

IFCI Limited

RFP No. HO/CP&MIS/RFP/01/2018-19 dated 16/10/2018

**RFP FOR ENGAGEMENT OF CONSULTANT CUM ADVISOR/ FIRM OF CONSULTANTS
FOR
ADVISING AND ASSISTING IN**

- (I) TRANSFER OF THE SELECTED ASSETS BETWEEN IFCI INFRASTRUCTURE DEVELOPMENT LTD.
AND ITS WHOLLY OWNED SUBSIDIARY IIDL REALTORS LTD. THROUGH A SCHEME OF
ARRANGEMENT
AND**
- (II) MERGER OF IFCI INFRASTRUCTURE DEVELOPMENT LTD., A WHOLLY OWNED SUBSIDIARY
OF IFCI LTD. WITH IFCI LTD.**

With reference to the above captioned RFP, a pre-bid meeting was held on October 25, 2018 at registered of IFCI Ltd. at IFCI Tower, Nehru Place, New Delhi – 110019. The clarification on various queries raised by the participants and other clarification by IFCI Ltd. on RFP form integral part of RFP and are given hereunder for reference to all of the interested stakeholders.

A. Clarification on RFP

<p><u>Reference point no. 3 in Annexure A regarding eligibility criteria:</u> The firm must have proven track record in merchant banking, merger & acquisition, company law matters, SEBI guidelines besides having adequate experience etc. <u>The firm must have successfully handled at least 2 merger proposals.</u> Preference will be given to firms having handled merger of PSUs. The firms have to produce sufficient proof of their past experience. Merger proposals considered for eligibility shall be of minimum transaction value of Rs. 100 crore.</p>	<p><u>Clarification:</u> It is clarified that the firm should have successfully handled at least 2 merger proposal <u>during the last two financial year as on March 31, 2018.</u> Please also refer Annexure B-2 wherein, information as per the criterion has been sought as above.</p>
<p><u>Reference point no. 4 in Annexure G regarding parameters used for technical evaluation:</u> The average Revenue of the bidder of last three financial years ended on <u>31.03.2016.</u></p>	<p><u>Clarification:</u> This may be read as under: The average Revenue of the bidder of last three financial years ended on <u>31.03.2018.</u></p>

B. Queries by the Participants

Sr. No.	Query	Response
1	What is the rationale for the overall scheme?	Please refer the RFP.
2	What is the rationale for transferring selected assets through a scheme of arrangement (and not vide a sale or other mechanism).	The consultant is expected to outline various options to achieve the objective of restructuring process, while preparing the scheme of arrangement/ merger along with taxation, stamp duty, pending litigation & arbitration in connection with any property and other financial and regulatory compliance. Accordingly, the most suitable/ viable route for transfer of assets will be finalised.
3	What is the nature of assets proposed to be transferred between IFCI Infrastructure Development Ltd and IIDL Realtors Ltd?	Majority of the assets held by IFCI Infrastructure Development Ltd and IIDL Realtors Ltd are real estate properties.
4	What is the book value and estimated fair market value of such assets?	For book value, please refer to the annual report for FY 2017-18 available on the website of IFCI Ltd. Fair value of properties is to be assessed by consultant.
5	Where are these assets located?	'Scope of work' includes to cover assets on PAN India basis. The assets are located in the states of Uttar Pradesh, Haryana, Delhi, Karnataka, Maharashtra, West Bengal and Puducherry.
6	Is the transfer of assets proposed from (i) IFCI Infrastructure Development Ltd to IIDL Realtors Ltd or (ii) IIDL Realtors Ltd to IFCI Infrastructure Development Ltd or (iii) both?	Please refer RFP for the purpose.
7	Which sectoral regulator and / or Ministry in the Central Government oversee IFCI?	IFCI Ltd. is a listed public company, registered as NBFC-ND-SI with RBI and accordingly governed by the concerned regulators as per prevailing law and regulation of India. As for the concerned ministry,

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Sr. No.	Query	Response
		IFCI Ltd. is under the administrative control of Dept. of Financial Services, Ministry of Finance.
8	Please confirm our understanding that stamp duty charges, if any, and other statutory charges (like income tax, if any) etc. will be borne by IFCI?	Stamp duty charges are not to be borne by consultant, though stamp duty adjudication process shall be covered under the scope of work.
	We understand that our scope does not include stamp duty adjudication process involved in transfer of assets and the merger process. Please confirm?	
9	Please provide the contact details of the person who could be contacted for any clarifications regarding the RFP?	Please refer RFP for the purpose.
10	What is the nature / scope of post-merger issues to be handled by the Consultant?	Post-merger issue would be primarily advising on the compliance and regulatory front for implementing the scheme of merger and arrangement effectively.
	We further understand that our scope is limited to the advisory in relation to post merger issues and will not involve post-merger implementation process. Please Confirm?	
11	Please confirm that valuation exercise is required to be undertake twice (i) for transfer of assets (ii) for merger?	Valuation may be done only once, unless required under any regulatory requirement etc.
12	Is advice on the accounting treatment / aspects of the transaction also to be provided as part of the Consultant's scope of work?	The consultant is required to prepare the draft scheme of merger and arrangement which may include necessary accounting treatment to be proposed in the scheme. There is no separate advisory required for accounting treatment.
13	Is anyone from the Consultant's team required to work exclusively on this engagement?	Please refer RFP for the purpose.

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Sr. No.	Query	Response
14	Please elaborate on the nature of legal services expected from the Consultant?	Please refer RFP for the purpose
15	Please confirm that sub-contracting of work is permitted?	IFCI Ltd. doesn't recognise any third party consultant and will interact and take services from the consultant appointed under this tender document, unless and otherwise required under any regulatory requirement.
16	Please provide format of Annexure B-7	Already attached with RFP
	<u>Eligibility Criteria (Para 6 and Annexure A of the RFP)</u>	
	The bidder is a part of global network of firms, which is represented in more than 162 countries with over 74,000 professionals working out of 1500 cities worldwide. In the year ended 30 Sep 2017, the network reported US\$ 8.1 billion in total revenues and is the fifth largest accounting and consulting firms globally. Considering this, we request that the experience and existence of Bidder's Network Firms Abroad should be considered for eligibility criteria mentioned in Annexure A of RFP	The experience of such assignment outside India shall not be considered for eligibility criteria.
	The brand under which the Bidder entity operates has been in existence for more than 10 years in India, but the existence of the Bidder entity in its current form is less than 10 years as member of a global network of firms, as mentioned above. We request that a document duly signed by the Governing Entity of the network, of which the Bidder is a member,	Please refer RFP.

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Sr. No.	Query	Response
	indicating the existence of Brand in India for more than 10 years should suffice for meeting the said eligibility criteria.	
	The Bidder entity is part of a group that is providing assurance services including accounting advisory through a separate partnership firm with different brand name which is in existence for more than 10 years. We request that the said firm should be considered as Affiliates/ Group Companies/Member Firms of bidder firm and its experience should be considered for the said eligibility criteria.	Please refer RFP.
	Please confirm if the bid can be submitted by a Consortium and whether the eligibility criteria mentioned in Annexure A of the RFP can be met jointly by the members of such consortium?	Consortium is not allowed for bidding
