

Tender No. IFCI/S&AD/NSE/2017-18- 05 – C 1

Dated: February 08, 2018

ADDENDUM

to

**INVITATION OF BIDS / OFFERS FROM MERCHANT BANKERS FOR
DISINVESTMENT OF IFCI's PART SHAREHOLDING IN NATIONAL STOCK
EXCHANGE (NSE)**

REQUEST FOR PROPOSAL



आई एफ सी आई लिमिटेड
(A Government of India Undertaking)
(भारत सरकार का उपक्रम)

**IFCI Tower
61, Nehru Place
New Delhi 110 019**

Date of Issue: January 15th, 2018

Last Date of Submission: February 12th, 2018 up to 1500 hours (IST)

2. Objective :- should be read as

2.1 IFCI intends to disinvest part of its equity shareholding in NSE to the extent of 32,43,370 equity shares, of face value Re.1/- each, (0.66% equity shareholding in NSE) by way of sale through a competitive bidding process to be submitted by SEBI approved Category I Merchant Banker (s), hereinafter called "Bidder", on net price basis i.e. share price less fee of Bidder.....

2.2 The assignment would be awarded to Bidder (s) quoting the highest net price subject to fulfilment of his/their eligibility criteria and other terms, as specified further in this document hereinafter referred to as "Request for Proposal (RFP)".....

2.3 IFCI may increase the offer size (i.e. 32,43,370 equity shares) at its discretion and will allow all the participating bidder(s) to participate in the increased offer, in order of ranks of the participating bidder(s). The first right of acceptance to participate in sale of additional shares due to increased offer size, will be with H1, both in terms of acceptance and number of shares accepted. The residual shares, if any, will be offered to H2 and so on.

**Addendum to REQUEST FOR PROPOSAL FOR SALE OF 0.66% STAKE IN
NSE HELD BY IFCI.**

6. Submission of Proposals: - should be read as

Point 6.3 of RFP i.e. "Financial Proposal"

6.3.1 The Bidder has to submit bid for a minimum of 11,00,000 equity shares, with a multiple of 1,00,000 equity shares.

6.3.2 Introduction of investor(s) by Successful Bidder - The Bidder may introduce investor(s) for different lots within the total equity shares bid by them. However, the Bidder has to ensure that the minimum lot size for each investor is not less than 3,00,000 equity shares. In case Bidder introduces an investor(s) for lot size below 3,00,000 equity shares, the right to accept the investor will be with IFCI.

6.3.3 The Financial Proposal will include details as per Annexure II.

6.3.4 Important Point regarding payment of fee to the Bidders:

i. **Fee to Merchant Bankers:**

The fee per share quoted by Merchant Banker(s) should not exceed 1% of Gross Bid Price Per Share (GBPPS).

ii. **Incentive :**

a) **Where the Bidder has bid for less than 32,43,370 equity shares** – In case the bidder is able to conclude transaction for the entire lot bid by it till the validity of assignment (i.e. 15/03/2018), an additional incentive of Rs.2/- per equity share will be paid to the Bidder in addition to the applicable fee/commission.

b) **Where the Bidder has bid for entire 32,43,370 equity shares** - In case the Bidder is able to conclude transaction for the entire lot i.e. 32,43,370 equity shares, till the validity of assignment (i.e. 15/03/2018), an additional incentive of Rs.4/- per equity share will be paid to the Bidder in addition to the applicable fee/commission.

iii. **Disincentive :**

In case the bidder is unable to conclude the sale of entire quantity it has bid for, then, IFCI will have right to return the EMD proportionately to the success percentage.

(e.g. Bidder has bid for 20,00,000 shares and is able to conclude sale of 12,00,000 shares only, then 60% of EMD i.e. Rs.6 Lakh would be returned and 40% of EMD i.e. Rs.4 Lakh would be forfeited or the Bank Guarantee shall be invoked for balance payment).

iv. The fee will be paid to the Bidder after the conclusion of assignment.

6.3.5 The Net Bid Price Per Share (NBPPS) has been fixed at Rs.900/- per share. The proposal below the fixed NBPPS will be summarily rejected.

7. Pre-Bid Queries: - should be read as

7.1 The prospective Bidder(s), requiring any clarification on the RFP may notify the same in the form of query to IFCI latest **by 1700 hrs (IST) on February 9th, 2018**. Queries can be sent to hod.sa@ifcilttd.com, Telephone: +91 011- 41732544, +91 011- 41732578, +91 011- 41732575 & Mob. 9990725951/9810094438/9599092966. IFCI would endeavor to respond to the queries at the earliest.

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Point no. 9. Opening of Bids -> 9.1.2. should be read as

9.1.2.

- I. The Bidders shall submit financial bids on net price basis i.e.
Net Bid Price (A): (Bid Price Per Share (Weighted Average, in case of multiple X Number of shares (B)) Less All-Inclusive Commission (exclusive of tax).
- II. The Bidders shall be arranged in descending order of **Net Bid Price Per Share (NBPPS) i.e. Net Bid Price (A) / Number of shares (B).**
- III. The qualified Bids shall be arranged based on the Financial Bids on Net Bid Price Per Share Basis (**NBPPS**), in descending order of NBPPS. The one quoting the highest NBPPS would be referred to as H1. The second Highest Bidder would be referred to as H-2, and so on and so forth.
- IV. After earmarking shares applied for by H1 bidder(s), surplus shares if any, would be earmarked to the extent available for allocation, to the next highest bidder(s) and the process would continue till there is no further share available for allocation / earmarking. It is likely that a bidder may get allotment less than the bid quantity and in such case, the bidder shall be bound to accept such allotment.
- V. In case of tie where NBPPS is same, the bidder who has bid for higher number of shares will be selected.
- VI. In case of tie where both NBPPS and number of shares are same, then, the bidder with lower fee will be selected.

Point no. 10. Bid i.e. "Security/ Performance Guarantee/ Earnest Money Deposit (EMD)" should be read as :

a) The EMD shall be refunded to the unsuccessful Bidders within 15 days from the date of acceptance of LoI by the Successful Bidder(s). For the successful bidder(s), EMD shall be refunded within 15 days from the last date of validity of assignment. Successful Bidders may substitute EMD with Bank Guarantee of equivalent amount issued by a scheduled commercial Bank in favour of IFCI with validity up to April 30th, 2018, subject to approval of terms of guarantee by IFCI.

b) No interest shall be payable on the EMD by IFCI Ltd.

c) Financial Bids without EMD would be considered as incomplete and shall be liable to be rejected at the discretion of IFCI. Any decision in this regard taken by IFCI shall be final, conclusive and binding on the Bidder.

Point no. 11. Proposal Validity : - should be read as

The validity period of the assignment will be up to March 15th, 2018, however can be extended by IFCI at its sole discretion.

Point no. 12 i.e. "Engagement Letter" - should be read as

12.1 IFCI will issue engagement letter to Bidder(s) immediately on selection of the successful Bidder(s) which shall be accepted by the successful Bidder(s) latest by February 15th, 2018.

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NSE HELD BY IFCI.**

ANNEXURE – II - should be read as
(FORMAT FOR FINANCIAL PROPOSAL)

FINANCIAL PROPOSAL
(To be submitted on the Letter Head of the Bidder)

Date:

To,
The General Manager (Subsidiaries & Associates)
IFCI Limited, IFCI Tower
61, Nehru Place
New Delhi - 110 019

Ref: Request for Proposal (RFP) dated January 15, 2018.

**Sub: Invitation of bids / offers, on Net Bid price basis, from Merchant Bankers for
disinvestment of IFCI's shareholding in National Stock Exchange (NSE).**

Sir,

I/We have perused the Request for Proposal (RFP) for the subject assignment and other details and am/ are willing to undertake and complete the assignment as per terms and conditions stipulated in the RFP document. Our Turnover in the last FY (2016-17) was Rs...../- (Rupees only).

Our consolidated and unconditional offer, including the bid price by the Investor net of our all-inclusive commission (exclusive of tax) is as under:

- 1) Number of Equity Shares – (Maximum 32,43,370 shares & Minimum 11,00,000 with multiple of 1,00,000 shares) [A]**
- 2) Gross Price per share Rs. _____/- [B] *
- 3) Our (Bidder's) All-Inclusive Fee per share exclusive of tax : Rs. _____/- [C] (not to exceed 1% of Gross Price Per Share [B]).**
- 4) Net Bid Price per share (B-C) = Rs. _____/- **(not below Rs.900 per share) [D]**
- 5) Total Gross Consideration (B*A) = Rs. _____/-
- 6) Total Fee exclusive of tax (C*A) = Rs. _____/-
- 7) Total Net Consideration (D*A) = Rs. _____/-

* For multiple bids Gross price is the weighted average price of all bids taken together subject to the condition that no price is below the floor price.

However, all-inclusive commission is inclusive of all incidentals, overheads, traveling expenses, printing and binding of reports, all sundries, all other expenditure for execution of the services/ assignments covering all work as mentioned in the RFP/ Terms of Reference.

This offer is valid till March 15th, 2018. EMD / Bank guarantee for Rs.10 Lakh is enclosed / has been submitted separately.

Signature of Authorised Person

Name:

For and on behalf of