

IFCI FACTORS LIMITED, NEW DELHI



**REQUEST FOR PROPOSAL FOR EMPANELMENT OF ARRANGER TO RAISE
FINANCIAL RESOURCES FROM BANKS AND FINANCIAL INSTITUTIONS**

**IFCI FACTORS LIMITED
10TH FLOOR, IFCI TOWER,
61, NEHRU PLACE,
NEW DELHI – 110019**

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IFCI Factors Limited

10TH FLOOR, IFCI TOWER, 61 NEHRU PLACE, NEW DELHI - 110019

Date: 18/09/2020

Last Date & Time of Submission of Request
16:00 Hrs on 05.10.2020
Date & Time of Opening of Requests
17.00 Hrs on 05.10.2020

Dear Sir/Madam,

Subject: Request for proposals for empanelment of Arranger by IFCI Factors Limited, with the objective to raise funds from Banks vide the TLTRO scheme or various other alternative schemes for NBFCs at a competitive rate of interest.

1. IFCI Factors Limited (IFL) was originally incorporated in the name of Foremost Factors Ltd. (FFL) on 14th December, 1995. It is presently a subsidiary of IFCI Limited, with IFCI holding 99.89% shareholding and balance 0.11% is with other individuals.
2. IFL is registered with RBI, as Non Banking Finance Company (NBFC). Since the loan asset base of the Company exceeds Rs.500 Crore, it has been categorized as Systematically Important-Non Deposit taking (SI-ND) NBFC.
3. IFL is engaged primarily in the business of factoring of receivables, which is a form of Working Capital finance. IFL is also into the Corporate Loan business, which forms about 20% of its business portfolio.
4. IFL is looking to substantially reduce its cost of borrowing and is seeking funds from various banks under the TLTRO scheme or any other scheme/schemes announced by the Ministry of Finance, towards combating the economic slowdown caused by the COVID-19 pandemic. The amount raised will be used for working capital purpose in the factoring business.

5. Proposals are invited from various firms who wish to be empaneled as Arranger at IFL for raising funds under the TLTRO scheme or various other schemes announced by the Ministry of Finance, at a competitive rate of interest.
6. The applicant firms should not be in any negative list of any statutory body in the country nor be prohibited by any judicial or quasi- judicial order from conducting the business as Arranger within the country.
7. The applicant firms should have an established track record in the field of Resource Raising from banks under the various schemes floated by RBI as well as Ministry of Finance, for providing credit limits to borrowers at a competitive rate of interest.
8. The indicative term sheet for raising the funds or credit facility is given below:

Particulars	Details
Issue Amount	Rs.50 crore to Rs.100 crore in tranches of Rs. 25 crore
Type of Instrument	Non - Convertible Debentures (Bonds)/Credit facility
Credit Rating	CARE BB (+) : Negative; BWR BB (+): Stable
Security	PARI PASSU Charge on all Factoring Receivables
Additional Support (if required)	Letter of Comfort from IFCI Limited (if required)
External Credit Rating of IFCI Limited	BBB (-)
Coupon Rate	Below 10% per annum
Tenure	7 Years

9. Arranger fee shall be based on the quantum of funds raised, tenor of funds raised, as well as the rate of interest of the facility arranged for IFL.
10. The applicants are requested to submit their proposals in 2 parts
 - i. Unpriced request for technical evaluation for empanelment as Arranger at IFL and
 - ii. Indicative Price – range/Indicative Arranger fee on successfully arranging credit facility/funds for IFL.

The technical details would include the documentary proof for meeting the technical evaluation and shall spell out the indicative Rate of Interest band, at which the Arranger will be able to raise the quantum of required funds for IFL.

The technical evaluation shall also provide the information on the following:

- a) The applicant should be either a Financial Consultant firm/ Chartered Accountant firm/ Management Consultant firm/ Financial Arranger firm.
- b) The applicant firm should have raised/arranged for PSUs, Corporates, NBFCs from various banks and financial institutions.

We are pleased to invite your applications in sealed envelope covering 2 parts:
Part 1- Unpriced request for technical evaluation for appointment as Arranger at IFL and
Part 2 -Indicative Price range/Indicative Arranger fee on successfully arranging credit facility/funds for IFL.

The Request for Empanelment are to be submitted through courier/registered post or can be hand delivered at the reception of IFCI Factors Limited so as to reach IFL latest by 16.00 hrs on 05/10/2020 at the following address:

Shri Amit Kaul,
Senior Vice President & Head – Marketing & International Business
10th floor, IFCI Tower, 61 Nehru Place,
New Delhi – 110019
Phone: 011-46412840, 011-46412898, 011-46412863

IFL reserves the right to accept or reject any of the requests received at its sole discretion without assigning any reasons. The Request for Empanelment (RFE) received after the due date and time of submission are liable to be rejected.

Thanking you and looking forward to your response.

Yours sincerely,

(Prafulla Sharma)
Senior Associate Vice President and Head - HR