

No. IFCI/SACD/CCIL/2023-24/01

Dated: August 10, 2023

**REQUEST FOR PROPOSAL  
FOR  
PURCHASE OF IFCI's SHAREHOLDING**

**IN**

**THE CLEARING CORPORATION OF INDIA LTD. (CCIL)**



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

<b>Important Dates</b>	
<b>Date of Issue of the Document</b>	<b>August 10, 2023</b>
<b>Last Date of Submission of Bids</b>	<b>September 11, 2023</b>

**Disclaimer:**

- i. This “Invitation of Bids / Offers” is not an offer by IFCI Limited but an invitation to receive offers from interested and eligible parties. The purpose of this Tender Document is to provide the necessary information to such interested and eligible parties that may be useful to them in formulating their Proposals in response to this “Invitation for Bids / Offers”.
- ii. No contractual obligation whatsoever shall arise from the process of Invitation of Bids / Offers for sale of equity.
- iii. IFCI Limited reserves the right to modify or even not to proceed with the transaction.

## 1. Background

1.1 IFCI Limited (IFCI), a Government of India Undertaking, holds 2,55,000 (Two lakh fifty five thousand) fully paid up and unencumbered equity shares of The Clearing Corporation of India Ltd. (“**CCIL**”) totaling to 0.51% of the total equity share capital of CCIL.

More details of CCIL may be obtained from its website <https://www.ccilindia.com>.

## 2. Objective

2.1 IFCI intends to sell its entire equity shareholding in CCIL i.e. 2,55,000 (Two lakh fifty five thousand) fully paid up unencumbered equity shares each of face value of ₹10/- (constituting 0.51% of CCIL’s equity share capital) through a competitive bidding process to an eligible buyer (hereinafter called “**Bidder**”).

2.2 The selection of the bidder shall be on the basis of the **Highest Bid Price Per Share** subject to fulfillment of its eligibility criteria and other terms, as specified further in this Tender document hereinafter referred to as “Request for Proposal (RFP)”.

## 3. Eligibility Criteria:

The bidder must satisfy the following eligibility criteria before submitting the proposal:

- i. The proposed buyer must satisfy the fit & proper criteria for the purpose of acquiring / holding the shares of CCIL in accordance with the Directions for Central Counterparties issued by RBI which includes that the prospective buyer should be the user member of at least one of the payment systems of CCIL.
- ii. The **lot size** which a Bidder can bid is **2,55,000 (Two lakh fifty thousand shares) equity shares**. Bids with a lot size smaller than this lot size shall be summarily rejected.

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- iii. An **Earnest Money Deposit (EMD) of ₹5,00,000/- (Rupees Five Lakh Only)** is to be submitted along with the bid. The bids without EMD shall be summarily rejected.
  - iv. The **Reserve Price has been fixed at ₹ 1,100/- per share** of CCIL. The bids below the reserve price shall be summarily rejected.
  - v. A Bidder cannot submit bid in consortium with other parties. Bid submitted on consortium basis shall be summarily rejected.

#### 4. Submission of Proposals

- I. The bids may be submitted by an eligible buyer directly to IFCI.
- II. The Bids are to be submitted in the prescribed format only, provided in **Annexure I** of this Tender document. The Bids are to be submitted on or before **Monday, September 11, 2023 at 5:00 PM**, through one of the following modes:
  - a. Bid may be submitted in a sealed envelope superscribing **'Bid for Buying IFCI's Equity Shareholding in CCIL'** on top of the envelope and addressed to **"The Chief General Manager (SACD), IFCI Limited, 17<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019"**. IFCI shall not be responsible for any postal delay etc. Alternatively, the envelope containing Bid may be dropped in a Drop Box kept on Ground Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 on / before last date and time as mentioned above.
  - b. Bid may also be submitted through electronic mode by emailing the scan copy of the Bid in a password protected PDF to [sa@ifcilt.com](mailto:sa@ifcilt.com) on / before last date and time as mentioned above. Bidders submitting Bid through electronic mode are required to provide password through email to [sa@ifcilt.com](mailto:sa@ifcilt.com) at the time of opening of BID i.e. (next day of last submission date). The bids opening shall commence at 2.00 PM on the bid opening day. The password shall be supplied after 2.00 PM and not later than 2.30 PM. Such bidders are also required to pay EMD through RTGS / NEFT / IMPS to the

following account and mention the online transaction reference number in the Bid:

<b>IFCI Bank Details:</b>	
HDFC BANK ACCOUNT No.	00030350002631
Account / Beneficiary Name	: IFCI Ltd.
Bank Name	: HDFC Bank Ltd.
Bank Branch Address	: Surya Kiran Building, Kasturba Gandhi Marg, New Delhi-110001
9 Digit (MICR)Code	: 110240001
Account Type (with Code)	: Current Account
BANK & BRANCH CODE / BSR Code	: 051005
IFSC Code (Indian Financial System Code)	: HDFC0000003
SWIFT Code	: HDFCINBBXXX

**III. Every bid should include the following documents:**

- a) **Application form** as specified in **Annexure I**. This shall be signed by the authorized representative of the bidder. The bid currency shall be Indian National Rupees (INR/₹) Only.
- b) **Details of the bidder** (Name, Nature of Incorporation, Nature of Business, Address of Registered Office, etc.) duly signed by an authorized representative of the bidder on their letter head.
- c) **Document for authentication of Authorized Signatory** for bidder viz. Board Resolution, Power of Attorney etc.
- d) Bids should include an **EMD of ₹5,00,000/- (Rupees Five Lakh Only)** either in the form of a Demand Draft in favor of IFCI Ltd. payable at New Delhi or detail of online payment made to IFCI towards EMD.
- e) IFCI may at its discretion seek additional documents later and the bidder shall be liable to submit the same to maintain its eligibility. In case, the

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additional documents are not provided to IFCI Ltd. within the stipulated period of time, IFCI Ltd. reserves the right to reject the bid without assigning any reasons whatsoever.

f) All the submitted papers should be on the Letter Head of the bidder along with signature of the Authorized Signatory. Names, Addresses & contact details (including mobile number) of the Authorized Signatory and Contact Person(s) are to be clearly mentioned.

**(Important: The Bids received after the due date and time shall not be accepted)**

- IV. The Bids submitted shall be valid for three months from the last date of submission.
- V. The Bids submitted should be unconditional. Conditional bids shall be summarily rejected.
- VI. At any time prior to the due date for submission of Bids, IFCI may modify this proposal, and such information will be made available on the IFCI's website: <https://www.ifcilttd.com>
- VII. The EMD shall be refunded on expiry of Bid Validity Period or culmination of transaction whichever is earlier. IFCI shall have the right to forfeit the EMD in case any malafide or misrepresentation from the buyer is found, during the process.

## 5. Pre-bid Queries

The prospective Bidder(s), requiring any clarification may send their queries to IFCI latest **by 5:00 PM on Thursday, August 24, 2023** to the email id [sa@ifcilttd.com](mailto:sa@ifcilttd.com) IFCI shall endeavor to respond to the queries at the earliest. Any addendum and / or corrigendum or any other additional information shall be published on IFCI's website only. Prospective Bidders should refer to the IFCI's website regularly for any information.

## 6. Authorized Signatory

The bid proposals should be complete with all documents duly signed by authorized signatories. All information/ details are required to be supported by documents duly certified by the authorized signatories. Proof of the Authorized Signatory having the

authority to sign the documents (Copy of Board Resolution/ Power of Attorney etc.) must be enclosed.

## 7. Opening and Selection of Bids

### 7.1 Bid Opening:

- i. The date and time of opening of bids shall be intimated to the bidders at the contact details mentioned in the Bid.
- ii. The Bidders shall mention the contact details viz Name, contact number, email address on the Bid envelope.
- iii. The Bidders may authorize their representatives for attending the bid opening session.

### 7.2 Bid Selection:

- i. The bids shall be ranked as highest (H1) to lowest i.e. H1, H2, H3 on the basis of bid price per share quoted in the bid. The selection of the Preferred Bidder shall be on the basis of Highest Bid Price (H1), subject to other conditions viz. eligibility, acceptance etc.
- ii. In case of tie in two or more bids in terms of Bid Price per Share, the preference will be given in the following order:
  - a. A bidder with existing stake in CCIL of less than 4.49% over a bidder with existing stake in CCIL of equal to or more than 4.49%,
  - b. In case of further tie, the preference shall be given to a Public Sector Entity.
  - c. In case of further tie, preference will be given to the entity with higher Net-Worth i.e. Equity Capital + Reserves & Surplus (other equity) for the FY ended 31/03/2023 (audited figures).
- iv. In case of non-acceptance of bid of the selected bidder, at any stage and due to any reason by any other Authority including, but not limited to, CCIL (Board of Directors / Shareholders), RBI etc., the bid shall be rejected, and the offer may be made to the second highest bidder at the discretion of IFCI.
- v. IFCI shall have the right to reject any bid or to terminate the whole process, at any time, without mentioning any reason.

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### 7.3 Execution of the Process after selection of successful Preferred Buyer:

- i. IFCI shall send a communication i.e. **Letter of Confirmation (LoC)** to the **Preferred Bidder**, which the Preferred Bidder has to accept within 7 days of the date of LoC. In case the Preferred Bidder has submitted the Bid through online mode, the Preferred Bidder will be required to send the Bid in original along with the acceptance of LoC. In case of failure of the Preferred Bidder to provide acceptance of the LOC within 7 days (i.e. till 1700 HRS of the 7<sup>th</sup> day counted from the next day of the date of LoC), IFCI shall have the right to cancel the LoC, forfeit the EMD and offer an LoC to the second highest bidder (selected as per point number 7.2 above) at its sole discretion.
- ii. After acceptance of LoC by the Preferred Bidder, the matter shall be forwarded to CCIL and / or RBI for the required approval as per the extant rules and procedures. IFCI shall not be responsible for any delay in the process or rejection of the approval by CCIL (Board and / or Shareholders) and / or any other concerned authority (RBI etc.) due to any reason. In case of RBI not granting permission to the Preferred Bidder for increasing its stake beyond 5% in CCIL, EMD of the Preferred Bidder will be refunded.
- iii. On obtaining the final approval from CCIL allowing transfer of shares to the Preferred Bidder, a **Final Approval and Demand Letter (FADL)** shall be sent to the Preferred Bidder declaring it to be the Successful Bidder and conveying approval and demanding the transfer of funds i.e. total sale realisation as mentioned in the bid to the designated account of IFCI. In case the Successful Bidder fails to transfer the remaining sales consideration (Bid Price Per Share X Number of Shares -EMD) within 7 days to be reckoned from the date of receipt of FADL, IFCI shall have the right to forfeit the EMD. However, IFCI, at its sole discretion, may extend the period of payment, with or without charging interest.
- iv. After confirmation of receipt of the total sale consideration by IFCI from Successful Bidder as per FADL, the due process of transfer of the Shares of CCIL to the Successful Bidder by IFCI shall be executed.

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**(Important: The above-mentioned process is as tentatively envisioned as per extant procedures, however there may be deviations and / or differences during execution / completion of the transaction.)**

**8** It may be noted that declaration of Preferred/Successful Bidder is not a guarantee to sell CCIL's shares by IFCI to the bidder. The final sale transaction shall be subject to fulfillment of all the requirement and / or submissions necessary for the sale, including but not limited to all the required submissions and / or approvals from any other legal / statutory authority, approval of Board of Directors / Shareholders of CCIL, approval from RBI etc., as per extant rules. However, IFCI shall have the right to terminate the process at any time.

**9 Disqualification:**

- i. IFCI shall not consider for the purpose of qualification any bid that is found to be incomplete in content and / or attachments and / or legal capacity / authenticity.
- ii. Without prejudice to any other rights or remedies available to IFCI, the Bidder may be disqualified and its bid dropped from further consideration for any reason whatsoever including but not limited to those listed below:
  - (a) Misrepresentation by the Bidder / Investor;
  - (b) Failure on the part of the Bidder to provide necessary and sufficient information required to be provided in the Bid documents;
  - (c) Failure to comply with the terms and conditions mentioned in the Tender Document;
  - (d) If the bid is not as per the format prescribed in the Tender Document;
  - (e) If the bid is not accompanied with the required documents and Earnest Money deposit (EMD).

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(f) If the bid and other documents are not signed by the authorized signatory of the Bidder.

If any information comes to the knowledge of IFCI which would have entitled IFCI based on the prescribed Tender Document/ submission requirement specified above, to reject or disqualify the Bidder, IFCI reserves the right to reject the Bid of the Bidder at the instant time, or at any time thereafter as and when such information comes to the knowledge of IFCI, (EMD) shall be forfeited in such cases.

## 10 Confidentiality

The Bidder shall agree that all confidential information relating to the transaction shall be kept confidential, from the date hereof until the end of a period of 1 year from the date of completion of the Transaction (transfer of shares to the buyer).

## 11 Fraud and Corrupt Practices

11.1 The Bidder and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Evaluation and Selection Process. Notwithstanding anything to the contrary contained in the RFP, IFCI shall reject a proposal without being liable in any manner whatsoever to the Bidder, if it determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the "**Prohibited Practices**") in the Evaluation and Selection Process.

11.2 In such an event, IFCI shall, without prejudice to its any other rights or remedies, forfeit and appropriate the EMD, as the case may be.

11.3 Without prejudice to the rights of IFCI under **Clause 11.1** hereinabove and the rights and remedies which IFCI may have under the future communications in this regard, if a Bidder, is found by IFCI to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Selection Process, or after the issue/acceptance

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of the LOC, such Bidder shall not be eligible to participate in any assignment or RFP issued by IFCI during a period of 2 (two) years from the date such Bidder is found by IFCI to have directly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

11.4 For the purposes of this Section, the following terms shall have the meaning hereinafter respectively assigned to them:

**(a) "Corrupt practice"** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of IFCI who is or has been associated in any manner, directly or indirectly with the Selection Process or arising there from, before or after acceptance thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of IFCI, shall be deemed to constitute influencing the actions of a person connected with the Selection Process);

**(b) "Fraudulent practice"** means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process;

**(c) "Coercive practice"** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person's participation or action in the Selection Process;

**(d) "Undesirable practice"** means (i) establishing contact with any person connected with or employed or engaged by IFCI/CCIL with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Selection Process;

**(e) "Restrictive practice"** means forming a cartel or arriving at any understanding or arrangement among Bidders or any other party with the objective of restricting or manipulating a full and fair competition in the Selection Process.

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## 12 Other terms and conditions

- (i) The Bidder(s) are required to do their independent enquiries about the operations and other information about CCIL. IFCI shall not be responsible for any issue(s) raised by the Bidder in future.
- (ii) The Bidder shall conduct its own independent investigation and analysis for participation in the Bid process and investment in CCIL. IFCI will not make any express or implied warranty as to the accuracy or completeness of any written or verbal information provided including, without limitation, any financial results, estimates or projections that may be provided to the Bidder in the course of their evaluation of CCIL, except to the extent any representations or warranties if any, as may eventually be included in a definitive written agreement related to the Transaction. No liability or responsibility shall attach to IFCI or its affiliates by reason of their making such information available to the Bidder or any of their advisors/ consultants, nor will they be liable for any costs incurred by any other party with regard to this process. IFCI does not undertake any duty to update or correct any information provided to the Bidder.
- (iii) Neither will IFCI entertain any query or clarification from Bidders who fail to qualify or whose bids have not been accepted, nor will IFCI be responsible to anyone at any stage of the process.
- (iv) IFCI reserves the right to reject any or all bids without assigning any reason thereof as well as the right to add/ delete/ modify any one or more of the terms and conditions. IFCI also reserves the right not to sell the CCIL's equity shares to any of the Bidder(s) and may terminate the sale process without thereby incurring any liability.
- (v) IFCI shall not in any way be held responsible for any procedural delay and shall not be assigned any financial loss caused during the Assignment.
- (vi) IFCI reserves the right to withdraw the RFP at any time without assigning any reason and shall not be held liable for any losses or damages caused by such withdrawal. The withdrawal of RFP would be by giving intimation through IFCI's website.

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- (vii) The decision of IFCI in regard to acceptance or non-acceptance of the proposal shall be final and binding on the Bidders.
- (viii) The Bidder is required to comply with the all the guidelines issued by Central Vigilance Commission (CVC), Government of India, wherever applicable.
- (ix) The Bidder is required to pay the applicable stamp duty and other statutory taxes for transfer of shares.
- (x) The corrigendum/addendum, if any shall be uploaded on IFCI's website [www.ifcilttd.com](http://www.ifcilttd.com). Accordingly, please refer to website of IFCI Ltd. from time to time.

### **13 Dispute Settlement**

13.1 Disputes, if any, arising out of this Tender document, shall be mutually settled without any obligation on any party within 30 days. However, in the event of non-settlement of disputes through amicable means, such disputes shall be as per Arbitration and Conciliation Act, 1996, as amended up to date. The venue and seat of the Arbitration shall be at New Delhi and the language shall be English. The arbitration shall be conducted by a sole arbitrator who shall be mutually appointed by both the parties.

13.2 All matters relating to the sale process of equity shares of CCIL by IFCI and the bidding procedure thereof shall be governed by the laws applicable in India. Only Courts at New Delhi (with exclusion of all other courts) shall have the jurisdiction to decide or adjudicate on any matter, which may arise. Bidders are requested to adhere to laws/guidelines applicable to this Transaction which includes the following but not limited to:

- a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and amendments thereof, if any and as applicable.
- b) Companies Act, 2013 and amendments thereof, if any and as applicable.
- c) Unlisted Public Companies (Preferential Allotment) Rules, 2003 and amendments thereof, if any and as applicable.

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- d) Securities Contracts (Regulation) Act, 1956 (42 of 1956) and amendments thereof, if any and as applicable.
- e) Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2000 and amendments thereof, if any and as applicable.
- f) Reserve Bank of India A.P. (DIR Series) Circular No. 25 dated December 22, 2006 and amendments thereof, if any and as applicable.
- g) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereof and as applicable, if any.
- h) All other such Acts, Rules, Regulations, General Orders, Guidelines, Circulars and amendments thereof issued by SEBI, Ministry of Corporate Affairs, Ministry of Finance, Government of India, RBI or any such other regulatory/statutory bodies in India.

13.3 Bidders are required to carry out their own due diligence at their cost and comply with any applicable legal requirements as required of them in this regard both in India as well as the concerned country having jurisdiction over their registered office.

Sd/-  
Chief General Manager  
(Subsidiaries & Associates Coordination Department)

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**ANNEXURE - I**

*(On the Letter Head of the Bidder)*  
*(FORMAT FOR BID)*

**Date:**

To,  
The Chief General Manager,  
Subsidiaries and Associates Coordination Department,  
IFCI Limited, IFCI Tower,  
61, Nehru Place,  
**New Delhi - 110 019.**

**Ref: Invitation of Bids / Offers for purchase of IFCI's Shareholding in The  
Clearing Corporation of India Ltd. (CCIL), RFP no  
IFCI/SACD/CCIL/2023-24/01 dated 10 August, 2023.**

**Sub: Bid for purchase of IFCI's equity shares held in CCIL.**

Sir,

1. We ..... (Full Name of the bidder) having reviewed and fully understood all of the requirements of the offer document provided, we hereby make an application for purchase/buying of equity shares of CCIL held by IFCI, from IFCI, as contained in the Invitation of Bids / Offers vide Bid Document No. \_\_\_\_\_ dated \_\_\_\_\_, as per details below.

Name of the Bidder:	
Contact details of the Bidder:	
Address:	
Email:	

Mobile: Principal point of Contact (Ms./Mr.)	
Brief overview of the bidder and its business:	
Does Bidder qualify as a Domestic Investor as per applicable laws in India.	Yes/No
Number of equity shares of CCIL currently held by the Bidder, as on date	
Number of Redeemable Preference shares of CCIL currently held by the Bidder, as on date	

Our Bid for the proposed Transaction is as follows:

- i. Total Number of Shares : 2,55,000 - **(A)**
- ii. Bid Price Per Share ₹ \_\_\_\_\_/- **(B)**  
(not to be lesser than the Reserve Price i.e. Rs.1,100/- per share)
- iii. Total consideration to be paid by the Bidder for buying- ₹ \_\_\_\_\_/-  
i.e. **(A) X (B)**.

2. It is certified that the .....(name of the Bidder) satisfies the eligibility criteria provided in the Invitation of Bids / Offers and is eligible to hold equity shares of CCIL.
3. We also acknowledge that in case of misrepresentation of the information furnished to IFCI, our proposal shall be rejected / terminated summarily, which shall be binding on us.
4. We confirm that the above offer may be accepted or rejected by IFCI at its discretion and mere submission of Bid does not imply any binding for acceptance by IFCI.
5. We have the relevant corporate authorisations necessary to submit this Bid and we represent and warrant that:
  - i. Our offer is unconditional and binding upon us in all aspects;

- ii. We will continue to comply with all applicable regulations and laws during the participation in the Proposed Transaction.
- iii. We will submit all the documents as indicated in the Process Letter shared with us to give effect to the Proposed Transaction.
- iv. It is certified that we satisfy the eligibility criteria provided in the Tender Document and are eligible to hold equity shares of CCIL. If shortlisted, we shall submit all the documents/ declarations required by CCIL for satisfying the 'Fit and Proper' criteria or by SEBI for granting its approval for holding shares of CCIL, in accordance with the applicable laws immediately after being shortlisted; and
- v. We have not been disqualified by any Statutory Authority or Regulator, which would impact our participation in the Proposed Transaction in any manner whatsoever.
- vi. We have attached a Demand Draft No. \_\_\_\_\_ dated \_\_\_\_\_ drawn on \_\_\_\_\_ for an amount of ₹5,00,000/- (Rupees Five Lakh Only) in favour of IFCI Limited towards .
- or
- We have transferred EMD of ₹5,00,000/- (Rupees Five Lakh Only) to IFCI vide RTGS / NEFT / IMPS on \_\_\_\_\_ with Unique Transaction reference Number \_\_\_\_\_.
- vii. We understand that EMD shall be refunded on expiry of Bid Validity Period or culmination of transaction whichever is earlier. IFCI reserve the right to forfeit the EMD amount as per the terms of RFP.

For and on behalf of :

Signature of Authorised Signatory

[Office Seal]

Name (Authorized Signatory):

Designation:

Contact Details including Mobile No. (Authorized Signatory):

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