or modules thereof as may be mutually agreed.

The obligation of the Receiving Party respecting disclosure and confidentiality shall continue to be binding and applicable without limit in point in time except and until such information enters the public domain.

6. **Title and Proprietary Rights:**

Notwithstanding the disclosure of any Confidential Information by the Disclosing Party to the Receiving Party, the Disclosing Party shall retain title and all intellectual property and proprietary rights in the Confidential Information. No license under any trademark, patent or copyright, or application for same which may now or thereafter may be obtained by such party is either granted or implied by the conveying of Confidential Information. The Receiving Party shall not conceal, alter, obliterate, mutilate, deface or otherwise interfere with any trademark, trademark notice, copyright notice, confidentiality notice or any notice of any other proprietary right of the Disclosing Party on any copy of the Confidential Information, and shall reproduce any such mark or notice on all copies of such confidential Information. Likewise, the Receiving Party shall not add or emboss its own or any other any mark, symbol or logo on such Confidential Information.

7. **Return of Confidential Information:**

Upon written demand of the Disclosing Party, the Receiving Party shall (i) cease using the Confidential Information, (ii) return the Confidential Information and all copies, abstract, extracts, samples, notes or modules thereof to the Disclosing Party within seven (7) days after receipt of notice, and (iii) upon request of the disclosing Party, certify in writing that the Receiving Party has complied with the obligations set forth in this paragraph.

8. **Remedies:**

The Receiving Party acknowledges that if the Receiving Party fails to comply with any of its obligations hereunder, the Disclosing Party may suffer immediate, irreparable harm for which monetary damages may not be adequate. The Receiving

Party agrees that, in addition to all other remedies provided at law or in equity, the Disclosing Party shall be entitled to injunctive relief hereunder.

9. **Entire Agreement, Amendment, Assignment:**

This Agreement constitutes the entire agreement between the parties relating to the matters discussed herein and supersedes any and all prior oral discussions and/or written correspondence or agreements between the parties. This agreement may be amended or modified only with the mutual written consent of the parties. Neither this agreement nor any right granted hereunder shall be assignable or otherwise transferable.

10. **Governing Law:**

The provisions of this Agreement shall be governed by the laws of India.

11. **General:**

The Receiving Party shall not reverse-engineer, decompile, disassemble or otherwise interfere with any software disclosed hereunder. All Confidential Information is provided "as is". In no event shall the Disclosing Party be liable for the inaccuracy or incompleteness of the Confidential Information. None of the Confidential Information disclosed by the parties constitutes any representation, warranty, assurance, guarantee or inducement by either party to the other with respect to the fitness of such Confidential Information for any particular purpose or infringement of trademarks, patents, copyrights or any right of third persons.

12. **Severability:**

If any provision becomes invalid, illegal or unenforceable under any law, the validity, legality and enforceability of the remaining provision and this Agreement shall not be affected or impaired.

13. **Dispute Resolution Mechanism:**

In the event of any controversy or dispute regarding the interpretation of any part of this agreement, or any matter connected with, arising out of , or incidental to the arrangement incorporated in this agreement, the matter shall be referred to an Arbitrator appointed by mutual agreement and the decision of the arbitrator shall be final and binding on all parties.

14. **Place of Jurisdiction:**

The Parties to this Agreement shall submit to the jurisdiction of the **Courts of Mumbai, Maharashtra** and all proceedings shall be held in Mumbai.

15. **Representations and Warranties:**

Each party hereby represents and warrants to the other that:-

a) it (and, if applicable, any person on whose behalf it may act as agent or in a representative capacity) has and will continue to have full capacity and authority to enter in to this Agreement and to carry out the transaction contemplated herein, and has taken and will continue to take all action (including the obtaining of all necessary corporate approvals and governments consents, if any) to authorize the execution, delivery and performance of this agreement; and

b) the terms of this Agreement to not constitute a breach of any obligations by which it is bound whether arising by its constitutional documents, any contract or operation law.

(c) Each party further agrees to execute/deliver such documents and perform such further acts as the other party may reasonably require in relation to this Agreement.

16. **Notices:**

A) Any notice or request or permitted to be given or made under this agreements shall be in writing.

B) Except as otherwise provided in this Agreement, any notice, demand, letter or communication may be sent by the Parties by the registered post, speed post, courier, facsimile, electronic mode, or by hand delivery. Such notice or request shall be deemed to have been duly given or made when it shall be taken to be sufficient service thereof. If notice is sent by fax, electronic mode, a copy of the same shall also be sent by registered post acknowledgement due/speed post acknowledgment due / hand delivery to the address mentioned hereunder and it shall be taken to be sufficient service thereof.

C) Any notice, demand, letter or communication to the Parties shall be effective only when received by the relevant manner.

D) Any notice, demand, letter or communication may be sent by one Party to the other at the address and number set out hereunder or such address and numbers as one party may inform the other in writing.

Annexure IV

[To be included in Eligibility Bid Envelope]

(Sample Format – To be executed on a non-judicial stamp / e-stamped paper of requisite value)

PRE- CONTRACT INTEGRITY PACT

1 General:

This pre-contract Agreement (hereinafter called the Integrity Pact) is made at _____ place on ____ day of the month of _____, 2024 between Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), a Trust setup by Govt. of India, Ministry of MSME and Small Industries Development Bank of India, and having its Office at 1st Floor, SIDBI Swavalamban Bhavan, Avenue 3, Lane 2, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 (hereinafter called the CGTMSE / Trust, which expression shall mean and include, unless the context otherwise requires, its successors and assigns) of the First Part and M/s _____ represented by Shri _____,

Chief Executive Officer (hereinafter called the “Rating Agency / Consultancy Firm” which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part.

WHEREAS the Trust proposes for the Empanelment of Rating Agencies / Consultancy Firms for Risk based Pricing Framework under CGS II and the Rating Agency / Consultancy Firm is willing to offer/has offered the services and

WHEREAS the Rating Agency / Consultancy Firm is a private company / public company / Government undertaking / partnership / registered export agency, constituted in accordance with the relevant law in the matter and the TRUST is a corporation set up under an Act of Parliament.

The parties hereto hereby agree to enter into this integrity Pact and agree as follows:

2 Commitments of the TRUST:

2.1 The TRUST undertakes that no official of the TRUST, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Rating Agency / Consultancy Firm, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

2.2 The TRUST will during the pre-contract stage, treat all Rating Agencies / Consultancy Firms alike, and will provide to all Rating Agencies / Consultancy Firms the same information and will not provide any such information to any particular

Rating Agency / Consultancy Firm which could afford an advantage to that particular Rating Agency / Consultancy Firm in comparison to other Rating Agencies / Consultancy Firms.

2.3 All the officials of the TRUST will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2.4 In case any such preceding misconduct on the part of such official(s) is reported by the Rating Agency / Consultancy Firm to the TRUST with full and verifiable facts and the same is prima facia found to be correct by the TRUST, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the TRUST and during such a period shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the TRUST the proceedings under the contract would not be stalled.

3 Commitments of Rating Agencies / Consultancy Firms:

The Rating Agency / Consultancy Firm commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its empanelment or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following : -

3.1 The Rating Agency / Consultancy Firm will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any officials of the TRUST, connected directly or indirectly with the empanelment process, or to any person, organization or third party related to the contract in exchange for any advantage in the empanelment, evaluation, contracting and implementation of the contract.

3.2 The Rating Agency / Consultancy Firm further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe , gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the TRUST or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Government.

3.3 Rating Agencies / Consultancy Firms shall disclose the name and address of agents and representatives and Indian Rating Agencies / Consultancy Firms shall disclose their foreign principals or associates.

3.4 Rating Agencies / Consultancy Firms shall disclose the payments to be made by them to agents / brokers or any other intermediary, in connection with this empanelment.

3.5 The Rating Agency / Consultancy Firm further confirms and declares to the TRUST that the Rating Agency / Consultancy Firm is the original manufacture/integrator/authorized government sponsored export entity of the defence stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or any way to recommend to the TRUST or any of its functionaries, whether officially or unofficially to the award of the contract to the Rating Agency / Consultancy Firm , or has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

3.6 The Rating Agency / Consultancy Firm, either while presenting the Technical Proposal or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the TRUST or their family members, agents, brokers or any other intermediaries in connection with contract and the details of services agree upon for such payments.

3.7 The Rating Agency / Consultancy Firm will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

3.8 The Rating Agency / Consultancy Firm will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

3.9 The Rating Agency / Consultancy Firm shall not use improperly, for purposes of competition or personal gain or pass on the others, any information provided by the TRUST as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Rating Agency / Consultancy Firm also undertakes to exercise due and adequate care lest any such information is divulged.

3.10 The Rating Agency / Consultancy Firm commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.11 The Rating Agency / Consultancy Firm shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.12 If the Rating Agency / Consultancy Firm or any employee of the Rating Agency / Consultancy Firm or any person acting on behalf of the Rating Agency / Consultancy Firm, either directly or indirectly, is a relative to any of the officers of the TRUST or alternatively, if any relative of the officer of the TRUST has financial

interest/stake in the Rating Agency's / Consultancy Firm's, the same shall be disclosed by the Rating Agency / Consultancy Firm at the time of filling of tender.

The term 'relative' for this purpose would be as defined in Section 2 (77) of the Companies Act, 2013.

3.13 The Rating Agency / Consultancy Firm shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the TRUST.

4 **Previous Transgression:**

4.1 The Rating Agency / Consultancy Firm declares that no previous transgression occurred in the last three years immediately before signing of this integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify Rating Agency's / Consultancy Firm's exclusion from the tender process.

4.2 The Rating Agency / Consultancy Firm agrees that if it makes incorrect statement on this subject, Rating Agency / Consultancy Firm can be disqualified from the empanelment, if already empanelled, can be terminated for such reason.

5 **Sanctions for Violations:**

5.1 Any breach of the aforesaid provision by the Rating Agency / Consultancy Firm or any one employed by it or acting on its behalf (whether with or without the knowledge of the Rating Agency / Consultancy Firm) shall entitle the TRUST to take all or any one of the following actions, wherever required :-

- i. To immediately call off the pre contract negotiation without assigning any reason or giving any compensation to the Rating Agency / Consultancy **Firm**. However, the proceedings with other Rating Agency(s) / Consultancy Firm(s) would continue.
- ii. To immediately cancel the contract, if already signed, without giving any compensation to the Rating Agency / Consultancy Firm.
- iii. To cancel all or any other Contracts with the Rating Agency / Consultancy Firm, the Rating Agency / Consultancy Firm shall be liable to pay compensation for any loss or damage to the Trust resulting from such cancellation / rescission and the Trust shall be entitled to deduct the amount so payable from the money(s) due to the Rating Agency / Consultancy Firm
- iv. To debar the Rating Agency / Consultancy Firm from participating in future bidding processes of the Trust or its associates or subsidiaries for minimum period of five years, which may be further extended at the discretion of the TRUST.

- v. To recover all sums paid in violation of this Pact by Rating Agency(s) / Consultancy Firm(s) to any middleman or agent or broker with a view to securing the contract.
- vi. In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the Trust with Rating Agency / Consultancy Firm, the same shall not be opened.
- vii. Forfeiture of Performance Bond in case of decision by the Trust to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.2 The Trust will be entitled to take all or any of the actions mentioned at para 5.1(i) to (vii) of this Pact also on the commission by the Rating Agency / Consultancy Firm or any one employed by it or acting on its behalf (whether with or without the knowledge of the Rating Agency / Consultancy Firm), of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

5.3 The decision of the Trust to the effect that a breach of the provision of this Pact has been committed by the Rating Agency / Consultancy Firm shall be final and conclusive on the Rating Agency / Consultancy Firm. However, the Rating Agency / Consultancy Firm can approach the independent Monitor(s) appointed for the purposes of this Pact.

6 Facilitation of Investigation:

In case of any allegation of violation of any provision of this Pact or payment of commission, the Trust or its agencies shall be entitled to examine all the documents including the Books of Accounts of the Rating Agency / Consultancy Firm and the Rating Agency / Consultancy Firm shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

7 Law and Place of Jurisdiction:

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the Trust.

8 Other Legal Actions:

The action stipulated in this integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

9 Validity:

9.1 The validity of this Integrity Pact shall be from date of its signing and during the period of empanelment & 2 years after completion of empanelment.

9.2 Should one or several provisions of the Pact turn out to be invalid, the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

9.3 The parties hereby sign this integrity Pact, at _____ on _____.

Trust

Rating Agency / Consultancy Firm

Name of the Officer

(Authorised Signatory)

Designation

CGTMSE

Witness

Witness

1.

1.

2.

2.

Annexure V

*(Sample Format – To be executed on a non-judicial stamp / e-stamped paper of
requisite value)*

Deed of Indemnity

We, (name of the company and address of the registered office), do hereby execute this Deed of Indemnity on _____(date) in favor of CGTMSE. We hereby undertake to indemnify, protect and save the Trust and will hold the Trust harmless from and against all claims, losses, costs, damages, expenses, action suits and other proceedings, (including reasonable attorney fees), relating to or resulting, directly or indirectly from

1. an act of omission or commission of ourselves or any of our employees in the performance of the services provided in terms of this RfE;
2. breach of any of the terms of this RfE or breach of any warranty or terms of maintenance services or
3. any false statement or false representation or inaccurate statement or false assurance or covenant made by us;
4. Bonafide use of the deliverables and / or services provided by us;
5. Infringement of any patent, trademarks, copyrights etc. or such other statutory infringements in respect of all components provided to fulfill the scope of this project;
6. Claims made by the employees, who are deployed by us, under the contract to be executed in terms of this RfE;
7. breach of confidentiality obligations either by us or by our employees;
8. negligence or gross misconduct solely attributable to us or to any of our employees appointed by us for the purpose of any or all of the obligations under the agreement to be executed in terms of this RfE.

We further undertake to indemnify the Trust against any loss or damage arising out of loss of data, claims of infringement of third-party copyright, patents, or other intellectual property, and malfunctioning of the equipment or software or deliverables at all points of time, provided however, (i) the Trust notifies us of such loss or damage in writing (ii) we should be allowed to defend such claims or cases and all related settlement negotiations.

We further undertake responsibility for any loss of data, loss of life, etc, due to us and/or acts of our representatives or 3rd party vendor from whom certain services are outsourced / executed in association with, and not just arising out of gross negligence or misconduct, etc, as such liabilities pose

significant risk. We furthermore undertake to indemnify the Trust (including its employees, directors or representatives) from and against claims, losses, and liabilities arising from:

1. Non-compliance of the Rating Agency / Consultancy Firm with Laws / Governmental Requirements.
2. Intellectual Property infringement.
3. Negligence and misconduct of the Rating Agency / Consultancy Firm and its employees.
4. Breach of any terms of Agreement, Representation or Warranty.
5. Act of omission or commission in performance of service.
6. Loss of data.

Indemnity would be limited to court awarded damages and shall include indirect, consequential and incidental damages. Further, indemnity would cover damages, loss or liabilities, compensation suffered by the Trust arising out of claims made by its customers and/or regulatory authorities.

We further undertake to indemnify, protect and save the Trust against all claims, losses, costs, damages, expenses, action, suits and other proceedings, resulting from infringement of any patent, trademarks, copyrights etc., or such other statutory infringements under any laws including the Copyright Act, 1957 or Information Technology Act 2000 in respect of the software and other systems supplied by us to the Trust from whatsoever source, provided the Trust notifies us in writing. However,

(i) we shall be provided sole control of the defense and all related settlement negotiations (ii) the Trust provides us with the assistance, information and authority reasonably necessary to perform the above and (iii) the Trust does not make any statements or comments or representations about the claim without our prior written consent, except where the Trust is required by any authority / regulator to make a comment / statement / representation.

Dated this _____ day of _____ 2024

Signature

(Company Seal)

In the capacity of

Duly authorized to sign bids for and on behalf of:

Annexure VI

Bank Mandate Form

(To be submitted in Duplicate)

(Please fill in the information in CAPITAL LETTERS. Please TICK wherever it is applicable)

- Name of Borrower / vendor / supplier: _____
Vendor Code (if applicable): _____
- Address of the Borrower / vendor / supplier:

City: _____ Pin Code: _____
E-mail id: _____ Phone No. with STD code: _____
Mobile No.: _____ Permanent Account Number: _____
MSE Registration / CA Certificate _____ (if applicable)

3. Particulars of Bank account:

Beneficiary Name			
Bank Name		Branch Name	
Branch Place		Branch City	
PIN Code		Branch Code	
MICR No.			
Account Type	Saving	Current	Cash Credit
Account No.	(as appearing in the Cheque book)		
(Code number appearing on the MICR1 cheque supplied by the Bank. Please attach a Cancelled cheque of your bank for ensuring accuracy of the Bank's name, branch name & code and Account Number)			
IFSC CODE2	For RTGS transfer		For NEFT transfer

4. Date from which the mandate should be effective:

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected for reasons of incomplete or incorrect information, I shall not hold CGTMSE responsible. I also undertake to advise any change in the particulars of my account to facilitate updation of records for purpose of credit of amount through **RBI RTGS/NEFT**.

Place :
Date :
Signature of the party / Authorized Signatory
Certified that particulars furnished above are correct as per our records.
Bank's stamp :
Date :
(Signature of the Authorized Official from the Bank)

N.B.: RTGS/NEFT charges if any, is to be borne by the party

1, 2: Note on IFSC / MICR

Indian Financial System Code (IFSC) is an alpha numeric code designed to uniquely identify the Bank-branches in India. This is 11digit code with first 4 characters representing the Bank's code, the next character reserved as control character (presently 0 appears in the fifth position) and remaining 6 characters to identify the branch. The MICR code, (Magnetic Ink Character Recognition) that appears on cheques, has 9 digits to identify the Bank-branch. RBI had since advised all the Banks to print IFSC on cheque leaves issued to their customers. A customer may also contact his Bank-branch and get the IFS Code of that branch.