

EXPRESSION OF INTEREST

EOI No.: 000/BOB/Tender/2018/002 dated 27/07/2018

Bank of Bhutan invites EOI from national/international firms for Conduct **"SHARE VALUATION OF SHARES OF COMPANIES HELD BY BANK OF BHUTAN"**:-

Bids details:	
EOI Submission Period	From 27/07/2018 to 10/08/2018
Last date and time of Submission:	10/08/2018 at 1300 hours
Place of Submission:	Procurement Unit, BoB, Head Office, Babesa, Thimphu
Opening date:	10/08/2018 at 1500 hours
Venue for Opening of bid	BoB, Head Office, Babesa, Thimphu
Website:	http://www.bob.bt

The EOI document can be obtained from our website (**www.bob.bt**) or send a request for EOI document to tshewang.rinzin@bob.bt and younten.phuntsho@bob.bt

Expression of Interest to Conduct Share Valuation

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I have read and hereby correctly state data/ accept all terms/ conditions/ criteria / other aspects, mentioned above on this page, unconditionally,

Signature & Seal _____ (Authorized Signatory)

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ADVERTISEMENT NOTICE FOR INVITING EXPRESSION OF INTEREST

Project :Share Valuation of the shares of companies held by Bank of Bhutan Ltd.(BoB).

Financing :Bank of Bhutan Limited.(BoB).

1. EOI documents duly completed in English should be emailed to younten.phuntscho@bob.bt followed by original copy on or before the 10th August 2018 at 1300 hours. Application will be opened on the 10th Aug 2018 at 1500 hours in the presence of bidders.
2. In case the due date of submission and opening of the bid becomes non-working day due to any unavoidable circumstances, submission and opening of bid shall be in next working day at the same time.
3. Application should be signed by the authorized person along with the vendor's official seal.
4. Information submitted by the applicants will be treated as confidential and the application forms will not be returned.
5. The bank, however, reserves the right to open the documents in the absence of the company's/firm's authorized representative as well.
6. Application received after the due date will not be entertained.
7. The bank also reserves the right to accept or reject any or all EOIs received.
8. The bank also reserves the right to award the work individually or as a whole or not award the at all.
9. Name of the shortlisted applicants will be made published/informed.
10. The EOI notice and related documents can be viewed at the Bank's website: <http://www.bob.bt>

1. Letter of application

Bids shall be delivered by hand, courier or registered post to the following address during office hours.
Quotation/EOI by fax or electronic means is not acceptable

Procurement Officer
Head Office, Babesa,
Bank of Bhutan Limited
Post Box No.:102
Thimphu, Bhutan

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2. Background

Bank of Bhutan Limited (BoB) was established in May 1968 by a Royal Charter and was the country's only banking institution until 1997. It also acted as the Central Bank of Bhutan till the Royal Monetary Authority of Bhutan was set up in 1982. BOBL is registered under the Companies Act of the Kingdom of Bhutan 2000 as a public sector commercial bank.

The ownership of Bank of Bhutan Limited is vested with the Druk Holding and Investments Limited (DHI) and the State Bank of India (SBI) in the proportion of 80:20 equity holdings respectively.

Currently, Loans and Advances are the major income generation for the bank. With the growth of the market and opportunity for investment, BOBL also invest in Commercial paper, Treasury Bills and invest in shares as a part of income generation for the Bank.

BOB's Investment in Shares

Bank may decide to give full or individual company (At discretion of BOB)

Sl.No	Fully Paid up Shares in	Total No. of Shares	No. of Shares held by BOB
1	Bhutan Board Products Limited	14,000,140	1,724,000
2	Bhutan Development Bank Ltd	300,000	12,726
3	Bhutan Carbide & Chemicals Ltd	10,000,000	1,584,500
4	Bhutan Ferro Alloys Limited	15,000,000	503,800
5	Penden Cement Authority Ltd	34,000,070	37,950
6	Druk Ferro Alloys Limited	28,977,620	1,182,720
7	State Trading Corporation of Bhutan Ltd	18,000,160	1,270,440
8	RSEBL	720,000	162,000
9	Credit Information Bureau	250,000	17,500
10	FITI	9,000,000	1,800,000
	Total		118,004,710.45

As the requirement for standardized reporting system has been recognized, all financial institution has to be compliant with International Financial Reporting Standard (IFRS). The standard requires all financial assets to be fair valued. Therefore, Fair value measurement (IFRS/BFRS 13) of the shares forms part of the requirement.

3. Existing Practice

At present, the value of the shares invested by BOB in different companies are accounted at cost. Now with the implementation of BAS accounting standards bank needs to value the shares under fair value measurement method as per BFRS 13.

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4. Scope

The proposed Valuation should take into account the following requirements:

1. BAS compliance
2. Independent assessment of value of shares held by Bank of Bhutan Limited.
3. To derive the worth of the shares as per fair value of shares held by Bank of Bhutan Limited as at 31.12.2014, 31.12.2015, 31.12.2016, 31.12.2017 & 2018.
4. Use the share value for Bank's future requirements.
5. Determine the most applicable approaches in the appropriate market and disclose the details of levels applied for the fair value measurement.

5. Term for Completion

Timeframe for completion shall be 2 months from the date of award.

6. Eligibility Criteria for the Bidders

The following documents are required to be submitted along with the bid:

- a. Copy of certificate of incorporation
- b. Tax clearance
- c. Proof of Empanelment with the Royal Audit Authority of Bhutan

7. Details of Applicant

- | |
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| <ol style="list-style-type: none">1. Name of the Company/Firm/Society/Organization2. Postal Address3. Phone No. Mobile, email:4. Name of Proprietor5. Details of assignments of Share Valuation undertaken by the firm (Enclose separate sheets)<ol style="list-style-type: none">5.1. The <u>details of the assignment in the relevant area</u> for which the bid is made6. Name and designation of the Contact Person: With Phone No., Mobile and email id:7. a. Details of Human Resources available: (enclose separate sheets)<ol style="list-style-type: none">b. Names and designations of persons available and other relevant certifications |
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- c. Details of experience of such persons in Share Valuation
- d. Details of experience in banking related applications:
- 8. Details of Share Valuation of the individual companies
- 9. Capability to perform the assignment without out-sourcing

8. Shortlisting Criteria

Application forms will be assessed on the basis of criteria mentioned above. Only those Firms/Companies who fulfill the mentioned criteria will be shortlisted/informed and will be invited for presentation.

“THANK YOU”

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