



KERALA FINANCIAL CORPORATION

HO: VELLAYAMBALAM, THIRUVANANTHAPURAM - 695 033

Phone : 0471- 2315891, 2737566

e-mail : mdoffice@kfc.org website : www.kfc.org



KFC/BOND/2023

04.03.2023

The prospective Arrangers,

Dear Sir/ Madam,

Sub: KFC Non SLR Bond Issue March 2023 – Request for Proposal (RFP)

Kerala Financial Corporation (KFC) is in the process of mobilizing up-to Rs.750 crores including green shoe option and planning to launch issue in market through private placement of NCDs on EBP of BSE as per SEBI guidelines issued from time to time. The proposed issue has a dual Credit Rating 'AA' by Acuite and Infomerics, with credit enhancement features like DSRA/ Cash collateral and escrow mechanism.

The prospective arrangers are hereby requested to give firm commitment for mobilization/ investment of minimum Rs.50 crore in the issue. Please submit your firm commitment for mobilization/ investment by March 10th, 2023 by 2 PM (As per format attached in Annexure I & II). Firm commitment for mobilization/ investment along with the committed amount, coupon rate and arranger fees may be submitted through online submission with a password protected PDF file. Opening of the same will be done at KFC Head Office on March 10th, 2023 at 3.30PM.

A. CRITERIA FOR PRE-QUALIFICATION AND FINANCIAL BID

- Mere issue of documents for RFP does not qualify for appointment as an arranger. The applications, which do not satisfy the eligibility criteria mentioned hereunder are liable to be rejected.
- Arrangers for the issue: Merchant Bankers, RBI registered Primary Dealers or any other registered intermediaries as notified by SEBI from time to time, may act as an arranger and shall fall in the Arranger list under "All Category" ranked by PRIME Database for the period 01.04.2021 to 31.03.2022 or under "SFI/ SLU Category" ranked by PRIME league tables for the combined last 3 Financial Years.
- Non fulfillment of any of the pre-qualification criteria amounts to disqualification and document superscribed 'Financial Bid' will not be opened.
- KFC will open the pre-qualification application first. The 'Financial Bid' of the qualified arranger will be opened thereafter.
- The firms which completely meet the eligibility criteria shall be considered to be technically qualified. Final selection would be done on the basis of lowest bid (L1), wherein an eligible and technically qualified bidder with lowest IRR shall be selected to be awarded by the in house Committee constituted by the KFC.
- The coupon rate shall be firm till the targeted amount is mobilized.
- The Authority reserves the right to appoint multiple selected bidders/ Arrangers/ Parties for the said Bid at L1 prices.
- The pre-qualification application and 'Financial Bid' shall be submitted in the format given in Annexure I and Annexure II respectively.
- All offers would be tabulated in chronological manner i.e. L1, L2, L3 and so on, after that, bidders would be informed accordingly. If L1 offer is not for full desired

കേരള ഫിനാൻഷ്യൽ കോർപ്പറേഷൻ

(1951-ലെ സ്റ്റേറ്റ് ഫിനാൻഷ്യൽ കോർപ്പറേഷൻ ആക്ട് നം. LXIII പ്രകാരം രൂപീകൃതമായത്)
വെള്ളയമ്പലം, തിരുവനന്തപുരം-695033

amount, KFC may ask L1 bidder to increase its commitment amount up to desired amount and 15 mins will be provided to the bidder to increase the commitment amount. In case L1 bidder doesn't increase commitment amount, KFC will ask other bidders to match L1 rate in chronological manner and 15 mins will be provided to match the L1 rate to each subsequent bidders, till desired amount committed.

B. BID SUBMISSION METHODOLOGY

- i. Last day to submit the bid is on or before March 10th, 2023 at 14:00 Hrs
- ii. The arranger shall submit their original Technical and Financial proposal prepared as per RFP, on separate emails in orderly manner:
 - a. Email 1 – Original Technical Proposal (As per annexure I) with a unique password protected document. No common passwords to be used.
 - b. Email 2 - Original Financial Proposal (As per annexure II) prepared respectively as per the RFP with a unique password protected document. No common passwords to be used.
- iii. After the deadline for submission of proposals, the Technical Proposal will be opened at 15:30 Hrs on the same day (March 10th, 2023) after receiving the password for technical proposal from Arrangers
- iv. Financial Bids of only those arrangers will be opened who meet the eligibility criteria set out in this RFP, KFC will notify arrangers meeting the eligibility criteria and the Financial Bid will be opened at 15:30 Hrs on the same day (March 10th, 2023) after receiving the password for the financial proposal from the qualifying arrangers. The arrangers qualified for financial bid opening can participate in the opening process physically and through VC .
- v. In case if there is a change in bid opening date due to unforeseen circumstances the revised date will be informed to all qualified arrangers through e-mail.

C. GENERAL CONDITIONS

- i. Firm commitment for minimum mobilization/ investment amount of Rs. 50 crore will only be considered. Any commitment over and above the minimum commitment size of Rs. 50 crore shall be in the multiples of Rs. 10 crore only.
- ii. Coupon rate may be furnished up-to two decimal points.
- iii. Upper cap for arranger's fees will be 50 paise.
- iv. Consortium/ joint bidding will not be allowed.
- v. No offer subsequent to above timeline will be taken into consideration.

This invitation for firm commitment is only for the addressee and non- transferable. KFC reserves the right to accept/ reject offer (s) at its sole discretion. Evaluation of bids will done on overall IRR basis including coupon and arranger fees.



Sd/-
Chairman & Managing Director

ANNEXURE I
FORMAT FOR PREQUALIFICATION APPLICATION

[On the Letter Head of the Arranger]

March 10th, 2023
CMD, KFC
Trivandrum, Kerala

Sub: Prequalification for mobilisation / investment in the proposed Non-SLR Bonds to be issued by Kerala Finance Corporation (KFC)
Ref: Your RFP Dated [.]

Dear Sir ,

With reference to the captioned subject, we hereby offer to render the services to KFC in conformity with the requirements defined in RFP dated 01.03.2023 and confirm that we satisfy the prequalification conditions set out in the RFP, details of which are as below :

1. Name :
2. Registered Office of the arranger with Telephone, e-mail and fax numbers :
3. Name of the contact person :
4. SEBI/ RBI Registration Particulars :
 - i. SEBI/ RBI Registration No. And Category :
 - ii. Date of Registration(Original)(dd/mm/yy) :
 - iii. Currency of the present Certificate: :
From (dd/mm/yy) :
To (dd/mm/yy) :
 - iv Copy of registration certificate duly attested by the arranger is enclosed :Yes/ No
 - v. Whether qualifies as arranger as per condition A(ii) of RFP : Yes/ No
5. Prime Ranking enclosed : Yes/ No

(Name and Designation)
Signature with Seal

ANNEXURE II

[On the Letter Head of the Arranger]

March 10th, 2023
CMD, KFC
Trivandrum, Kerala

Sub: Firm Commitment for mobilisation / investment in the proposed Non-SLR Bonds to be issued by Kerala Finance Corporation (KFC)
Ref: Your RFP Dated [.]

Dear Sir ,

With reference to the captioned subject, we hereby commit to invest/mobilise/arrange subscription for the aforementioned proposed bond issue of KFC as under:

Bid Particulars	Quotation
Coupon Rate (Up to two decimal places)	[.] %
Arranger Fees (Up to two decimal places)	[.] paisa
IRR (Will be considered upto 2 decimal places)	[.]%
Firm Commitment Amount (Minimum Commitment of Rs.50 Crore and in multiple of Rs.10 Crore)	Rs. [.] Crore
Name and contact details of Authorised Person	Name: [.] Designation: [.] Tel: [.] Mobile: [.] Email: [.]

Thanking You,
Yours Faithfully,

For [.]
(Authorised Signatory)

ANNEXURE III
DRAFT TERM SHEET
(Enclosed)