



**DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LTD.**  
**(A Government of India Enterprise under Ministry of Railways)**

**FINANCE DEPARTMENT**

**INVITATION TO QUOTATION**

**Name of Work:** Engagement of Consultation Services for Forex Risk  
Management of DFCCIL.

**No. : Finance/IBRD/Misc/1/2020(e-office)**

**Dedicated Freight Corridor Corporation of India Ltd.**  
**5<sup>th</sup> Floor, Supreme Court Metro Station Complex**  
**New Delhi - 110001**

**Dedicated Freight Corridor Corporation of India Ltd.**  
(A Government of India Enterprises under Ministry of Railways)

**NOTICE INVITING QUOTATION (NIQ)**

**Proposal for Engagement of Consultation Services for Forex Risk Management of DFCCIL.**

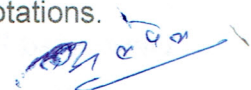
Sealed Quotations in **Two Packet System** are invited from eligible Consultants /Firms for Engagement of Consultation Services for Forex Risk Management of DFCCIL.

Qualifying requirements, scope of work, terms & conditions, are given in detailed Quotation document enclosed herewith. Interested parties may apply the quotation in sealed cover upto **15:00 hrs** on **25.11.2020** on following address.

Addl. General Manager Finance –(T&B)  
**Dedicated Freight Corridor Corporation of India Ltd.**  
**5<sup>th</sup> Floor, Supreme Court Metro Station Complex**  
**New Delhi – 110001**

Quotations will be submitted in two separate sealed envelopes clearly mentioning on face of it as "Financial Quote " and " Technical Bid". All documents related to Technical evaluation will be submitted in second envelop marked as Technical Bid. Envelop of Financial quote will contain Annexure 'C' only. Financial quote will be opened only of first five quotationers securing maximum marks in technical evaluation. Financial bids of others quotationers will not be opened

Quotationers are advised to follow the instructions provided in the 'Instructions to the Bidders' (ITB) for the submission of the sealed quotations.

  
Addl. General Manager Finance –(T&B)  
DFCCIL/  
HQ

Phone - 011-23454906/904

## Quotation Document

### Engagement of Consultation Services for Forex Risk Management of DFCCIL

#### FOR INVITING QUOTATIONS IN SEALED ENVELOP

##### Brief Background:-

##### JICA Loans:

As on date, five Loans of JPY 333.747 Billion has already been signed and effectuated by MOF with JICA. The overall borrowings from JICA may go up to JPY 555 Billion. Compliance responsibility of Loan repayment conditions with JICA is on MOF.

In Cabinet decision, these Loans were passed on to MOR at 7% interest. MOR passed on these Loans to DFCCIL as Gross Budgetary Support (GBS). Moratorium period of payment of interest is 10 years.

As of now the interest is being accrued in books of accounts of DFCCIL and is to be passed on to MOR after end of moratorium period.

##### IBRD Loans:

EDFC-I (USD 660 million), EDFC-II (USD 910million) & EDFC-III (USD 560 million) .

This loan is indirect loan to DFCCIL as has been signed by MOF and passed on to DFCCIL through MOR. Compliance responsibilities of repayment loan conditions are on MOF/CAAA. For works under this loan, Funds are received from MOR for spending on DFCCIL projects. Silent features: -

1. There is no moratorium on interest payment and is of 7 yrs on principle repayment.
2. Interest is payable on half yearly basis at variable interest rate as per LIBOR (variable+spread) . It varies on each payment date.

##### Scope of Work

1. Prepare Forex Risk Management Policy and Procedures of the Company as per the requirements of the extant rules/FEMA guidelines & new RBI Guidelines.
2. **Study existing practices for payment of forex transactions and suggest improvement, if any.**
3. Guide in setting risk limits and appropriate benchmarks including hedge ratios for all Foreign Currency borrowings (FCBs).
4. Advise in formulation of new hedging strategies to minimize or mitigate the exchange rate and interest rate risks and their applicability w.r.t. DFCCIL.
5. Provide inputs on suitable products (derivatives) available in the market and / any new instruments allowed by RBI for hedging currency and interest rate

risks.

6. Provide data as required from time to time from Reuters/Bloomberg to compute cost of various sources of funds including POS cost, IRS cost, hedging cost and various other indices as required from time to time by DFCCIL.
7. Calculate the cost of existing and new borrowings availed/proposed to be availed by DFCCIL taking into consideration the various terms and conditions of Loan/ options available in the global market. *This will include the cost effectiveness analysis of such loans vis-a-vis internal loans like through IRFC and PRIVATE Banks*
8. Provide updates on changes in RBI / FEMA / SEBI or such other regulations on Currency and Interest Rate Risk Management.
9. Provide regular views on the trends in currencies and interest rate movements and analysis of economic data and suggest an appropriate time of hedging Forex and interest rate exposures
10. Minimum four Forex Risk management committee meetings will have to be attended by the Risk consultant.
11. Study interest rate exposure of foreign currency borrowings (short term and long term) and advice interest rate risk management strategies;
12. Assist the company regarding the appropriateness of the applicable exchange rates for making foreign remittances both inward and outward as and when required by the company.
13. Report at DFCCIL's office, as and when required, to discuss on Forex Risk Management Framework strategies.
14. Any advice / strategy needed in servicing Foreign Currency loans and Foreign Currency derivatives
15. The above scope of work is indicative and shall include all the activities required to provide the advisory services in writing along with the working papers in respect of management of Forex Risk exposure (Currency risk and Interest risk) of DFCCIL.
16. Imparting training (two sessions of 4hr. each) to DFCCIL (around 30) finance officers on FEMA provisions and forex risk management specifically related to transactions happening in DFCCIL. The arrangement to be made by DFCCIL. Nothing extra will be payable on this account.

#### Other terms

1. This appointment as Consultant shall be on retainer-ship basis for a period of two year extendable to one more year on same terms and conditions, starting

from the date of appointment.

2. The consultant shall be required to visit DFCCIL office at frequent intervals as per the requirement of DFCCIL. The Consultant would also provide their expert opinion in writing, specific to each DFCCIL Forex Risk Management Committee Meeting, regarding the foreign exchange and interest risk management of DFCCIL's ECB portfolio.
3. For rendering the professional service, consultant is requested to Quote all-inclusive fees per month payable by DFCCIL, excluding GST which shall be payable at the rate in force as per the applicable law.
4. The payment of the fee will be payable quarterly in arrears.
5. Indian Law would be the applicable law for settling all the disputes. Similarly, the Courts of Delhi shall have exclusive jurisdiction in all the matters arising in the Contract, including execution of Arbitration Award.
6. All the payments to be made to the appointed consultant shall be subject to deductions under the Income-tax Act, 1961 and amendments thereof.
7. DFCCIL reserves the right to terminate the appointment at any time, without assigning any reason thereof.
8. All papers, forms etc. are required to be signed by the authorized person.
9. For any further clarification, please contact Addl. GM(Fin) T&B /DFCCIL
10. The appointment of Consultant is subject to providing the following Undertakings / Declaration documents on the consultants Letter head and duly signed by the authorized signatory. The documentary evidence iterating the signatory as the authorized signatory shall also be provided by the bidder.

#### **Undertaking on the Letter head**

I (name of the authorized official), (designation) on behalf of (name of bidder), unconditionally undertake and confirm that:

(a) **Confidentiality**

We shall treat all information/subject matters in connection with the assignment as strictly confidential and undertakes not to disclose, in any way, information, documents, technical data, experience and know-how given/attained pertaining to DFCCIL without prior written consent of DFCCIL, both during the course of retainer ship and even after on retainer ship contract.

(b) **DECLARATION FOR DFCCIL's INFORMATION**

We unconditionally confirm that we shall not disclose, at any point in time, (either today, or at a future date), any information pertaining to DFCCIL, to any one, under any circumstances whatsoever. In the case of furnishing information to the

regulator or such other authority (ies), under any statute as part of compliance of any statute a written intimation shall be provided to DFCCIL.

(c) DECLARATION FOR NO CONFLICT OF INTEREST

We confirm that, as on date, no conflict of interest exists, with any other organization, department or party(ies) exist with respect to the nature of work the Consultant are applying for and that during the assignment we will not undertake any assignment/work/job which may affect the interest of DFCCIL, in rendering the professional service.

(d) DECLARATION FOR 'NO CONVICTION FROM COURT OF LAW'

We confirm unconditionally that, there has been no conviction by a Court of Law or indictment / adverse order by a regulatory authority for a grave offence against us. It is further certified that there is no investigation pending against us or against the CEO, Directors / Managers of our concern.

(e) DECLARATION FOR ACCEPTANCE OF DFCCIL POLICY'

We unconditionally confirm that, we have read the contents of the various Policy of DFCCIL and undertake that we shall strictly abide by the provisions of the relevant policy of DFCCIL.

(f) DETAILS OF Indian Income Tax PAN.

We confirm that the our PAN registration is as under:

Indian Income Tax PAN Number \_\_\_\_\_

(g) DETAILS OF GST REGN.

We confirm that the our GST registration is as under:

GST registration number \_\_\_\_\_

## Annexure 'B'

### Technical Evaluation

Sl. No.	Evaluation Parameters		Maximum Score
1	Consultancy Services in Forex Risk Management provided in the last 10 years ending on 31 December, 2020	Total number of clients	35
2	Team of Professionals along with their credentials and experience to be assigned to provide consultancy services to DFCCIL	Total years of experience	25
3	Consultancy Services in Forex Risk Management provided in the last 5 years to PSUs ending on 31 December, 2020 (Other than DFCCIL)	Total number of PSU	20
4	Consultancy Services in Forex Risk Management provided in the last 5 years to Financial Institutions ending on 31 December, 2020 (Other than DFCCIL)	Total number of Financial Institutions	20
		<b>Total Marks</b>	<b>100</b>

### Notes

1. All the data provided in Annexure B shall be provided on firm basis only.
2. Details of information reiterated in Annexure B shall be provided by the bidders along with supporting proofs
3. The technical bid shall be strictly submitted as per the format mentioned in Annexure B
4. In case of any discrepancy in the technical bid the bid shall be summarily rejected.
5. Scoring shall be done on proportionate basis. i.e maximum score in a parameter shall be assigned full marks and the marks shall be assigned to other bidders keeping such highest parameter score as base. Minimum qualifying marks will be 60%. Firms securing less than 60% marks will not be considered for opening of financial quote.
6. ***Quotations will be submitted in two separate sealed envelopes clearly mentioning on face of it as "Financial Quote " and " Technical Bid". All documents related to Technical evaluation will be submitted in second envelop marked as Technical Bid. Envelop of Financial quote will contain Annexure 'C' only. Financial quote will be opened only of first five quotationers securing maximum marks in technical evaluation subject to minimum qualifying marks i.e.60%. Financial bids of others quotationers will not be opened .***

## Annexure 'C'

### Financial Quote

Particulars	Amount in INR ( In Words as well as in figures)
<b>Annual fee</b> (All inclusive) for Advisory Services on Forex Risk Management and Other Associated Services	
Taxation component including GST and any other applicable taxes	

#### Note

1. Financial bids shall be strictly submitted in the format as mentioned in Annexure C only.
2. The financial bid shall be submitted in absolute terms only on firm up basis only.
3. DFCCIL shall not be liable to pay any expense/fees other than the amount mentioned in Annexure C
4. **Annual fees shall be paid on quarterly basis in arrears.**
5. The annual fees payments to be made on quarterly basis shall be subject to deduction as applicable under the Income tax act, 1961
6. Scoring shall be done on proportionate basis. i.e maximum score in a parameter shall be assigned full marks and the marks shall be assigned to other bidders keeping such highest parameter score as base.
7. No fees or out of pocket expenses shall be paid by DFCCIL other than the amounts quoted in the financial bids submitted by the bidders

