



Request for Proposal
Invitation for submission of bids

Disinvestment of up to 2.0% stake in The Clearing Corporation of India Limited

Date: 6th June 2024

Madam / Dear Sir,

State Bank of India (“SBI”) is one of the shareholders of The Clearing Corporation of India Limited (“CCIL”) and intends to divest up to 10,00,000 (Ten Lakh only) fully paid-up unencumbered equity shares each of face value of Rs.10/, constituting 2.0% of CCIL’s equity share capital as on 31st March 2024, through a competitive bidding process (hereinafter called “Transaction”) to an eligible buyer (hereinafter called “Bidder”).

SBI has published an advertisement on 8th June 2024 soliciting bids/offers in relation to the Transaction, from interested and eligible parties.

The selection of the bidder shall be on the basis of the Highest Bid Price Per Share subject to fulfilment of its eligibility criteria and other terms, as specified further in this document, hereinafter referred to as the “Process Letter”. This document further sets forth the procedure and timing requirements for submission of bid/offer by the Bidders(s), in relation to the Transaction (the “Bid”).

A. Eligibility Criteria:

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

- i. The Bidder 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 include that the prospective buyer should be the user member of at least one of the payment systems of CCIL.

- ii. The minimum lot size which a Bidder can bid is 5,00,000 (Five lakh) equity shares, with a multiple of 5,00,000 (Five lakh) equity shares. Bids with a lot size lesser than minimum lot size shall be summarily rejected.
- iii. The Reserve Price has been fixed at Rs. 1,128/- per equity share of CCIL of Face Value of Rs. 10/- each. The bids below the reserve price shall be summarily rejected.
- iv. The Bidder cannot submit bid in consortium with other parties. Bid submitted on consortium basis shall be summarily rejected.

B. Invitation for submission of Bids:

- i. The bids shall be submitted by an eligible buyer directly to SBI.
- ii. The Bids are to be submitted in the prescribed format only, provided in **Annexure I** of this document. The Bids are to be submitted in such a way as to reach at the address given below by or before 11th day of June 2024 at 1700 HRS IST, in a sealed envelope super scribed as “**BID FOR BUYING OF SBI’S EQUITY SHAREHOLDING IN THE CLEARING CORPORATION OF INDIA LIMITED**”.
- iii. The sealed envelope shall be marked to the attention of the following:

Deputy General Manager (Private Equity) State Bank of India, Global Markets, Corporate Centre 15 th Floor, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai Email: dgmpe.gm@sbi.co.in Phone: 022-22891009/1506
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- iv. 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 bidding buyer. 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. SBI 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 additional documents are not provided to SBI within the stipulated period of time, SBI reserves the right to reject the bid without assigning any reasons whatsoever.
- e. All the submitted papers should be on 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*)
- v. SBI reserves the right to extend the validity or terminate the process at any time at its sole discretion, even after opening of bid(s).
- vi. The Bids submitted should be unconditional for acceptance. Conditional bids shall be summarily rejected.
- vii. At any time prior to the due date for submission of Bids, SBI may modify this Process Letter, and such information will be made available on the SBI's website: <https://bank.sbi/>.

SBI reserves the right to reject the Bid if:

- (a) The Bid is incomplete and not meeting any of the requirements set out herein; or
- (b) Any condition stated by the Bidder is not acceptable to SBI; or
- (c) If this Process Letter and any of the terms and conditions stipulated in this Process Letter are not accepted by the Bidder; or
- (d) If the Bidder does not meet the 'Fit & Proper' criteria for acquiring stake in CCIL.
- (e) Any information submitted by the Bidder is found to be untrue/ fake/ false in any respect at any stage.

SBI shall be under no obligation to accept any Bid received in response to this Process Letter and shall be entitled to reject any or all Bids without assigning any reason whatsoever.

C. 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 shall be on the basis of Highest Bid Price (H1), subject to other conditions viz. eligibility, acceptance etc.

- ii. In case of receipt of multiple bids at lot sizes lesser than the entire equity shares offered (10 lakh), during the allotment as highest to low (H1 then H2 and so on), the last highest bidder will be considered for lesser of the number of shares bid by it and the shares available for allotment.
- iii. In case of tie in two or more bids in terms of Bid Price per Share, preference will be given to the entity bidding for higher number of shares. In case of further tie, the shares available for allotment will be divided equally among the tied bidders or the number of shares bid by them, whichever is lower.
- iv. In case of non-acceptance 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 higher bidder at the sole discretion of SBI.
- v. Any bid for aggregate lot size of 10,00,000 shares will be given preference.

D. Other Matters:

- i. This “Invitation for submission of Bids” is not an offer by SBI but an invitation to receive offers from interested and eligible parties. The purpose of this 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 submission of Bids”.
- ii. No contractual obligation whatsoever shall arise from the process of Invitation for submission of Bids for Sale of Equity.
- iii. SBI reserves the right at their sole discretion and without liability to reject or accept the Bids, and amend any written material or information verbally transmitted to any potential bidder. SBI reserves the right at their sole discretion and without liability to change or terminate the procedures at any time and in any respect, to reject any and all Bids, and to terminate negotiations and discussions at any time and for any reason, without being obliged to give reasons thereof, with any or all Bidders and to negotiate with any party in a manner and to a timetable other than that outlined in this Process Letter.
- iv. Neither this Process Letter nor any information provided pursuant to this process letter shall constitute an offer to sell any part of the shareholding in CCIL as envisaged in this Process Letter. An offer will be deemed to have been made and accepted only when a definitive Share Purchase Agreement

and related ancillary agreements, documents, as maybe required, have been executed.

- v. It may further be noted that declaration of successful bidder is not a guarantee to sell CCIL's shares by SBI to the bidder. The final sale transaction shall be subject to fulfilment 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 requirement, approval of Board of Directors / Shareholders of CCIL, approval from RBI etc., as per extant rules. However, SBI shall have the right to terminate the process at any time.
- vi. The Bidder shall conduct its own independent investigation and analysis for participation in the Bid process and investment in CCIL. SBI 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 SBI 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. SBI does not undertake any duty to update or correct any information provided to the Bidder.
- vii. Neither will SBI entertain any query or clarification from Bidders who fail to qualify or whose bids have not been accepted, nor will SBI be responsible to anyone at any stage of the process.
- viii. 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).
- ix. This Process Letter and subsequent documents relating to the Transaction shall be governed and construed in accordance with the Indian law, and the courts of India shall have exclusive jurisdiction to hear and decide any action or proceedings which may arise in connection with the Transaction and the jurisdiction for the Transaction shall rest with the courts of Mumbai.

- x. Any clarifications sought regarding the Transaction, or any other information request should be directed to the following:

Shri Ashish Singh,
Manager (Private Equity),
State Bank of India,
Global Markets, Corporate Centre
State Bank Bhavan, Madame Cama Road,
Mumbai 400021
Tel No. 022-22891506/8360080449
Email: pedesk.gm@sbi.co.in cc to cmpe2.gm@sbi.co.in

Yours faithfully,

Sd/-

Deputy General Manager (Private Equity)
State Bank of India
15th Floor, Global Markets
State Bank Bhavan, Madame Cama Road
Mumbai 400021

Annexure I – Bid Format

(On the Letter Head of the Bidder)

Date: DD/MM/YYYY

To,
Deputy General Manager (Private Equity)
State Bank of India,
Global Markets, Corporate Centre,
15th Floor, State Bank Bhavan,
Madame Cama Road, Nariman Point,
Mumbai 400021

Dear Sir,

Sub: Bid to acquire SBI’s stake in The Clearing Corporation of India Limited.

We, the undersigned, herewith submit our Bid to acquire the equity shares, in The Clearing Corporation of India Limited (“CCIL”) from State Bank of India (“SBI”) (“Proposed Transaction”).

Summarized below is a brief overview of our organization. We agree and acknowledge that the information provided herein can be used by SBI and / or CCIL, to evaluate the offer made by us and all information provided below is true and accurate in all respects.

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

Our Bid for the Proposed Transaction is as follows:

1. Number of Equity Shares proposed to be acquired [A]: _____
2. Price per share [B]: INR (₹) _____/- (not to be lesser than the Reserve Price i.e., Rs. 1,128 /- per share)
3. Total Consideration (A*B) = INR (₹) _____/-

We have the relevant corporate authorisations necessary to submit this Bid and we represent and warrant that:

1. Our offer is unconditional and binding upon us in all aspects;
2. We will continue to comply with all applicable regulations and laws during the participation in the Proposed Transaction;
3. We will submit all the documents as indicated in the Process Letter shared with us to give effect to the Proposed Transaction;
4. We agree with the terms and conditions laid out in the Share Purchase Agreement (SPA) provided to us in connection with the Proposed Transaction¹;
5. It is certified that we satisfy the eligibility criteria provided in the Process 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 shortlisted²; and
6. We have not been disqualified by any Statutory Authority or Regulator, which would impact our participation in the Proposed Transaction in any manner whatsoever.

For and on behalf of:

Name:

Designation:

¹The SPA shall be provided by SBI upon Bidder's request. Only such changes as the Bidder considers absolutely necessary may be considered by SBI. Request for such changes should be submitted by the Bidder as an annexure to this Bid.

² An indicative list of the documents required shall be provided on Bidder's request.