

NATIONAL SMALL INDUSTRIES CORPORATION LTD. (NSIC)

REQUEST FOR PROPOSAL (RFP)

The National Small Industries Corporation Ltd. (NSIC) has received permission to sell its portfolio of Non Performing Financial Assets through Securitization Company or Reconstruction Company vide Government of India Gazette Notification no.326 dated 27.2.2012. The portfolio of Non Performing financial Assets (both secured and unsecured) are located across the country. Interested Securitization Companies / Asset Reconstruction Companies (ARCs) looking to participate in the process may kindly obtain the details from NSIC website www.nsic.co.in and submit the relevant documents on the address given therein. The last date of receipt of proposals with NSIC is 10th May, 2013 before 4.00 p.m.

THE NATIONAL SMALL INDUSTRIES CORPORATION LIMITED

REQUEST FOR PROPOSAL (RFP)

The National Small Industries Corporation Limited (NSIC), is a Mini Ratna (category-II) company with an equity capital of Rs 463 crore. It is wholly owned by the Government of India. The company has played a pivotal role in supporting the growth of micro, small and medium enterprises (MSMEs) across the country. The company has a consistent track record of performance. The company's head office is located in Delhi and it has a network of 155 offices across the country.

As on February 28th, 2013, the company has a portfolio of Non Performing Financial Assets (both secured and unsecured) aggregating Rs 143.13 crore approximately, in 946 accounts. NSIC has received permission to sell its portfolio of Non Performing Financial Assets through Securitization Company or Reconstruction Company vide Government of India Gazette Notification no.326 dated 27.2.2012. The Gazette notification for the same is available on this website. NSIC intends to dispose off these through a tender process.

As a prelude to the same the company invites Request For Proposal (RFP) from Securitization Company or Reconstruction Company duly registered with the Reserve Bank of India under Section 3 of the Banking Regulation Act and having a valid registration as on the date of this RFP.

The terms and conditions of the RFP are given below. Securitization Company or Reconstruction Company interested in participating in the process are required to submit the documents latest by 10th May, 2013 before 4.00 pm.

GENERAL TERMS & CONDITIONS

1. The Securitization Company or Reconstruction Company should have:
 - a. been in operations for at least four consecutive years and should have a track record of three years of consistent profitability.
 - b. a minimum paid up equity capital of Rs 50 crore or a net worth of Rs.100 crore as on 31st December 2012.
 - c. a valid RBI registration as on the date of the RFP.

- d. worked with Public sector Undertakings(PSUs)/Nationalized Banks, Financial Institutions (FIs)/central /State government Undertakings for at least 5 assignments in the preceding three years,

OR

Worked with Public sector Undertakings(PSUs)/Nationalized Banks, Financial Institutions (FIs)/central /State government Undertakings and the total assignment value should be at least Rs.100 crore in the preceding three years,

OR

Worked with Multinational Banks only, and the total assignment value should be at least Rs 500 crore in the preceding three years,

2. The Securitization Company or Reconstruction Company **will have to participate for purchase of entire portfolio of both secured and unsecured assets.** Any company which withdraws from bidding / declines to bid for the unsecured assets shall be summarily rejected from the process.
3. The company has to bear the entire cost of undertaking the due diligence of the accounts.

DOCUMENTS TO BE SUBMITTED ALONG WITH RFP

Securitization Company or Reconstruction Company desirous of participating in the process are required to submit a letter along with the following self attested documents:

1. Letter of Intent as per FORMAT A.
2. Memorandum & Articles of Association of the Company
3. Copy of registration of company as a Securitization Company or Reconstruction Company
4. Annual Reports for the last 3 financial years ie 2009-10, 2010-11, 2011-2012 and half yearly results as on September 30, 2012.
5. Brief write-up on the company's activities, its location centres, staff strength, and mode of operations

6. Brief write-up on the Organization Structure of the Company and the key person (his/her name, address, phone number, email id) for NSIC .
7. Certificate from MD/CEO of the company regarding key PSU/Nationalised Banks/ FIs/MNC Banks worked with along with the transaction value for the last three years. The certificate should mention the names & addresses of the clients, and the transaction value.
8. Certificate from MD/CEO regarding the company having duly complied with all regulatory norms and that there is no penal action against it. Also the names of Public sector Undertakings (PSUs)/Nationalized Banks, Financial Institutions (FIs)/Central /State government Undertakings where the company has been blacklisted are to be mentioned giving reasons thereof. If the same is not applicable a Nil certificate may be given to this effect.
9. An undertaking from the MD/CEO to the effect that the ARC is agreeable to bid for both the unsecured and the secured assets, and if at any point of time in the process, it decides to withdraw from bidding for unsecured assets, its proposal shall stand rejected by NSIC.
10. The RFP shall remain valid for the period of 30 days from the date of issue.
11. The RFP shall be opened on 15.05.13 at the address given below in RFP at 3.00 P.M. in the presence of representatives of bidders.
12. The Securitisation Companies/Reconstruction Companies already submitted their RFP in response to the advertisement dated 12.03.2013, will be considered, hence they need not to apply again.

Contd. ...5/-

The above said documents should reach The National Small Industries Corporation Limited in a sealed envelope by post / courier latest by 10th May, 2013 before 4.00 pm on the following address.

**GENERAL MANAGER (LAW)
THE NATIONAL SMALL INDUSTRIES CORPORATION LIMITED
NSIC BHAWAN
OKHLA INDUSTRIAL ESTATE
NEW DELHI 110020**

The envelope should be super scribed as follows:

REQUEST FOR PROPOSAL IN RESPONSE TO NSIC's ADVT DATED 30.04.2013.

FORMAT A- LETTER OF INTENT

Date:

The General Manager (Law),
The National Small Industries Corporation Limited
NSIC Bhawan,
Okhla Industrial Estate,
New Delhi – 110 020

Dear Sir

SUB.: REQUEST FOR PROPOSAL IN RESPONSE TO NSIC's ADVT DATED 30.04.2013

Please refer to your advertisement dated 30.04.2013 and RFP information available on the website. In this context, a brief of our company is given below:

1. Company Background,
2. Services included in the offer,
3. Contact Person with designation and contact numbers,
4. List of documents attached,
5. Any other material information the company wishes to disclose.

Signature, Name and Designation