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**INDIA SME ASSET RECONSTRUCTION COMPANY LIMITED**

**Request for Proposal**

**APPOINTMENT OF MERCHANT BANKER FOR PRIVATE PLACEMENT OF EQUITY SHARES**

**[RFP No.002/2023/PP dated April 25 , 2023]**

**Notice of Confidentiality:**

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**Important Clarifications**

Some terms have been used in the document interchangeably for the meaning as mentioned below:

1. ‘The Company’ or ‘ISARC’ means ‘India SME Asset Reconstruction Company Limited’.
2. ‘Successful Bidder’ refers to the bidder who gets selected by ISARC after completion of evaluation process.
3. ‘Service Provider’ refers to the successful bidder who provides the services to ISARC after the contract is awarded by the Company, also abbreviated as ‘SP’.
4. ‘RfP’ or ‘Tender’ means the ‘Request for Proposal’ document.
5. ‘Bid’ may be interchangeably referred to as ‘Offer’.
6. ‘Commercial Bid’ may be referred interchangeably as ‘Financial Bid’.
7. ‘Respondent / Recipient / Bidder / Applicant / Merchant Banker’ means the eligible entity or firm which is submitting its proposal for providing services to ISARC.
8. ‘Partner’ means a professional sharing profit in the firm / LLP of Chartered Accountants as defined under Partnership Act and / or Limited Liability Partnership Act.
9. ‘Personnel / Professional’ means full time staff who is on the payroll of the bidder.
10. ‘Proposal / Bid’ means the Technical Proposal and the Commercial Proposal.
11. ‘Assignment / Job’ means the work to be performed by the Merchant Banker pursuant to the contract.
12. ‘Contract’ means the appointment letter / contract signed by the parties and all the attached documents and the appendices.
13. ‘Day’ means calendar day.
14. ‘Parties’- party or parties means ISARC or Bidder / Selected Bidder / Merchant Banker or both as the case may be.
15. Financial Institutions (FIs) means [Export - Import Bank of India](https://en.wikipedia.org/wiki/Exim_Bank_%28India%29) (Exim Bank), [National Bank for Agriculture and Rural Development](https://en.wikipedia.org/wiki/National_Bank_for_Agriculture_and_Rural_Development) (NABARD), [Small Industries Development Bank of India](https://en.wikipedia.org/wiki/Small_Industries_Development_Bank_of_India) (SIDBI) and [National Housing Bank](https://en.wikipedia.org/wiki/National_Housing_Bank) (NHB).

**TABLE OF CONTENTS**

[1. Introduction and Disclaimers 6](#_Toc477792978)

[1.1 Preface 6](#_Toc477792979)

[1.2 Information Provided 6](#_Toc477792980)

[1.3 For Respondent only 6](#_Toc477792981)

[1.4 Disclaimer 6](#_Toc477792982)

[1.5 Costs to be borne by Respondents 7](#_Toc477792983)

[1.6 No Legal Relationship 7](#_Toc477792984)

[1.7 Recipient Obligation to Inform Itself 7](#_Toc477792985)

[1.8 Evaluation of Offers 7](#_Toc477792986)

[1.9 Acceptance of Selection Process 7](#_Toc477792987)

[1.10 Errors and Omissions 7](#_Toc477792988)

[1.11 Acceptance of Terms 7](#_Toc477792989)

[1.12 Requests for Proposal 7](#_Toc477792990)

[1.13 Notification 8](#_Toc477792991)

[**2.** **Information to Bidders** 9](#_Toc477792992)

[2.1 Earnest Money Deposit (EMD) 9](#_Toc477792994)

[2.2 RfP closing date 9](#_Toc477792995)

[2.3 RfP Validity Period 9](#_Toc477792996)

[2.4 Late RfP Policy 9](#_Toc477792997)

[2.5 Receiving of RfP Response 9](#_Toc477792998)

[2.6 Requests for information 10](#_Toc477792999)

[2.7 Pre-Bid Meeting 10](#_Toc477793000)

[2.8 Disqualification 10](#_Toc477793001)

[2.9 Selection process 10](#_Toc477793002)

[2.10 Details of Bids to be Submitted 11](#_Toc477793003)

[2.11 Non-disclosure Agreement 12](#_Toc477793005)

[2.12 Important 12](#_Toc477793006)

[**3.** **Background** 13](#_Toc477793007)

[3.1 Introduction 13](#_Toc477793008)

[**4. Project Scope** 14](#_Toc477793009)

[4.1 Objective 14](#_Toc477793010)

[4.2 Project Scope / Terms of Reference (ToR):- 14](#_Toc477793011)

[4.3 General 14](#_Toc477793012)

[**5. Minimum Eligibility Criteria 16**](#_Toc477793013)

[**6. Evaluation Methodology 19**](#_Toc477793014)

[6.1 Evaluation process 19](#_Toc477793015)

[6.2 Technical Scoring methodology: 19](#_Toc477793016)

[6.3 Evaluation of Commercial Bid 22](#_Toc477793017)

[7. **General terms and conditions to contract 23**](#_Toc477793018)

[7.1 Non transferable bid 23](#_Toc477793019)

[7.2 Format and signing of Bid 23](#_Toc477793020)

[7.3 Process of Final selection 23](#_Toc477793021)

[7.4 Award of Contract 23](#_Toc477793022)

[7.5 Clarification of Bids 23](#_Toc477793023)

[7.6 Notification of Awards 23](#_Toc477793024)

[7.7 Acceptance of Work Order 24](#_Toc477793025)

[7.8 Schedule for the proposed assignment & Payment Terms 24](#_Toc477793026)

[7.9 Bank reserves the right to the following: 24](#_Toc477793027)

[7.10 Other Terms: 25](#_Toc477793028)

[7.11 Compliance Confirmation 26](#_Toc477793029)

[7.12 Assignment 26](#_Toc477793030)

[7.13 Indemnity 26](#_Toc477793031)

[7.14 Representations and Warranties 26](#_Toc477793032)

[7.15 Confidentiality Clause 28](#_Toc477793033)

[7.16 Termination of Contract 28](#_Toc477793034)

[7.17 Publicity 28](#_Toc477793035)

[7.18 Resolution of Disputes 28](#_Toc477793036)

[7.19 Governing Language 29](#_Toc477793037)

[7.20 Governing Law/Jurisdiction 29](#_Toc477793038)

[8. **Annexures and Appendix 30**](#_Toc477793039)

[8.1 Annexure A –Proposal Form and Technical Offer 30](#_Toc477793040)

[8.2 Annexure B TECHNICAL BID: Bidder’s Profile 32](#_Toc477793041)

[8.3 Annexure: C COMMERCIAL OFFER 33](#_Toc477793042)

[8.4 Annexure –D: Minimum Eligibility Criteria 34](#_Toc477793043)

[8.5 Annexure E – Declaration regarding Clean Track Record 36](#_Toc477793044)

[8.6 Annexure F – Bank Mandate Form 37](#_Toc477793045)

[8.7 ANNEXURE- G Non-Disclosure Agreement 39](#_Toc477793046)

[8](#_Toc477793047)

Critical Information

 (RfP No.002/2023/PP dated April 25, 2023)

|  |  |  |  |
| --- | --- | --- | --- |
| **SNo.****क्र.सं.** | **Events / कार्यक्रम** | **Date/ तिथि** | **Time/ समय** |
| 1 | Last date for seeking clarifications for pre-bid meeting | Clarification, if any, regarding RfP may be asked in writing through e-mail not later than May 08, 2023 on mail id: cs@isarc.in  | 5:00 pm |
| 2 | Pre-Bid meeting (*no clarifications would be given after pre-bid meeting)*  | **May 10, 2023** | **3:00 pm** |
| 3 | Last date for submission of bids | **May 15, 2023** | **3:00 pm** |
| 4 | Address for Bid Submission | **The Chief Executive Officer,**India SME Asset Reconstruction Company LimitedC/o Small Industries Development Bank of India,Show Room 1 & 2, Upper Ground FloorSamrudhi Venture Park, Andheri (East),**Mumbai - 400 049** |
| 5 | Date & Time of Opening of Minimum Eligibility bid &Technical bid  | **May 15, 2023** | **5:00 pm** |
| 6 | Bid Validity | **365 days** from the last date of bid submission. |
| 7 | Date and time of opening of commercial bids  | To be intimated at a later date |
| 8 | Contact details of ISARC official | The Chief Financial Officer | Company Secretary |
| cs@isarc.in,cfo@isarc.in |

# Introduction and Disclaimers

## Preface

This Request for Proposal document (‘RfP document’ or RfP) has been prepared solely for the purpose of enabling ISARC to select Merchant Banker for arranging infusion of additional equity capital of Rs.200 crore or more in the Company through Private Placement. The RfP document is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement, in respect of the services. The provision of the services is subject to observance of selection process and appropriate documentation being agreed between ISARC and any successful Bidder as identified by ISARC, after completion of the selection process as detailed in this document.

## Information Provided

The RfP document contains statements derived from information that is believed to be relevant at the date but does not purport to provide all of the information that may be necessary or desirable to enable an intending contracting party to determine whether or not to enter into a contract or arrangement with ISARC. Neither ISARC nor any of its employees, agents, contractors, or advisors gives any representation or warranty, express or implied, as to the accuracy or completeness of any information or statement given or made in this document. Neither ISARC nor any of its employees, agents, contractors, or advisors has carried out or will carry out an independent audit or verification exercise in relation to the contents of any part of the document.

## For Respondent only

The RfP document is intended solely for the information of the party to whom it is issued (“the Recipient” or “the Respondent” or “the Bidder”) i.e. Partnership Firm / Limited Liability Partnership / Company registered in India. It should not be Individual / Proprietary Firm / HUF etc.

## Disclaimer

Subject to any law to the contrary, and to the maximum extent permitted by law, ISARC and its directors, officers, employees, contractors, representatives, agents, and advisers disclaim all liability from any loss, claim, expense (including, without limitation, any legal fees, costs, charges, demands, actions, liabilities, expenses or disbursements incurred therein or incidental thereto) or damage, (whether foreseeable or not) (“Losses”) suffered by any person acting on or refraining from acting because of any presumptions or information (whether oral or written and whether express or implied), including forecasts, statements, estimates, or projections contained in this RfP document or conduct ancillary to it whether or not the Losses arise in connection with any ignorance, negligence, inattention, casualness, disregard, omission, default, lack of care, immature information, falsification or misrepresentation on the part of ISARC or any of its directors, officers, employees, contractors, representatives, agents, or advisers.

## Costs to be borne by Respondents

All costs and expenses incurred by Respondents in any way associated with the development, preparation, and submission of responses, including but not limited to the attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by ISARC, will be borne entirely and exclusively by the Respondent.

## No Legal Relationship

No binding legal relationship will exist between any of the Respondents and ISARC until execution of a contractual agreement.

## Recipient Obligation to Inform Itself

The Recipient must apply its own care and conduct its own investigation and analysis regarding any information contained in the RfP document and the meaning and impact of that information.

## Evaluation of Offers

Each respondent acknowledges and accepts that ISARC may in its absolute discretion apply selection criteria specified in the document for evaluation of proposals for short listing / selecting the eligible service provider(s). The RfP document will not form part of any contract or arrangement, which may result from the issue of this document or any investigation or review, carried out by a recipient.

## Acceptance of Selection Process

Each Recipient / Respondent having responded to this RfP acknowledges to have read, understood and accepted the selection & evaluation process mentioned in this RfP document. The Recipient / Respondent ceases to have any option to object against any of these processes at any stage subsequent to submission of its responses to this RfP.

## Errors and Omissions

Each Recipient should notify ISARC of any error, fault, omission, or discrepancy found in this RfP document but not later than seven business days prior to the due date for lodgment of response to RfP.

## Acceptance of Terms

Recipient will, by responding to ISARC’s RfP, be deemed to have accepted the terms of this Introduction and Disclaimer.

## Request for Proposal

1. Recipients are required to direct all communications related to this RfP, through the Nominated Point of Contact persons :

|  |  |
| --- | --- |
| **Contact persons** | **Email ID** |
| Company Secretary, ISARC | cs@isarc.in, |

1. ISARC may, in its absolute discretion, seek additional information or material from any Respondents after the RfP closes and all such information and material provided must be taken to form part of that Respondent’s response.
2. Respondents should provide details of their contact person, telephone, , e-mail and complete address to ensure that replies to RfP could be conveyed promptly.
3. If ISARC, in its absolute discretion, deems that the originator of the question will gain an advantage by a response to a question, then ISARC reserves the right to communicate such response to all Respondents.
4. ISARC may, in its absolute discretion, engage in discussion with any Respondent (or simultaneously with more than one Respondent) after the RfP closes to improve or clarify any response.

## Notification

ISARC will notify all short-listed Respondents in writing or by email as soon as practicable about the outcome of their RfP. ISARC is not obliged to provide any reasons for any such acceptance or rejection.

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# Information to Bidders

## Earnest Money Deposit (EMD)

1. All the responses must be accompanied by a refundable interest free **Earnest Money Deposit (EMD) of Rs.50,000/- (Rupees Fifty Thousand only).**

2. EMD should be in the form of Demand Draft / Pay order / Bankers Cheque in favour of “India SME Asset Reconstruction Co Ltd” payable at Mumbai.

3. The Demand Draft should be of a Scheduled Commercial Bank only and will be accepted at the discretion of the Bank.

4. No interest will be paid on EMD.

5. The EMD amount of all unsuccessful bidders would be refunded upon occurrence of any of the following events, whichever is earlier:

a) Receipt of acceptance of the contract from the successful bidder.

**OR**

b) The end of the bid validity period, including extended period (if any),

6. Successful Bidder will be refunded the EMD amount after submission of the acceptance of the offer letter/signed contract/documents by the bidder.

7. The EMD may be forfeited if:

a) Bidder withdraws its bids during the period of bid validity.

b) Bidder makes any statement or encloses any form which turns out to be false/ incorrect at any time prior to signing of the contract.

c) In case of successful Bidder, if the Bidder fails to sign the contract.

d) Besides forfeiting the EMD, the ISARC may ban the bidder from subsequent bidding for a period of 3 years.

## RfP closing date

Response to RfP should be received by ISARC not later than the time mentioned in ‘Critical Information’ section above, at the defined address of ISARC Office premises.

## RfP Validity Period

The Bids must remain valid and open for evaluation according to their terms for a period of **365 days** from the date of the submission of bids.

## Late RfP Policy

Responses received after the due date / time would be considered late and may not be accepted or opened. Bids received late shall be returned un-opened **within 02 weeks from the bid submission date.**

## Receiving of RfP Response

The submission of the response should be in the format outlined in this RfP and should be submitted preferably through hand delivery or alternatively, through post or courier. The responses shall be deposited in the Tender Box kept at the ISARC premises at Mumbai. If the RfP response does not include all the documents and information required or is incomplete or submission is through email mode, the RfP is liable to be summarily rejected. All submissions, including any accompanying documents, will become the property of ISARC. The recipient shall be deemed to have licensed, and granted all rights to ISARC to reproduce the whole or any portion of their submission for the purpose of evaluation and to disclose and/or use the contents of the submission as the basis for any resulting RfP process.

## Requests for information

1. Recipients are required to direct all communications for any clarification related to this RfP, to the designated ISARC officials and must communicate the same in writing by the time mentioned in ‘Critical Information’ section above. No query / clarification would be entertained over phone.
2. All queries relating to the RfP, technical or otherwise, must be in writing only and may be sent via email. ISARC will try to reply, without any obligation in respect thereof, every reasonable query raised by the Recipients in the manner specified. However, ISARC will not answer any communication reaching the Company later than the time stipulated for the purpose.
3. ISARC may in its absolute discretion seek, but under no obligation to seek, additional information or material from any Respondents after the RfP closes and all such information and material provided must be taken to form part of that Respondent’s response. Respondents should invariably provide details of their email address as responses to queries will be provided to all Respondents via email.
4. ISARC may in its sole and absolute discretion engage in discussion with any Respondent (or simultaneously with more than one Respondent) after the RfP closes to clarify any response.

## Pre-Bid Meeting

1. ISARC shall hold a pre-bid meeting on the date and time mentioned in ‘Critical Information’ section above. Purpose of the meeting is to bring utmost clarity on the scope of work and terms of the RfP being floated. The Bidders are expected to use the platform to have all their queries answered. No query will be entertained after the pre-bid meeting.
2. It would be the responsibility of the Bidders to be present at the venue of the meeting.
3. Clarification sought by bidder should be made in writing (Letter/E-mail etc.) and submitted on or before the date as indicated in the “Critical Information” Section. ISARC has discretion to consider any other queries raised by the bidder’s representative during the pre-bid meeting.
4. The text of the clarifications asked (without identifying the source of enquiry) and the response given by ISARC, together with amendment to the bidding document, if any, will be posted on the ISARC website ([www.isarc.in](http://www.isarc.in)) within 3 working days of the pre-bid meeting. It would be the responsibility of the Bidder to check the website before final submission of bids.
5. If ISARC, in its absolute discretion, deems that the originator of the question will gain an advantage by a response to a question, then ISARC reserves the right to communicate such response to all Respondents.

## Disqualification

Any form of canvassing/ lobbying/ influence/ query or request regarding short listing, status etc. will result in a disqualification.

## Selection process

Successful Bidder will be selected through three bids evaluation process:

**[A].** Eligibility evaluation **[B]**. Technical evaluation **[C]**. Commercial evaluation.

## Details of Bids to be Submitted

1. Bidders are required to submit their responses in THREE envelopes, with contents of each as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Envelope** | **Bid Contents** | **No. of Copies** | **Label of Envelope** |
| **I** | **Minimum Eligibility Bid**1. Response to Minimum Eligibility Criteria as per format prescribed in **Annexure-D**
2. DDs/Instruments towards Earnest Money Deposit **(EMD)**
3. Declaration regarding clean track record, as per format prescribed in **Annexure-E**
4. Bank Mandate Form as per format prescribed in **Annexure-F**
 | One Hardcopy | **“Minimum Eligibility** -Appointment of Merchant Banker -RfP No.002/2023/PP dated April 25, 2023” |
| **II** | **Technical Bid**The Technical Bid should contain the following information: 1. Covering letter along with proposal form as per **Annexure- A** of this document.
2. Bidder’s Profile along with necessary documentary evidence required for the present RfP engagement and all relevant enclosures as detailed in **Annexure-B** of this document.
3. Any additional information including assumptions that the Merchant Banker may think fit but not included elsewhere in the proposal, which will help ISARC to assess the capabilities of the Merchant Banker.
4. Duly signed authority letter by the competent authority of the bidder, authorizing the executants to sign the bid on behalf of the firm.

Note: Technical Bid shall not include any financial information. A technical bid containing information on the commercial bid shall be declared invalid and be rejected. | OneHardcopy  | “**Technical Bid -**Appointment of Merchant Banker -RfP No.002/2023/PP dated April 25, 2023” |
| **III** | **Commercial Bid**Commercial Bid as per format prescribed in **Annexure- C** | OneHardcopy  | **“Commercial Bid-**Appointment of Merchant Banker -RfP No.002/2023/PP dated April 25, 2023” |

Above mentioned three separately sealed envelopes should be put together in another large sealed envelope super-scribing “Appointment of Merchant Banker - RfP No.002/2023/PP dated April 25, 2023”

1. All the individual envelopes must be super-scribed with the following information as well:
	* 1. Name of the bidder, Contact Number and mail id.
		2. Bids should be enclosed with all relevant documentary proofs / certificates duly sealed and signed.

## Non-disclosure Agreement

Selected bidder has to submit Non-disclosure Agreement as per the format at **Annexure – G.**

## Important

Bidders must take the following points into consideration during preparation and submission of bids:

1. Official seal must be affixed and initialed by the authorized signatory of the Respondent on all the pages of the response. Relevant documents must be submitted as proof wherever necessary.
2. E-mailed copies of any submission are not acceptable and will be rejected by ISARC.
3. Responses should be concise and to the point. Submission of irrelevant documents must be avoided.
4. If the bids do not contain all the information required or is incomplete, the proposal is liable to be rejected.
5. The RfP is floated on ISARC website <http://www.isarc.in>, ISARC reserves the right to change the dates mentioned under ‘Critical Information’. Changes and clarification, if any, related to RfP will be posted on ISARC website. Bidders must have close watch on ISARC website during the intervening period before submitting response to RfP.
6. The bidder cannot quote for the project in part.
7. Each bidder shall submit only one proposal.

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# Background

## Introduction

India SME Asset Reconstruction Company Limited (ISARC) is an Asset Reconstruction Company (ARC) supported by SIDBI and a large number of public sector banks and undertakings. It strives for speedier resolution of NPAs with a focus on MSME sector. ISARC endeavors to unlock the value in idle stressed(NPA) assets for productive purposes which facilitates greater and easier flow of credit from the banking sector to the MSMEs.

Please visit ISARC website at [www.isarc.in](http://www.isarc.in) for more information about ISARC.

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# Project Scope

## Objective

ISARC intends to appoint a Merchant Banker by inviting competitive quotes to be submitted by minimum Category-II Merchant Banker approved by SEBI, for arranging infusion of additional equity capital of Rs.200 crore or more in the Company through Private Placement. The scope of the assignment will be as under:

## Project Scope / Terms of Reference (ToR):-

The Merchant Banker shall be responsible for making an assessment of fair market value of equity share capital in ISARC, adopting, inter alia, the procedures stipulated under applicable laws and various methodologies / techniques / best market practices predominantly used to arrive at the valuation of the said/such company. Valuation Report of the ISARC along with recommended Reserve Price are to be submitted by the Merchant Banker within 10 working days from the date of assignment to ISARC for its acceptance. Acceptance of the same shall be subject to sole discretion of ISARC.

Further, the Merchant Banker shall shortlist at least three investors amongst the investors identified by ISARC in order of preference and also be responsible for financial due diligence of the Investors within 4 weeks’ time from the date of assignment. Only one of the identified Investors will be selected by the Board of the ISARC for allotment of shares, which will become a Sponsor of the Company (holding minimum 10% of the total paid-up capital of ISARC post issue. The ultimate allotment of shares is subject to RBI approval for change in Sponsors. In determining whether the investors are fit and proper, the Merchant Banker shall take into account all relevant factors, as appropriate, including, but not limited to the following:

The integrity, reputation, track record and compliance with applicable laws and regulations including legal due diligence.

The track record and reputation for operating business in a manner that is consistent with the standards of good corporate governance, in addition to the similar assessment of individuals and other entities associated with the Investor

The business record and experience of the Investor

Sources and stability of funds for current and future capital infusion in ISARC and the ability to access financial markets.

The scope of the assignment also includes services by way of drafting of Offer Letter and other relevant documents / agreements, and advising on compliance with Laws, Rules, Regulations, etc. on issue and allotment of share on Private Placement basis (i.e. end to end solution till successful conclusion of the transaction in the form of infusion of funds by the new investor and allotment of shares in favour of the investor).

Competitive quotes may be given separately for “A” and “B” & “C” above. The fee of the Merchant Banker would be paid by ISARC directly on the basis of invoice to be raised by them upon successful completion of each stage of the Private Placement (“A” and “B” & “C”).

## General

1. ISARC shall appoint a Merchant Banker as per the needs and requirements of the Company. The selection will be on the basis of eligibility criteria, past experience, credentials and suitability. However, merely satisfying the eligibility criteria will not entitle an applicant to be selected.
2. The evaluation of the bids will be done by the Company. Decision of ISARC in all matters regarding appointment of Merchant Banker, its eligibility, the stages at which such scrutiny of eligibility is to be undertaken, the documents to be produced, award of assignment and any other matter relating to this notification will be final and binding on the bidders. No correspondence or personal enquiries shall be entertained by ISARC in this regard.

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# Minimum Eligibility Criteria

1. Proposals not complying with the ‘Minimum Eligibility criteria’ are liable to be rejected and will not be considered for further evaluation.
2. The proposal should adhere to the following minimum eligibility criteria.

|  |  |  |
| --- | --- | --- |
|  **S.No.** | **Eligibility Criteria** | **Documents to be submitted**  |
| **1** | Should be a minimum **Category II** Merchant Banker approved by SEBI and should be qualified to undertake the assignment. | Copy of valid Certificate of Registration of **Category-I / II** Merchant Banker issued by SEBI or any equivalent document.  |
| **2** | The Bidder shall be an Merchant Banking Institution with experience of 5 (five) years or more. The bidder should have necessary domain expertise of having handled minimum of 3 deals (with minimum transaction size of Rs. 200 Crore) of similar nature in India during the period April 01, 2020 to March 31, 2023.  | Copy of certificate of incorporation / registration or other Constitutional Documents. In respect of assignments undertaken in the last 3 years from April 01, 2020 to March 31, 2023, certificate from its Client and / or certificate from statutory auditors as on 31.3.2023 indicating fee income received from those business.Details of activities outsourced, if any.In case of difficulty in getting its client’s certificate, firm / company auditors certificate be submitted along with the details of the client, contact person & other related details so that ISARC can undertake independent verification of the bidders claim.In the event of non-submission of contact details for verification of the completed assignments or nil / non-satisfactory response received from the clients on verification by ISARC, no marks shall be awarded for such assignments. |
| **3** | The Bidder must have minimum audited turnover of not less than Rs.10 Crore (Rupees Ten Crore) per annum in the last 3 (three) years.  | Audited financial statements to support the eligibility.  |
| **4** | The bidder should not have been prohibited / barred / black listed / disqualified by any regulatory authority / court or tribunal or any authority offering such services / statutory body / Central Government / State Government / SEBI / RBI or IRDA or any authority in India in the past or is pending.  | Self-declaration / Certificate to this effect. |
| **5** | Bidding in Consortium is not permitted. | Self-declaration / Certificate to this effect. . |
| **6** | The Bidder’s Firm / company should not be owned or controlled by any Director or Employee of ISARC and its Sponsor institution / banks (SIDBI, SIDBI Venture Capital Ltd., Punjab National Bank and Bank of Baroda).  | A self-declaration by the Bidder on Bidder’s letter head.  |
| **7** | No pending litigation(s) and contingent liabilities, which could affect the performance of the Bidder under the mandate. | Details of pending litigation(s) and contingent liabilities, if any, that could affect the performance of the Bidder under the mandate, as also the details of any past conviction and criminal proceeding(s) against sponsors/ Directors/ partners of the Bidder. |
| **8** | There should not have been any disciplinary action / adverse order against the Bidder by any company / entities / regulator / statutory authority. | A Declaration on the Letter Head of the Bidder that the Bidder has not been debarred or blacklisted by anyone and no adverse order(s) has been passed against the Bidder by any company / entities / regulator / statutory authority. |
| **9** | Others | Area of possible conflict of interest, if any. |

**(3) Conflict of Interest***.*

[a]The Merchant Banker shall not receive any remuneration in connection with the assignment except as provided in the contract.

[b] The Merchant Banker and its affiliates shall not engage in such activities that conflict with the interest of ISARC. The Merchant Banker should provide professional, objective and impartial advice and at all times hold the ISARC’s and other select stake holders of ISARC interests paramount, without any consideration for future work, and that in providing advice, they should avoid conflicts with other assignments and their own corporate interests. It is clarified that the bidder shall not undertake any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to carry out the assignment in the best interest of ISARC.

[c] Without limitation on the generality of the fore-goings, the selected bidder and any of their affiliates and member firms, shall be considered to have conflict of interest and shall not be engaged under any of the circumstances set forth below:

(i) Conflict among merchant banking assignments:Merchant Banker (including their personnel) or any of their affiliates and members shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Merchant Banker to be executed for the same or / and any other employer.

(ii) Relationship with the staff: Merchant Banker (including their personnel) that have a business or family relationship with a member of ISARC’s staff or other stakeholders of ISARC who are directly or indirectly involved in any part of (a) the preparation of the RfP or the contract or terms of reference or assignment, (b) the selection process for such assignment / contract, or (c) supervision of such contract; may not be awarded a contract, unless it is established to the complete satisfaction of the employing authority, for the reason to be recorded in writing, that such relationship would not affect the aspects of fairness and transparency in the selection process and monitoring of Merchant Bankers’ work because of resolution of conflict stemming from such relationship in a fair and reasonable manner throughout selection process and execution of the contract.

[d] The bidders have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interests of ISARC, or that may reasonably be perceived as having this effect. The bidders will disclose in their tender details of any circumstances, including personal, financial and business activity that will, or might, give rise to a conflict of interest if they are awarded contract pursuant to RfP.

[e] If tenderer identify any potential conflict, at any stage of their engagement, they should forthwith inform ISARC and state how they intend/plan to avoid such conflicts.

[f] ISARC reserves the right to reject any tender which, in ISARC’s opinion, gives rise, or could potentially give rise to, a conflict of interest. The decision of ISARC shall be final and binding on all the parties.

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

# Evaluation Methodology

## Evaluation process

1. ISARC has adopted a three (3) bid process in which the Bidder has to submit following bids in separate envelopes at the time of submission of bids as stipulated in this document.

#### Minimum Eligibility Criteria

#### Technical Bid

#### Commercial Bid

1. ISARC shall evaluate first the ‘Eligibility Criteria’ bids. In the event of eligibility criteria being met, the Technical Bids will be opened and scores will be given based on the bid submission.
2. bidders scoring a minimum of 75% marks in the technical bid will qualify for commercial evaluation and their commercial bids will be opened.
3. For final award of the assignment, a combined evaluation shall be done by applying a weightage of 70 and 30 for the technical and commercial scores respectively, according to the following formula for those found qualified in the technical bidding.

**Combined score of Bidder “x” will be computed as follows:**

**Combined score =**70 \* (Technical score of Bidder “x” / Highest Technical Score among all Qualified Bidders)

PLUS

30 \* (Lowest Commercial Bid among all Qualified Bids / Commercial bid of Bidder “x”)

(c) All marks will be rounded off up to 2 decimal places.

(d) In case of a tie, preference will be given to the bidder having higher technical score.

1. The successful bidder will be the one who secures highest combined score. Shortlisted bidders will be ranked on the basis of the above combined score. The bidder securing highest combined score shall be recommended for award of the contract.
2. The evaluation of the Bids by ISARC will be undertaken by a Committee of officials or/and representatives formed by ISARC and its decision will be final.
3. All the documentary proofs are to be submitted along with the bid in this regard.
4. Bidders must not present any reference as credential for which it is not in a position to present the verifiable facts/documents. ISARC would not consider any statement as a credential, if same cannot be verified as per its requirement for evaluation.
5. During evaluation, ISARC at its discretion can ask the bidders for clarifications.
6. ISARC may waive off any minor infirmity or nonconformity or irregularity in a bid, which does not constitute a material deviation, provided such a waiving, does not prejudice or affect the relative ranking of any bidder.
7. ISARC reserves all rights to accept or reject any or all proposals without assigning any reasons thereof.

## Technical Scoring methodology:

The technical scoring of the proposals will broadly be on the following criteria:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **S. No.** | **Description** |  |  | **Total** |
| 1. | Profile of the Bidder |  |  | 20 |
|  | Established presence in India |  | 5 |  |
|  | Established for 10 yrs and above | 5 |  |  |
|  | More than 7 yrs: less than 10 yrs | 3 |  |  |
|  | More than 5 yrs: less than 7 yrs | 2 |  |  |
|  | Details of global network / strength & capabilities, preferably global presence |  | 5 |  |
|  | Profile & business activities of the bidder in the last 3 year |  | 5 |  |
|  | Turnover from consultancy services relating to disinvestment / strategic sale / investment banking / QIP / private placement of buy or sell transactions / M & A / Valuation / Due Diligence more than INR 10 crore | 5 |  |  |
|  | Turnover from consultancy services relating to disinvestment / strategic sale / investment banking / QIP / private placement of buy or sell transactions / M & A / Valuation / Due Diligence more than INR 5 crore and less than INR 10 crore | 3 |  |  |
|  | Turnover from consultancy services relating to disinvestment / strategic sale / investment banking / QIP / private placement of buy or sell transactions / M & A / Valuation / Due Diligence less than INR 5 crore | 2 |  |  |
|  | Bidder must have a dedicated advisory team in India with local presence in Mumbai to ensure liaison / interaction with management of ISARC |  | 5 |  |
|  | Presence in Mumbai with / without office elsewhere in India | 5 |  |  |
|  | Presence in other places without office in Mumbai | 3 |  |  |
| 2 | Transaction Expertise |  |  | 25 |
|  | Domain expertise, experience & understanding of banks / financial institutions / NBFCs for past 3 years – Number of transactions with consultancy services relating to disinvestment / strategic sale / investment banking / QIP / private placement of buy or sell transactions / M & A / Valuation / Due Diligence |  | 10 |  |
|  | Above 5 transactions  | 10 |  |  |
|  | 3 to 5 transactions  | 8 |  |  |
|  | Domain expertise, experience & understanding of transactions handled in stressed asset space in last 3 years  |  |  |  |
|  | Number of transactions |  | 10 |  |
|  | 3 or more transactions  | 10 |  |  |
|  | At least 2 but less than 3 transactions | 5 |  |  |
|  | At least 1 transaction | 3 |  |  |
|  | Cumulative size of transactions handled in stressed asset space in last 3 years |  | 5 |  |
|  | Cumulative transaction size above INR 200 crore | 5 |  |  |
|  | Cumulative transaction size above INR 100 crore and less than INR 200 crore | 3 |  |  |
|  | Cumulative transaction size less than INR 100 crore | 2 |  |  |
| 3 | Team Profile |  |  | 25 |
|  | Details such as qualification, experience, quality of key resources in the deal team that will be handling the proposed transaction, status of resources in the organization, their background, etc. |  | 20 |  |
|  | With 5 Partners or 5 full time professional staff in deal team in India having experience of* + - * 1. M & A advisory experience in divestment / stake sale transactions **AND**
				2. Stressed asset transactions
 | 20 |  |  |
|  | At least 2 but less than 5 Partners or full time professional staff in deal team in India having experience of* + - * 1. M & A advisory experience in divestment / stake sale transactions **AND**
				2. Stressed asset transactions
 | 15 |  |  |
|  | With 5 Partners or 5 full time professional staff in deal team in India having experience of* + - * 1. M & A advisory experience in divestment / stake sale transactions **OR**
				2. Stressed asset transactions
 | 10 |  |  |
|  | At least 2 but less than 5 Partners or full time professional staff in deal team in India having experience of* + - * 1. M & A advisory experience in divestment / stake sale transactions **OR**
				2. Stressed asset transactions
 | 5 |  |  |
|  | Capability & Commitment of the Team to provide comprehensive transaction advisory service |  | 5 |  |
|  | If all resources are from in-house | 5 |  |  |
|  | If outsourced resources | 2 |  |  |
| 4. | Technical Presentation |  |  | 30 |
|  | Total |  |  | 100 |

Indicative Coverage in Technical Presentation

* + Understanding of stressed assets and asset reconstruction industry in India
	+ Understanding and positioning of ISARC, including SWOT analysis
	+ Indicative valuation of ISARC and valuation methodologies proposed to be used
	+ Understanding of potential domestic and international investors and relationships with team
	+ Overview of the Bidder Profile, Transaction experience and Team Profile submitted as part of the Technical Bid (refer Technical Bid Evaluation Criteria)
	+ Bidder’s approach and timelines for the proposed transaction
1. All bidders scoring more than 75 marks (in Technical Criteria) will be selected as the Technically Qualified Bidder. In case, less than three bidders get more than 75 marks, the top three bidders getting the maximum marks in Technical Capability will be selected as the Technically Qualified Bidder, subject to them getting at least 65 marks.
2. The technically qualified bidders alone will be informed of the date of opening of the financial bid for appointment as Merchant Banker. **The decision of ISARC shall be final and binding on all the parties in this regard.**

## Evaluation of Commercial Bid

1. The Bidder has to submit bid for its services for the scope of work indicated at Sl.No.4.2 for “A” and ‘B” & C” separately.

2. Commercial bid should be submitted strictly in the format given by ISARC as per **Annexure-C** of this document and should not have any deviations, restrictive statements, etc. therein. Otherwise, such bids are liable to be rejected at the sole discretion of ISARC. The price shall be quoted in Indian Currency only and shall be all inclusive and shown in commercial bid. No separate fees other than GST, as applicable, at the time of payment shall be made by ISARC.

3. Date of opening of Commercial bid would be advised after completion of the process of evaluation of Technical Bid.

4. Bidders who score minimum 75 out of 100 marks on the technical evaluation criteria as mentioned above will only be considered. The Commercial bids of the applicants with technical marks less than 75 will not be considered for commercial/financial evaluation.

5. In case the number of bidders qualifying in the technical evaluation stage is less than 3, then it is ISARC’s discretion to choose the top 3 scorers subject to minimum of 65 out of 100 marks on the technical evaluation or discontinue the evaluation process or re-tender.

6. The commercial bid will be evaluated by an In-house Committee constituted by ISARC.

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# General terms and conditions to contract

Bidder should examine the documents constituting this RfP in detail to prepare the Proposal. In case of deficiencies in the information required/requested, the proposal may be rejected.

## Non-transferable bid

This bid document is not transferable.

The bidder should also submit a declaration on the letter head to the effect that he has not made any modification in the original RfP and his bid would be liable for rejection for any violation of the above.

## Format and signing of Bid

Each page of the bid shall be made in the legal name of the bidder and shall be signed and duly stamped by the bidder or a person duly authorized to sign on behalf of the bidder.

## Process of Final selection

Bidders who achieve overall score of 75% & above in Technical Evaluation will qualify for the next stage of evaluation (Commercial bid evaluation). The weightage for the technical and commercial scoring will be 70 and 30 respectively.

In respect of all qualified bidders, in whose case the commercial bid has been opened, a combined techno commercial evaluation will be done by ISARC as per clause 6 of RfP.

## Award of Contract

In the case of tie between two or more bidders, preference will be given to the bidder having higher technical scoring.

## Clarification of Bids

During evaluation of bids, if found necessary, ISARC may seek clarification of the bid from the bidder. The request for clarification and the response shall be in writing.

## Notification of Awards

The acceptance of a bid, subject to technical compliance, commercial considerations & compliance with all the terms and conditions will be communicated in writing by means of an offer of contract / service order at the address supplied by the bidder in the tender response.

Any change of address of the Bidder, should therefore be promptly notified to:

**The Chief Executive Officer,**

India SME Asset Reconstruction Company Ltd,

C/o Small Industries Development Bank of India

Show Room 1 & 2, Samrudhi Venture Park

MIDC Complex, Andheri (East)

Mumbai - 400 093

The written offer of contract / order issued to the successful bidder would need to be accepted by the bidder in writing within 7 days from the date of issue of the offer.

## Acceptance of Work Order

The successful bidder will be required to accept the work order issued by ISARC within 7 days of work order and deliver the acceptance copy to ISARC. The failure, delay or evasion on the part of the successful bidder to accept the work order will result in cancellation of work order as also forfeiture of EMD amount and ISARC retains its right to issue work order to the next highest scorer or may start the entire RfP process afresh.

## Schedule for the proposed assignment & Payment Terms

1. The fee of the Merchant Banker would be paid by ISARC directly on the basis of invoice to be raised by them upon successful completion of each stage of the Private Placement (as given in the scope of work at 4.2 “A” and “B” & “C”). The assignment shall be considered complete in respect of 4.2. (A) after submission of valuation report and in respect of 4.2. ‘B’ & ‘C’ after **successful transfer of funds to ISARC’s account towards subscription of entire additional equity shares issued by ISARC.**
2. The all-inclusive fee shall be quoted in the commercial / financial proposal separately as per the format furnished at Annexure-C.
3. The Bidder shall be eligible for the all-inclusive fee in accordance with the conditions mentioned at para 2 below after the conclusion of transaction including receipt of consideration amount by ISARCarising out of issue of equity shares in favour of the investor. No other fee / expenses, including reimbursement for travel / out of pocket expenses etc. shall be payable to the Bidder by ISARC.
4. The fee of the Merchant Banker would be paid by ISARC directly on the basis of invoice to be raised by them upon successful completion of each stage of the Private Placement (“A” and “B” & “C”). Scope “B” & “C” will be treated as completed, after successful conclusion of the transaction and after submission of the required documents (true copies) to ISARC viz., KYC documents of the buyer, necessary documents regarding issuance of shares in favour of investors and completion of such other requirements / formalities in the said regard.
5. If for any reason, ISARC decides to terminate the whole assignment at any point of time during Stage “B” & “C”, **a lumpsum consolidated fee (Drop Dead Fee) of Rs.1,00,000/- (Rupees one lakh only)** shall be payable to the Merchant Banker.

**ISARC will release payment of the agreed professional fees to the selected bidder after deduction of applicable taxes at source.**

## ISARC’s Rights

ISARC reserves the right to the following :

* + Reject any or all proposals received in response to the RfP without giving any reason whatsoever.
	+ Reject the proposals received in response to the RfP containing any deviation.
	+ Waive or Change any formalities, irregularities, or inconsistencies in proposal format delivery.
	+ Extend the time for submission of proposal.
	+ Modify the RfP document, by an amendment that would be notified on the ISARC’s website.
	+ To independently ascertain information from the Banks and other institutions / companies to which the bidder has already extended services for similar assignment.

##  Other Terms:

a) The proposals and related Annexures should be signed by the authorized representative(s) of the successful bidder. The executants’ authority to represent and bind the Merchant Banking Company / Firm must be confirmed by a written authority letter (issued by the Competent Authority of the respective Company / Firm) accompanying the proposal.

b) The proposal should be submitted strictly as per the formats provided in this RfP document.

c) The personnel involved in executing the assignment should be qualified as per the requirements mentioned in the Qualification Criteria and preferably should have been involved in a similar assignment. However, ISARC reserves the right to accept / reject / seek substitution of the key personnel allocated for the project. The staff deployed / involved by the service provider shall never be deemed to be appointed by ISARC nor shall they be under the service conditions of ISARC.

d) The bidder selected for the assignment should adhere to the quality standards, all applicable regulatory directions/ guidelines in this regard.

e) The bidder selected for the assignment should treat as confidential all data and information about ISARC obtained in the execution of the proposed assignment, hold it in strict confidence and should not reveal such data / information to any other party without the prior written approval of ISARC.

 f) The proposal should be free of overwriting/ corrections / alterations.

g) All bids and supporting documentation shall be submitted in English.

h) ISARC will not return the bids/responses to the RfP received. The information provided by the bidder(s) to ISARC will be held in confidence and will be used for the sole purpose of evaluation of bids.

i) The Commercial Bid shall be opened in due course, after completion of technical bid evaluation, in the presence of Bidders / their representatives, who choose to attend. The date and venue for opening the commercial bid shall be separately informed to the bidders who come out successful in the technical evaluation process as per the **methodology mentioned in the clause 6.**

j) It is hereby clarified that the Bid / response to the RfP should be submitted in the exact format given herein without making any changes/alterations to the RfP document. Any change/alteration made to the RfP document by the participant would make the respective Bid / response to the RfP void and the same shall be liable to be rejected by ISARC without further going into the merits of the bid.

k) It is also clarified that in case of any difference/change between Bid/ response to the RfP document submitted by the participant and the RfP document maintained by ISARC, the RfP document maintained at the ISARC, would be considered as authentic and binding on the participant.

 l) The bidders are expected to undertake an assignment only in areas of its expertise, and where it has capability to deliver efficient and effective advice / services to ISARC. The successful bidder shall perform the services and carry out its obligations with all due diligence, render any opinion with professional integrity, efficiency and economy, as per generally accepted professional techniques, standards and practices, and shall observe sound management practices. The bidder shall always act, in respect of any matter relating to the assignment or to the services, as a faithful adviser to ISARC, and shall at all times support and safeguard ISARC’s legitimate interests in any dealings with third parties. The bidder’s liability under the agreement will be determined by the Applicable Laws and the provisions hereof. The bidder shall, subject to the limitation to be specified in the agreement, be liable to ISARC for any direct loss or damage accrued or likely to accrue due to deficiency in services rendered by it or improper discharge of contractual obligations or deviant conduct.

(m) It is clarified that the opinion given or certifications furnished by the successful bidder are going to be utilized / relied upon by ISARC. Therefore, the bidders need to note that in the event its opinion/ certification turns out to be untrue and factually incorrect causing loss to ISARC and other stakeholders of ISARC, it may seek such clarifications as may be required to investigate the matter and fix the responsibility. In the event it is established that there was gross negligence on the part of such bidder or bidder had colluded with any other person in causing pecuniary damage or / and any loss to ISARC and other stakeholders of ISARC, it may recommend such bidder’s name for including in the caution list being maintained by the Indian Banks’ Association (IBA) for circulation amongst member banks/ financial institutions. The IBA has been mandated by the Reserve Bank of India to do so. It has also been decided to approach the concerned professional bodies with complaints of professional misconduct, if any, on part of any professional engaged by ISARC. Accordingly, ISARC may also recommend bidders name to the concerned body, for suitable action thereon by them. ISARC also reserves its right to initiate such other proceedings as it may deem justified against the bidder. The bidder will have to extend necessary co-operation to the legitimately provided / constituted investigative body, conducting enquiry into processing or execution of the contract / any other matter related with discharge of contractual obligations by the bidder.

(n) During assignment if substitution is necessary (because of ill health or a staff member proves to be unsuitable, or member is no longer working with bidder), the bidder shall propose other staff of at least the same level of qualifications/experience for approval by ISARC including the terms and conditions of such replacement.

(o) ISARC may, by written notice of suspension to the successful bidder, suspend all payments to the bidder if the bidder shall be in breach of the agreement or shall fail to perform any of its obligations under the agreement, including carrying out of the services; provided that such notice of suspension (i) shall specify the nature of the breach or failure, and (ii) shall provide an opportunity to the bidder to remedy such breach or failure within a period not exceeding 15 (Fifteen) days after receipt by the bidder of such notice of suspension.

##  Compliance Confirmation

The bidder must submit unconditional and unambiguous compliance confirmation to all the terms and conditions stipulated in the RfP.

##  Assignment

The bidder shall not assign or outsource the works undertaken by them under this RfP assignment awarded by ISARC without the written consent of ISARC.

## Indemnity

The successful bidder shall exercise reasonable skill, care and diligence in the performance of the assignment and indemnify and keep ISARC, its officers, directors, employees indemnified in respect of any loss, damage or claim howsoever arising out of or related to breach of contract, statutory duty or negligence by the firm or its staff, agents or sub-contractors in relation to the performance or otherwise of the Services to be provided under the Contract.

##  Representations and Warranties

a) That the bidder is a Partnership firm/LLP/Company which has the requisite qualifications, skills, experience and expertise in providing Service(s) contemplated by this RfP, possesses the financial wherewithal, the power and the authority to enter into the Engagement and provide the Service(s) sought by ISARC.

b) That the bidder is not involved in any litigation, potential and existing, that may have an impact of effecting or compromising the performance and delivery of Service(s) under the Engagement.

c) That the representations made by the bidder in its application are and shall continue to remain true and fulfill all the requirements as are necessary for executing the duties, obligations and responsibilities as laid down in the RfP Documents and unless ISARC specifies to the contrary, the Applicant shall be bound by all the terms of the RfP.

d) That the Applicant has the professional skills, personnel and resources/ authorizations/ approvals/ infrastructure that are necessary for providing all such services as are necessary to perform its obligations under the RfP.

e) That the Applicant shall use such assets of ISARC as ISARC may permit for the sole purpose of execution of its obligations under the terms of the RfP. The Applicant shall however, have no claim to any right, title, lien or other interest in any such property, and any possession of property for any duration whatsoever shall not create any right in equity or otherwise, merely by fact of such use or possession during or after the term hereof.

f) That the Applicant shall procure all the necessary permissions and adequate approvals and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon and shall keep ISARC, its directors, officers, employees, representatives, consultants and agents indemnified in relation thereto and in respect of any infringement of any of the intellectual property rights.

g) That all the representations and warranties as have been made by the Applicant with respect to its RfP are true and correct, and shall continue to remain true and correct through the term of this contract.

h) That the execution of the Service(s) herein is and shall be in accordance and in compliance with all applicable laws.

i) That there are –

(1) No legal proceedings pending against bidder or any of its directors/partners or its team which adversely affect/may affect performance under this contract; and

(2) No inquiries or investigations have been commenced or pending against the bidder or any of its directors/ partners or its team members by any statutory or regulatory or investigative agencies.

j) That the Applicant has the corporate power to execute, deliver and perform the terms and provisions of this contract and has taken all necessary corporate action to authorize the execution, delivery and performance by it of this contract.

k) That all conditions precedent under this agreement have been complied.

l) That neither the execution and delivery by the bidder of this contract nor the bidder’s compliance with or performance of the terms and provisions of this contract:

(1) will contravene any provision of any applicable law or any order, writ, injunction or decree of any court or governmental authority binding on the bidder.

(2) will conflict or be inconsistent with or result in any breach of any or the terms, covenants, conditions or provisions of, or constitute a default under any agreement, contract or instrument to which the bidder is a party or by which it or any of its property or assets is bound or to which it may be subject.

##  Confidentiality Clause

The bidder shall hold in confidence all information, documentation etc. which come to their knowledge ('Confidential Information') and shall not disclose or divulge confidential information to any third party or use Confidential Information or any part thereof without prior written consent of ISARC.

b) Confidential Information means information which is by its nature confidential or is designated by ISARC as confidential and includes:

i) All information marked or otherwise designated as confidential;

ii) Information which relates to the financial position; the internal management structure, the Personnel, policies and strategies of ISARC,

iii) Data of ISARC, customer lists, customer information, account information, and business information regarding business planning and operations of ISARC or other information or data whether such data is permanent or otherwise;

iv) Any other information which the parties specifically declared as confidential.

c) The restriction imposed in this clause does not apply to any disclosure of information:

i) Which at the material time was in the public domain other than by breach of this clause; or

ii) Which is required by law to be communicated to a person who is authorized by law to receive that information.

d) The selected bidder shall execute separate non-disclosure agreement in Annexure G format immediately after the selection.

## Termination of Contract

1. ISARC may at its sole discretion and at any time terminate the contract and inform the bidder by written instructions. Normally, there will be notice period of 15 days for termination. In the event of the contract being so terminated, the bidder shall take such steps, as are necessary to bring the services to an end in a cost effective, timely and orderly manner.
2. ISARC also reserves its right to terminate the contract in the event of one or more of the following situations:

a) Unnecessary or unwarranted delay in execution of the work allotted.

b) Delay in providing the requisite manpower.

c) Breach of trust is noticed during any stage of the assignment.

d) Services found to be unsatisfactory.

e) For any other valid reason.

## Publicity

Any publicity by the bidder in which the name of ISARC is to be used should be done only with the explicitly written permission of ISARC.

## Resolution of Disputes

1. It will be the ISARC’s endeavor to resolve amicably any disputes or differences that may arise between the ISARC and the Bidder from misconstruing the meaning and operation of the Tender and the breach that may result.

2. In case of Dispute or difference arising between ISARC and a Bidder relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The sole Arbitrator shall be chosen by mutual discussion between ISARC and the Bidder. The decision of the arbitrator shall be final.

3. The Bidder shall continue work under the Contract during the arbitration proceedings unless otherwise directed in writing by ISARC or unless the matter is such that the work cannot possibly be continued until the decision of the Arbitrator or the Adjudicator, as the case may be, is obtained.

4. Arbitration proceedings shall be held at Mumbai, India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.

5. Notwithstanding anything contained above, in case of dispute, claim & legal action arising out of the contract, the parties shall be subject to the jurisdiction of courts at Mumbai, India only.

6. Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by mail and confirmed in writing to the other party’s specified address. The same has to be acknowledged by the receiver in writing.

7. A notice shall be effective when delivered or mailed or on the notice’s effective date, whichever is later.

8. No conflict between Bidder and ISARC will cause cessation of services. Only by mutual consent the services will be withdrawn.

## Governing Language

The contract shall be written in English. All correspondence and other documents pertaining to contract that are exchanged between the parties shall be written in English.

##  Governing Law/Jurisdiction

The Agreement / Contract shall be governed by and construed in accordance with the laws in India and shall be subject to the exclusive jurisdiction of the Courts of Mumbai.

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# Annexures and Appendix

## Annexure A –Proposal Form and Technical Offer

 **(To be included in Technical Proposal Envelope)**

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_

**To,**

The Chief Executive Officer,

India SME Asset Reconstruction Company Ltd.,

C/o Small Industries Development Bank of India

Show Room 1 & 2, Samrudhi Venture Park

MIDC Complex, Andheri (East)

Mumbai - 400 093

Sir,

**RfP** **- Appointment of Merchant Banker for infusion of additional equity capital in India SME Asset Reconstruction Company Ltd. by way of private placement**

**RfP Reference Number : 002/2023/PP dated April 25, 2023**

With reference to the above RfP, having examined and understood the instructions, terms and conditions forming part of the RfP, we hereby enclose our offer to provide our services as detailed in your above referred RfP and in conformity with the requirements mentioned in said RfP documents.

Subject to acceptance of our bid / proposal, we undertake to carry out the work as per the scope of work, deliverables as specified in the RfP document as well as on the payment terms mentioned therein.

We confirm that the information submitted by us in our Bid/Proposal is true and correct. We agree to abide by the Bid/ Proposal.

We declare that we have not made any alterations/changes whatsoever in the RfP document and we are fully aware that in the event of any change, the RfP document maintained at ISARC will be treated as authentic and binding and the Bid/Proposal submitted by us will be liable to be rejected by ISARC in the event of any alteration made in the RfP document.

We certify that there has been no conviction by a Court of Law or contemplated by court for misconduct, guilty or indictment/adverse order by a regulatory authority for an offence against us or any of our sister concern or our CEO, Directors / Partner / Managers / Employees and if it arises we will immediately intimate ISARC of the same.

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

We understand that ISARC is not bound to accept our request for participation in the process or bound to accept our bid, or give any reason for rejection of any bid.

We also agree and confirm that we will not claim any expenses incurred by us in preparing of bid documents and that ISARC will not defray any expenses incurred by us in proposal.

We are also aware that ISARC has also right to re-issue / re-commence the bidding process, to which we do not have right to object and have no reservation in this regard; the decision of ISARC in this regard shall be final, conclusive and binding upon us.

We understand that ISARC is not bound to accept the lowest, or any other Proposal, ISARC may receive.

We agree to all the terms and conditions mentioned in the RfP. We hereby submit our Technical Offer in a sealed envelope. The offer shall be binding on us up to 365 days and subject to the modifications resulting from contract negotiations.

Dated this ….... day of …......................... 2023

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_

Yours faithfully,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Signature)

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annexure B TECHNICAL BID: Bidder’s Profile

**RfP for appointment of Merchant Banker**

**RfP Reference Number 002/2023/PP dated April 25, 2023**

|  |  |  |
| --- | --- | --- |
| **S.N** | **Particulars** | **Details** |
| 1 | Name of the Merchant Banker firm / company with registration / membership number from SEBI |  |
| 2 | Year of establishment of the Merchant Banking firm / Company and Registration thereof. |  |
| 3 | Year of commencement of Merchant Banking assignments. |  |
| 4 | Contact details: (indicate contact person name, address, Telephone No., Fax No., e-mail address, etc.) |  |
| 5 | Income Tax-PAN and GST Registration No. (please attach documentary evidence) |  |
| 6 | Details of each partner / director including experience, qualification etc.  |  |
| 7 | Details of key employees/qualified assistants including their qualification and experience in executing such assignments |  |
| 8 | Details of activities outsourced, if any. |  |
| 9 | Nature of overall experience and notable achievements / recognitions, if any, in the related field (including banks/FI’s) |  |
| 10 | Particulars of infrastructural facilities |  |
| 11 | Any other related information, not mentioned above, which the bidder wish to furnish. |  |

**Note : All the relevant details & documentary evidence are to be furnished. The above is only a format. Information may be submitted in additional sheet.**

**Details of past assignments on similar services provided or experience in handling such assignments during previous 3 years**

|  |  |  |  |
| --- | --- | --- | --- |
| **S.N** | **Client Name** | **Handling** | **Work related to** |
| **From** | **To** | **Merchant Banking** | **Others** |
|  |  |  |  |  |  |

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Signature)

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated this ....... day of ............................ 2023

## Annexure: C COMMERCIAL OFFER

**(to be furnished in the Merchant Banker’s letter head)**

(to be submitted in sealed envelope)

Place ………………..

Date ………………….

To:

The Chief Executive Officer,

India SME Asset Reconstruction Company Ltd.,

C/o Small Industries Development Bank of India

Show Room 1 & 2, Samrudhi Venture Park

MIDC Complex, Andheri (East)

Mumbai - 400 093

Sir,

We the undersigned offer to provide our services for appointment as Merchant Banker for infusion of additional equity capital in India SME Asset Reconstruction Company Ltd. by way of private placement in accordance with your **RFP No.002/2023/PP dated April 25, 2023.**

Our Commercial Offer is Rs. \_\_\_\_\_\_\_\_\_\_ (all inclusive) (amount in words and figures). The breakup is given below:

|  |  |
| --- | --- |
| **Particulars** | Details to be filled in by the offeror |
| Assessment of fair market value of equity share capital in ISARC |  |
| Shortlisting of at least three investors amongst the investors identified by ISARC in order of preference based on financial and legal due diligence.  |  |
| Legal services such as drafting of Offer Letter and Share Holder Agreement, and advising on compliance with Laws, Rules, Regulations, etc. on issue and allotment of share on Private Placement basis |  |

Our Commercial Offer shall be binding upon us and the same is also subject to modification resulting from contract negotiations, up to expiration of the validity period (365 days) of the proposal.

Yours faithfully,

(Name & designation, seal of the firm)

## Annexure –D: Minimum Eligibility Criteria

|  |  |  |
| --- | --- | --- |
|  **S.No.** | **Eligibility Criteria** | **Documents to be submitted**  |
| **1** | Should be minimum Category II Merchant Banker approved by SEBI and should be qualified to undertake the assignment. | Copy of valid Certificate of Registration of Category-I / II Merchant Banker issued by SEBI or any equivalent document.  |
| **2** | The Bidder shall be a Merchant Banking Institution with experience of 5 (five) years or more. The bidder should have necessary domain expertise of having handled minimum of 3 deals (with minimum transaction size of Rs. 200 Crore) of similar nature in India during the period April 01, 2020 to March 31, 2023.  | Copy of certificate of incorporation / registration or other Constitutional Documents. In respect of assignments undertaken in the last 3 years from April 01, 2020 to March 31, 2023, certificate from its Client and / or certificate from statutory auditors as on 31.3.2023 indicating fee income received from those business.Details of activities outsourced, if any.In case of difficulty in getting its client’s certificate, firm / company auditors certificate be submitted along with the details of the client, contact person & other related details so that ISARC can undertake independent verification of the bidders claim.In the event of non-submission of contact details for verification of the completed assignments or nil / non-satisfactory response received from the clients on verification by ISARC, no marks shall be awarded for such assignments. |
| **3** | The Bidder must have minimum audited turnover of not less than Rs.10 Crore (Rupees Ten Crore) per annum in the last 3 (three) years.  | Audited financial statements to support the eligibility.  |
| **4** | The bidder should not have been prohibited / barred / black listed / disqualified by any regulatory authority / court or tribunal or any authority offering such services / statutory body / Central Government / State Government / SEBI / RBI or IRDA or any authority in India in the past or is pending.  | Self-declaration / Certificate to this effect. |
| **5** | Bidding in Consortium is not permitted. | Self-declaration / Certificate to this effect. . |
| **6** | The Bidder’s Firm / company should not be owned or controlled by any Director or Employee of ISARC and its subsidiaries/associate institutions.  | A self-declaration by the Bidder on Bidder’s letter head.  |
| **7** | No pending litigation(s) and contingent liabilities, which could affect the performance of the Bidder under the mandate. | Details of pending litigation(s) and contingent liabilities, if any, that could affect the performance of the Bidder under the mandate, as also the details of any past conviction and criminal proceeding(s) against sponsors/ Directors/ partners of the Bidder. |
| **8** | There should not have been any disciplinary action / adverse order against the Bidder by any company / entities / regulator / statutory authority. | A Declaration on the Letter Head of the Bidder that the Bidder has not been debarred or blacklisted by anyone and no adverse order(s) has been passed against the Bidder by any company / entities / regulator / statutory authority. |
| **9** | Others | Area of possible conflict of interest, if any. |

|  |
| --- |
| Annexure E – Declaration regarding Clean Track Record |

Date:

**The** Chief Executive Officer,

India SME Asset Reconstruction Company Ltd.,

C/o Small Industries Development Bank of India

Show Room 1 & 2, Samrudhi Venture Park

MIDC Complex, Andheri (East)

Mumbai - 400 093

Dear Sir,

**Declaration Regarding Clean Track Record**

**RFP No.002/2023/PP dated April 25, 2023**

 I/we have carefully gone through the Terms & Conditions contained in the RFP No. **002/2023/PP dated April 25, 2023** regarding selection of the Merchant Banker by ISARC. I/we hereby declare that our Company/Firm/LLP has not been debarred/ black listed by any Public Sector Bank, PSU, RBI, IBA or any other Government / Semi Government organizations in India during last 5 years. I/we declare that there is no disciplinary action initiated by SEBI against Company/Directors/Partner(s)/Firm/LLP during last 3 years. I/we further certify that I am/we are competent officer(s) in my Company/Firm/LLP to make this declaration that my/our bid is binding on me/us and persons claiming through me/us and that you are not bound to accept a bid you receive.

Thanking you,

**Yours sincerely,**

|  |  |
| --- | --- |
| Date | Signature of Authorized Signatory … |
| Place | Name of the Authorized Signatory … |
|  | Designation … |
|  | Name of the Organization … |
|  | Seal … |

## Annexure F – Bank Mandate Form

***(To be submitted in Duplicate)***

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

1. Name of Borrower / vendor / supplier / bidder: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Vendor Code (if applicable) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. Address of the Borrower / vendor / supplier / bidder:

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 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 name, branch name & code and Account Number)** |
| IFSC CODE**2** | 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 ISARC / State Bank of India 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 **RTGS/NEFT**.

Place : \_\_\_\_\_\_\_\_\_\_\_\_\_

Date : \_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of Authorized Signatory

…………………………………………………………………………………………………………………

Certified that particulars furnished above are correct as per our records.

Bank’s stamp :

Date :

(Signature of the Authorized Official from the Banks)

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

 **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 11 digit 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.

## ANNEXURE- G Non-Disclosure Agreement

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

WHEREAS, we, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having Registered Office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,(hereinafter referred to as the COMPANY), are agreeable to execute “**Merchant Banking Services** as per scope defined in the Request for Proposal (RfP) **No.** **002/2023/PP dated April 25, 2023 for infusion of additional equity capital by way of private placement in India SME Asset Reconstruction Company Ltd (ISARC Ltd)** ISARC, having its Registered office at MSME Development Centre, Plot No. C-11, G Block, Bandra Kurla Complex (BKC), Bandra (E), Mumbai - 400 051, and present office at, Show Room 1 & 2, Samrudhi Venture Park, MIDC Complex, Andheri (East), Mumbai - 400 093 (hereinafter referred to as ISARC) and,

WHEREAS, the COMPANY understands that the information regarding ISARC’s activities shared by ISARC in their Request for Proposal is confidential and/or proprietary to ISARC, and

WHEREAS, the COMPANY understands that in the course of submission of the offer for the said RfP and/or in the aftermath thereof, it may be necessary that the COMPANY may perform certain jobs/duties on ISARC’s properties and/or have access to certain plans, documents, approvals, data or information of ISARC;

NOW THEREFORE, in consideration of the foregoing, the COMPANY agrees to all of the following conditions, in order to enable ISARC to appoint it as Merchant Banker and /or to grant the COMPANY specific access to ISARC’s property/information, etc.;

* 1. The COMPANY will not publish or disclose to others, nor, use in any services that the COMPANY performs for others, any confidential or proprietary information belonging to ISARC, unless the COMPANY has first obtained ISARC’s written authorization to do so;
	2. The COMPANY agrees that information and other data shared by ISARC or, prepared or produced by the COMPANY for the purpose of submitting the offer to ISARC in response to the said RfP, will not be disclosed to during or subsequent to submission of the offer to ISARC, to anyone outside ISARC;
	3. The COMPANY shall not, without ISARC’s written consent, disclose the contents of this Request for Proposal (RfP) or any provision thereof, or any specification, plan, pattern, sample or information (to be) furnished by or on behalf of ISARC in connection therewith, to any person(s) other than those employed/engaged by the COMPANY for the purpose of submitting the offer to ISARC and/or for the performance of the Contract in the aftermath. Disclosure to any employed/ engaged person(s) shall be made in confidence and shall extend only so far as necessary for the purposes of such performance. The company shall take all necessary measures to ensure that the information/data obtained under the assignment is not passed on or disclosed.

Yours sincerely,

|  |  |
| --- | --- |
| Date | Signature of Authorised Signatory … |
| Place | Name of the Authorised Signatory … |
|  | Designation … |
|  | Name of the Organisation … |
|  | Seal … |

 2.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_