



**DIRECTORATE OF FOOD PUNJAB
(ACCOUNTS WING)**

Subject: **INVITATION OF OFFERS FOR REGULARIZATION OF OUTSTANDING LOAN AND OBTAINING FRESH LOAN FACILITY UNDER COMMODITY FINANCING OF WHEAT ALONGWITH MARKUP RATES FOR THE QUARTER APRIL-JUNE, 2024 OF DIRECTORATE OF FOOD PUNJAB**

Sealed offers are invited for the lowest markup rates under Cash Credit Financing for Commodity Operation of wheat for the quarter April-June, 2024 under the following conditions: -

- i. Directorate of Food intends to borrow up to **PKR.552 billion** from Financial Institution(s)/Bank(s) under Cash Credit Financing for Commodity Operation of wheat for the quarter April-June, 2024. Purpose of this financing is to regularize the outstanding loan of Directorate of Food for Commodity Operations for the quarter APRIL-JUNE, 2024.
- ii. All commercial banks, including conventional as well as islamic banks, regulated by State Bank of Pakistan are eligible to submit their sealed bids on the bidding format provided by Directorate of Food. Compliance with bidding format is mandatory, otherwise, bid may be rejected.
- iii. Following terms & conditions shall govern the bid submitted by interested banks. Uha

Max. Loan Amount: PKR.552 billion
Borrowing Type: The loan will be in the nature of Commodity Financing. The borrowing spread for this facility shall be locked for 03 months i.e. April`24 to June`24 which may also be fixed for next quarter subject to the willingness of Directorate of Food and bid winning banks.
Collateral/Security: No other collateral/security shall be offered except the hypothecation of wheat stock & receivables and the Guarantee of Federal Government. The amount of Cash Credit Financing is subject to approval of Federal Government and may be reduced / enhanced / revised without any claim of the bidder.
Eligibility: <ul style="list-style-type: none">• All financial institutions/banks regulated by State Bank of Pakistan are eligible to bid for this financing facility as a single entity only.• No bank is allowed to bid through any consortium.• Each financial institution/bank may individually bid an amount not less than PKR 2 billion and there shall be no restriction on maximum limit.
Bidding Criteria: <ul style="list-style-type: none">• Each bank shall quote <i>Three (03) Month KIBOR ± fixed Spread (% p.a)</i>• Directorate of Food shall rank the bids from lowest to highest- lowest being the


<p>bid quoting lowest spread against relevant benchmark KIBOR rate and highest being the bid quoting highest spread against relevant benchmark KIBOR rate.</p> <ul style="list-style-type: none"> • Any bid offering conditional markup rates or slab markup rates will not be accepted. • Bids / Offer shall be valid for 03 months i.e. April'24 to June'24, therefore, any condition regarding time limit shall not be accepted. • If any bank backs out from its given offer, then Directorate of Food may black list that bank for future borrowings.
<p>Draw Down:</p> <p>Directorate of Food may withdraw or repay the loan to any bank in one or more installments at any time during the borrowing period.</p>
<p>Profit on Debt/ Mark-up:</p> <ul style="list-style-type: none"> • Markup for a repayment period shall be computed at the end of period on the basis of applied rate and the amount outstanding on each date during the repayment period. • Ask side KIBOR available on SBP's website on last day of the previous quarter shall be used for mark-up/profit calculation.
<p>Other Terms & Conditions:</p> <ul style="list-style-type: none"> • No bid shall be considered if received after the deadline for bid submission. • Bid validity shall start from the last date of bid submission deadline. • Directorate of Food may reduce/increase/revise the amount of financing subject to the approval of Federal Government; without any claim of the bidder/financier.
<p>Other Fees:</p> <ul style="list-style-type: none"> • No commitment, advisory, arrangement, legal or any other fees or charges in connection with this transaction shall be borne by the Food Department, Government of the Punjab. • No bank commission shall be paid in lieu of disbursement services to be rendered by the banks as paying agents.
<p>Non-Obstante Clause:</p> <p>Notwithstanding anything to the contrary Directorate of Food reserves the right to reject / accept all offers subject to relevant provision of Punjab Procurement Rules 2014. Furthermore, acceptance/rejection of any other explicit or implicit condition by the banks shall be the sole discretion of the Committee on Financing of Directorate of Food which may reject any or all conditions of the bank according to the provision of PPRA Rules.</p>

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- In case your bank is interested to lend to the Directorate of Food you are requested to submit your bank's Bid in the prescribed Bidding format only.
- Bidding documents containing the prescribed bidding format are available in Directorate of Food (ACCOUNTS WING) during office hours from the date of publication and have

also been uploaded on PPRA website. Any bid submitted on a format other than the format specified by the Directorate of Food shall be declared non responsive.

- Sealed offers shall be received in the office of Secretary Food up to 11.00 A.M. on **16-04-2024 (Tuesday)** which will be opened on the same day at 11.30 A.M in the Committee Room of Food Department, **44-Tippu Block, Garden Town, Lahore** in presence of Committee members of Committee on Commodity financing and interested parties or their representatives.


DIRECTOR FOOD PUNJAB 35/3/24
Phone No.042-99212555



DIRECTORATE OF FOOD, PUNJAB LAHORE

BIDDING FORM

**FOR INVITATION OF OFFERS FROM BANKS FOR REGULARIZATION OF
OUTSTANDING LOAN AND OBTAINING FRESH LOAN FACILITY UNDER
COMMODITY FINANCING ON WHEAT ALONGWITH MARKUP RATES FOR THE
QUARTER APRIL-JUNE 2024 DIRECTORATE OF FOOD**

FOR THE QUARTER APRIL-JUNE, 2024

S. No.	Name of Bank	Offered Amount (PKR. Billion)		Markup rate (BPS + 3 Month KIBOR as on 29-03-2024
		Figure	In words	
				----- BPS

We do hereby declare that the terms and conditions published by Directorate of Food have been read / understood and we as a Bank are unconditionally and fully bound to comply with them.

Signature of
Authorized Officer of the bank

Signature of
Authorized Officer of the bank
