CORRIGENDUM I: - Expression of Interest (EOI) for offering "TRADE CREDIT INSURANCE – INVOICE E-DISCOUNTING PLATFORM" for CENTRAL BANK OF INDIA

EMERGING BUSINESS DEPARTMENT

CO: EB:2024-25/160   Date :06.12.2024

Reference No.	Clause in RFP	Changes Made/ Clarifications

Page No.7, Point "Scope of Work"	**Insurance Coverage requirement :**
	
	Exposure of the Bank on the portfolio of TReDS only on A and BBB rated corporates, present and future.
	
	Nature of the Policy – 1. Whole Turnover Basis
	
	              2. Single Invoice covers
		Insurance Coverage requirement :
		
		Exposure of the Bank on the portfolio of TReDS only on A and BBB rated corporates, present and future.
		
		Nature of the Policy – 1. Whole Turnover Basis
		
		              2. Single Invoice covers
		
		Whole Turnover is defined As: *Weighted tenor wise T/o during policy period and to be calculated as:*
		
		*Weighted T/o= $\sum$ (Invoice Amount) * (Invoice tenor)*
		365 or (Policy Period)
		
		*illustration for working of whole turnover is enclosed in Annexure-I(a)

Page No.7, Point "Scope of Work"	**Underlying conditions for coverage** • Both factoring and reverse factoring transactions to be covered. • Minimum liability to be covered is Rs 500 crore with maximum insured percentage.	**Underlying conditions for coverage** • Both factoring and reverse factoring transactions to be covered. • Minimum liability to be covered is Rs 200 crore with maximum insured percentage.

	• Minimum and maximum exposure for individual corporate buyer is Rs 1 cr and Rs 200* crore respectively. (*bank may revise the maximum exposure ceiling as per bank's extant policy.)	• Minimum and maximum exposure for individual corporate buyer is Rs 1 cr and Rs 200* crore respectively. (*bank may revise the maximum exposure ceiling as per bank's extant policy.)
		
		• **Eligible Turnover for Billing: Min of:**
		    1. Actual Whole Turnover
		
		    2. Three (3) Times of approved limit to corporate during the Policy period
		
		• **In cases where NIL/Partial insurance coverage is approved by insurer, T/o will be calculated on the proportionate basis of approved limit by insurer and bank approved exposure.**
		illustration for working of whole turnover in case of partial coverage of insurance is enclosed in Annexure-I(b)

All other Terms & Conditions are same as per our EOI no. CO: EB:2024-25:554 dated 22.11.2024 for offering "TRADE CREDIT INSURANCE – INVOICE E-DISCOUNTING PLATFORM.

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Annexure- I (a)

EXAMPLE FOR CALCULATION OF WHOLE T/O				
S No	**Invoice**	**Invoice Amount (in Rs)- (A)**	**Tenor (days)- (B)**	**C=A*B**
1	Invoice -1	2300000.00	90	207000000
2	Invoice -2	2000000.00	180	360000000
3	Invoice -3	2600000.00	50	130000000
4	Invoice -4	550000.00	60	33000000
5	Invoice -5	2500000.00	100	250000000
	Total	**9950000.00**	**480**	**980000000**
	Weighted T/o = C/365		**2684932.00**	
	Eligible Whole T/o for Billing		**2684932.00**	

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Annexure: I(b)

EXAMPLE FOR CALCULATION OF ELIGIBLE WHOLE T/O IN CASE OF PARTIAL INSURANCE COVERAGE	
Corporate Limit approved by bank	**10,00,00,000.00**
Limit approved By Insurer	**5,00,00,000.00**
Insurance coverage to the approved limit (Z)	**50%**

Discounting details				
S No	**Invoice**	**Invoice Amount (in Rs)- (A)**	**Tenor(days)- (B)**	**C=A*B**
1	Invoice -1	19000000	85	1615000000
2	Invoice -2	500000.00	90	45000000
3	Invoice -3	1000000.00	65	65000000
4	Invoice -4	15000000.00	120	1800000000
5	Invoice -5	8000000.00	145	1160000000
	Total	**43500000.00**	**505**	**4685000000**

Whole Turnover (D)=C/365	**12835616.00**
Eligible Turnover for premium =D*Z (Insurance coverage to the approved limit i.e 50%)	**6417808.00**