



## REQUEST FOR PROPOSAL

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(Notice)

1. The CEO Startup Odisha invites proposal from SEBI Accredited Alternative Investment Funds (AIFs) for receiving funds from Government of Odisha (GoO), in the capacity as a Limited Partner to such AIFs, to invest in the startups from Odisha.
2. Details can be obtained from our website [www.startupodisha.gov.in](http://www.startupodisha.gov.in)
3. RFP document is available on the website from 03.09.2022
4. Last date for submission of proposal is 27.09.2022
5. The authority reserves the right to reject any or all bids without assigning any reason thereof.
6. The addendum/corrigendum, retender/cancellation if any will be hosted in the website only.

### **The Chief Executive Officer**

Startup Odisha

2nd Floor, Tower-A, Odisha Startup Incubation Centre (O-HUB, Sez Rd,  
Chandaka Industrial Estate, Bhubaneswar, Odisha 751024

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# **Request for Proposal (RFP)**

## **Selection of Alternative Investment Funds**

Under the  
Odisha Startup Growth Fund Scheme  
(Fund-of-Funds)

**Startup Odisha  
Government of  
Odisha**

## Disclaimer

The information contained in this Request for Proposal document ("RFP") or subsequently provided to Applicants, whether verbally or in documentary or any other form by or on behalf of Startup Odisha or any of its employees or advisers, is provided to Applicants on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided

This RFP is not an agreement and is neither an offer nor invitation by Startup Odisha to the prospective Applicants or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Bids pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by Startup Odisha in relation to the assignment. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This RFP may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisers to consider the objectives, technical expertise and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP, may not be complete, accurate, adequate or correct. Each Applicant should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Applicants is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. Startup Odisha accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.

Startup Odisha, its employees and advisers make no representation or warranty and shall have no liability to any person including any Applicant under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, reliability or completeness of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way in this Selection Process.

Startup Odisha also accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Applicant upon the statements contained in this RFP.

Startup Odisha may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumption contained in this RFP.

The issue of this RFP does not imply that Startup Odisha is bound to select an Applicant or to appoint the Selected Applicant, as the case may be, for the assignment and Startup Odisha reserves the right to reject all or any of the Bids without assigning any reasons whatsoever.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by Startup Odisha or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Applicant and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation for submission of the Bid, regardless of the conduct or outcome of the Selection Process.

<b>Particulars</b>	<b>Description</b>
<b>Bid Processing Fee</b>	<p>Rs. 10,000 (Rupees Ten Thousand Only) + 18% GST in the form of demand draft (Non refundable) drawn in favour of “Startup Odisha” payable at Bhubaneswar.</p> <p>The Bid Processing Fee shall be submitted along with the 1<sup>st</sup> Inner Envelope of the Technical Proposal.</p>
<b>Bid Security</b>	<p>The bidder needs to submit the Bid Security Declaration in the format specified in Annexure IV and upload the same in the Startup Odisha portal. If the bidder withdraws or modify their bids during period of validity, the participating bidder shall be suspended for a specific period as decided by Startup Odisha.</p>
<b>Performance Security</b>	<p>Within 7 days of notifying the acceptance of proposal for the award of contract, the qualified bidder shall have to furnish a Performance Security in the form of Performance Bank Guarantee (PBG) / Fixed Deposit Receipt (FDR) amounting to 3% of the Startup Odisha State budgetary allocations for the first year to be furnished (Refer Finance Department OM No. 8952/F, Dated: 18.03.2021) from a scheduled commercial bank situated in Bhubaneswar in favour of “The Chief Executive Officer, Startup Odisha”, as per the format at Annexure-VII, for a period of three months beyond the entire contract period (i.e. performance security must be valid from the date of effectiveness of the contract to a period of 3 months beyond the contract period) as its commitment to perform services under the contract. Failure to comply with the requirements shall constitute sufficient grounds for the forfeiture of the PBG. The PBG shall be released immediately after three months of expiry of contract provided there is no breach of contract on the part of the qualified bidder. No interest shall be paid on the PBG.</p>

<b>Earnest Money Deposit(EMD)</b>	Nil EMD. Bidders shall have to furnish a self-declaration for bid security/EMD as per the format provided.
<b>Validity of the proposal</b>	180 days

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# PART 1: GENERAL TERMS

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## 1. Goals of This Request for Proposal

The objective of this RFP is to solicit proposals from the interested bidders for receiving a corpus fund from GoO for supporting the emerging startups in the state through venture investments. GoO shall participate in such selected AIFs in the capacity of a limited partner, subject to the terms and conditions specified in this RFP, which, inter alia, includes a condition that the funds invested by GoO shall not be more than 25% of the total scheme/fund corpus of the AIF. The fund provided by GoO along with the additional funds agreed by the AIF in accordance with the terms of this RFP shall be exclusively made available to the startups from Odisha.

## 2. RFP Issuing Authority

This RFP is issued by the Startup Odisha (STARTUP ODISHA) with the intent to select the AIFs to whom funds could be invested by GoO. STARTUP ODISHA's decision with regard to the short-listing and selection of AIFs through this RFP shall be final and STARTUP ODISHA (or GoO) reserves the right to reject any or all the RFP received without assigning any specific reason thereof.

### **RFP Initiator Details:**

**The Chief Executive Officer**

Startup Odisha

2nd Floor, Tower-A, Odisha Startup Incubation Centre (O-HUB, Sez Rd,  
Chandaka Industrial Estate, Bhubaneswar, Odisha 751024

Ph: 0674-2585609 | 2587176 | 2587286

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Email : [startup.odisha@gov.in](mailto:startup.odisha@gov.in)

### 3. Tentative Calendar of Events

Sl. No	Milestone	Date and Time
1	Release of RFP	03/09/2022, 10.00 am
2	Pre-Submission Meeting	10/09/2022, 11.00 am (Virtual)
3	Last date for submission of RFP	27/09/2022, 3.00 pm
4	Opening of Technical Bid & Short-listing	28/09/2022, 11.00am
5	Presentation by the shortlisted AIFs	29/09/2022, 11.00 am
6	Opening of Financial Bid	29/09/2022, 5.00 pm
7	Selection of the AIF(s) (and due procedures to follow)	29/09/2022 (Tentative)

### 4. AVAILABILITY OF THE RFP DOCUMENTS

RFP can be downloaded from the STARTUP ODISHA website given under Para 2 of this Part 1 or from the e- tender website of Government of Odisha <https://www.tendersodisha.gov.in/>. The applicants are expected to examine all instructions, forms, terms, requirements and other details in the RFP documents. Failure to furnish complete information as mentioned in the RFP documents or submission of a proposal not substantially responsive to the RFP documents in every respect will be at the applicant's risk and may result in rejection of the proposal.

### 5. Pre-Submission Meeting

STARTUP ODISHA will host a Virtual Pre-submission Meeting on Zoom/Google meet. The meeting is tentatively scheduled as per the schedule given in Para 3 of this Part 1 above. The representatives of the interested organizations (restricted to two persons) may attend the bidders' conference at their own cost. The purpose of the conference is to provide applicants with any clarifications regarding the RFP. It will also provide each applicant with an opportunity to seek clarifications regarding any aspect of the RFP and the funds proposed to be invested by GoO.



## PRE-SUBMISSION QUERY FORM

The bidders will have to ensure that their queries in soft copy must reach to Startup Odisha through email at \_\_\_\_\_ by \_\_\_\_\_ as per prescribed format.

SI. No.	Page Number/ Section of RFP Document	Current Provision of the RFP	Clarification/s requested by Bidder
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

### 6. Deadline for Submission of Proposals

STARTUP ODISHA may, in exceptional circumstances and at its discretion, extend the deadline for submission of proposals by issuing an addendum to be made available on the STARTUP ODISHA's website, in which case all rights and obligations of STARTUP ODISHA and the applicants previously subject to the original deadline will thereafter be subject to the deadline as extended.

# PART II: Background & Scope

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## 1. Background

### **About Startup Odisha & its initiatives**

Startup Odisha, the nodal agency of Government of Odisha for innovation and entrepreneurship in the state has played the pivotal role in development and orchestration of every piece of Odisha's vibrant startup ecosystem. Startups in Odisha are stretching their limits as they focus more on to future technologies and finding solutions for problems in ways not experimented before. Many entrepreneurs from Odisha are also shining in the limelight of success in several international forums. Success stories are also written in sectors other than Software and IT. Odisha startup policy 2016 did introduce a lot of initiatives and this is being supplemented and continued by many more proactive measures in the new revised Odisha Startup Policy.

According to Odisha Startup Policy 2016, Government of Odisha encourages Private funds to setup operations in the state for funding startups and the state shall take participation in the such SEBI approved venture capital funds upto 1/4<sup>th</sup> (25%) of the corpus as limited partner. The fund shall be managed as per the rules and regulations issued by SEBI.

Odisha houses startups from a variety of sectors. More than 1300 startups are registered under Startup Odisha across 39 different domains. Besides the 17 Incubators and 15 Nodal agencies under Startup Odisha, a world class Incubator O-HUB is launched in Bhubaneswar with state-of-the art facilities for Startups.

AIF investments are the largest source of capital for start-ups. In addition to finance, such AIFs also bring intangible value add to the start-ups by opening up connections for networking and market access and also by providing them with strategic and operational guidance. These are necessary for such start-ups to achieve accelerated growth and contribute towards fulfilling GoO's agenda in transforming Odisha as a hub for startup innovations. Startup Odisha has provided over 200 grants of various kinds to Startups over the last 4 years and has invested heavily in development of incubation facilities in the state.

Government of Odisha has notified a fund of funds scheme named "Odisha Startup Growth Fund" on 21<sup>st</sup> January 2021 with a und commitment of INR 100 Crores spread over 5 years to be invested through AIFs in Odisha based Startups. An initial amount of INR 15 Crore has already been made available to Startup Odisha through budgetary allocations for the first year. This RFP is issued for inviting interest for accessing this fund of GoO with an intent of investing back to Odisha Startups. The extent of allocation made by the AIF for investment into Odisha based startups (over and above the funds received from GoO) shall be left to choice and wisdom of the AIF, subject to meeting a minimum allocation equal to the funds

committed by GoO. The selection of which AIF(s) to invest is the sole discretion of STARTUP ODISHA - however, the extent of funds allocated by an AIF for Odisha based startups will be a significant factor in making such selection.

## **2. Scope**

The Scope of this RFP is to create a corpus fund exclusively for Odisha based startups with the support of SEBI accredited AIFs in India. Such corpus fund will be created as daughter funds/ Angel Funds within the overall corpus funds of such AIFs.

Apart from providing funds, the selected AIF will also be entitled to:

1. Access to the Odisha Startup Ecosystem
2. Any event access organized or supported by STARTUP ODISHA
3. Opportunities for branding and promotion of the fund in all startup events organized by STARTUP ODISHA
4. Monthly facilitation program for interacting with Odisha based Startups.

### 3. Conditions for Subscription as Limited Partner by GoO

1. STARTUP ODISHA will contribute to the selected AIF Scheme by subscribing its units in the capacity as a limited partner by entering into a subscription agreement. The terms of such agreement shall be primarily guided by the terms of Private Placement Memorandum (PPM) filed with SEBI for the scheme by the AIF, but shall also include the terms from Item 3 to Item 5 below.
2. The amount of investment by STARTUP ODISHA shall be determined based on the multiple factors such as nature of the fund, past performance and other matters, including but not limited to the matters stated in Annexure IV & Annexure V response formats. However, the amount of investment by STARTUP ODISHA will not be more than 25% of the total Corpus of the AIF Scheme.
3. STARTUP ODISHA investment in The AIF Scheme shall be not less than the Agreed Percentage of the total investments to be made by the AIF Scheme in Odisha based Startups ("Mandate Requirement"). The Agreed Percentage shall not be more than 50% in any case.
4. The Mandate Requirement as to each drawdown of money from STARTUP ODISHA is to be satisfied within 12 months of such drawdown or before issuance of notice of the next drawdown, whichever is earlier.
5. The manner of drawn down shall be in accordance with the terms of the PPM and the subscription agreement entered into between STARTUP ODISHA & the AIF. However, the agreement shall stipulate that no further drawdown will be payable by STARTUP ODISHA unless and until the Mandate Requirement of the previous drawdown(s) have been fully satisfied. Also, there shall be no drawdown of funds before the initial closing of the AIF Scheme.

### 4. Selection Process

An Expert Committee will be constituted by STARTUP ODISHA for evaluation of the bids received. Only qualified applicants will be reviewed (those who satisfy the pre-qualification criteria). Quality and cost-based Selection process will be followed. The evaluation will be conducted in two stages, followed by a presentation:

- a) Technical Evaluation & Presentation
- b) Financial Evaluation

#### Technical Evaluation

The technical evaluation will be conducted by the Expert Committee considering the following broad factors:

- History, background and experience of the AIF & its manager;
- Alignment/Ties to Odisha Startup Ecosystem;
- Investment Culture, Investment Thesis (as included in their Private Placement Memorandum);
- Tenure of the AIF & its current state;
- Legal & Regulatory compliances of the AIF;

The Annexure IV Response Format requires the applicant AIFs to provide responses to elaborate questions based on the above factors. Presentation to be based on the responses submitted by the AIFs, the Expert Committee shall review and score the AIFs and only those who satisfy a minimum score (as set by the Expert Committee) are shortlisted for further evaluation based on the financial bid.

### **Financial Evaluation**

Financial Evaluation of the shortlisted AIFs (as above) is conducted by the Expert Committee by considering the following factors:

- Size of the InvestmentCommitment;
- Return onInvestment;
- Fee &Expenses;
- DistributionWaterfall

The Annexure IV Response Format requires the applicant AIFs to provide responses to elaborate questions based on the above factors. Based on the responses submitted by the AIFs, the ExpertCommittee shall review and score the AIFs. A combined score of the technical & financial evaluation is then taken by the Expert Committee. While the manner and method of scoring is left to the experience and wisdom of the Expert Committee, it requires mention that 70% weightage is given to technical evaluation score and 30% is given to financial evaluationscore.

Based on the combined score, the Expert Committee shall recommend a list of eligible AIFs who shall then be required to give a personal presentation to the Expert Committee. STARTUP ODISHA may also call for additional documents such as model subscription agreements, PPM filed, charter documents of the AIF etc. before / after suchpresentation.

After the presentation, a final recommendation shall be made by the Expert Committee to STARTUP ODISHA/GoO for selection of AIFs forfunding.

# Part III: Terms and Pre-Qualification Criteria

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## 1. CONDITIONS UNDER WHICH THIS RFP IS ISSUED

- i. This RFP is not an offer and is issued with no commitment. STARTUP ODISHA reserves the right to withdraw the RFP and change or vary any part thereof at any stage. STARTUP ODISHA also reserves the right to disqualify any bidder, should it be so necessary at any stage.
- ii. STARTUP ODISHA reserves the right to withdraw this RFP if STARTUP ODISHA determines that such action is in the best interest of the Government.
- iii. Timing and sequence of events resulting from this RFP shall ultimately be determined by STARTUP ODISHA.
- iv. No oral conversations or agreements with any official, agent, or employee of STARTUP ODISHA shall affect or modify any terms of this RFP and any alleged oral agreement or arrangement made by a bidder with any department, agency, official or employee of STARTUP ODISHA shall be superseded by the definitive agreement that results from this RFP process. Oral communications by STARTUP ODISHA to bidders shall not be considered binding on STARTUP ODISHA, nor shall any written materials provided by any person other than STARTUP ODISHA.
- v. Neither the applicant nor any of the Applicant's representatives shall have any claims whatsoever against STARTUP ODISHA or any of their respective officials, agents, or employees arising out of, or relating to this RFP or these procedures (other than those arising under a definitive service agreement with the bidder in accordance with the terms thereof).
- vi. Applicants who are found to canvass, influence or attempt to influence in any manner the qualification or selection process, including without limitation, by offering bribes or other illegal gratification, shall be disqualified from the process at any stage.
- vii. Each applicant shall submit only one proposal.
- viii. The bid shall remain valid for a period of not less than 120 days from the last date of submission of RFP.

## **2. Rights to the Content of the Proposal**

For all the bids received before the last date and time of bid submission, the proposals and accompanying documentation of the proposal will become the property of STARTUP ODISHA and will not be returned after opening of the proposals. STARTUP ODISHA is not restricted in its rights to use or disclose any or all of the information contained in the proposal and can do so without compensation to the applicants. STARTUP ODISHA shall not be bound by any language in the proposal indicating the confidentiality of the proposal or any other restriction on its use or disclosure.

## **3. Evaluation of Pre-Qualification Proposal**

The Applicants' Pre-Qualification Proposal in the bid document will be evaluated as per the requirements specified in the RFP and adopting the pre-qualification criteria spelt out in this RFP. The Bidders are required to submit all required documentation in support of the prequalification criteria specified, as required for evaluation.

## **4. Language of Proposals**

The proposal and all correspondence and documents shall be written in English.

## **5. Acknowledgement of Understanding of Terms**

By submitting a proposal, each applicant shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and annexure hereto, and has fully informed itself as to all existing conditions and limitations.

## **6. Pre-Qualification Criteria**

The following shall be the Pre-Qualification Criteria:

1. The fund should be registered as Category 1 or Category II Alternative Investment Fund under SEBI AIF Regulations,2012;
2. The Manager of the fund and the Trustee of the Fund shall be entities registered and domiciled inIndia;
3. The AIF Scheme should satisfy one of the following conditions: (a) has received commitments for at least 10% of the total

proposed Corpus of the Scheme (b) has made at least 1 startup investment from the Scheme.

4. The AIF shall be continuingly compliant with the eligibility criteria stated in Regulation 4 of Alternative Investment Fund Regulations issued by SEBI;
5. The tenure of the AIF Scheme shall not be more than 10 years from the date of Final Closing of the Scheme.
6. The Hurdle rate of the AIF Scheme shall not be less than 10%p.a.

## **7. Submission of Proposal**

Submission of the proposal shall be made online through <https://www.tendersodisha.gov.in/> and in accordance with the instruction given in this RFP and e-tenders guidelines of Government of Odisha. The proposal should be submitted online on or before 03.09.2022, 10.00 am

## **8. Requirements in Proposal**

Applicants are requested to submit their responses in five (5) parts, clearly labelled according to the following categories:

- |        |   |   |
|--------|---|---|
| Part 1 | : | Scanned copy of duly authenticated Covering Letter as in format provided in Annexure I  |
| Part 2 | : | Profile of the Applicant in a form considered appropriate by the Applicant. However, the same shall include the minimum information provided in Annexure II         |
| Part 3 | : | Scanned copy of duly authenticated Pre-Qualification Proposal in the format provided in Annexure III  |
| Part 4 | : | Completed Questionnaire in duly authenticated separate file attachment, as provided in Annexure IV along with other attachments wherever necessary. (Technical Bid) |
| Part 5 | : | Completed Questionnaire in duly authenticated separate file attachment, as provided in Annexure V along with other attachments wherever necessary. (Financial Bid)  |



## 9. Clarifications and Queries

Any doubts or clarification related to this RFP may be send to [startup.odisha@gov.in](mailto:startup.odisha@gov.in)

## 10. Evaluation Criteria

The bidders shall be required to submit a technical and financial proposal which shall be evaluated by the committee.

### Technical Evaluation:

1. In this stage, the Technical Proposal will be evaluated based on the:
  - Average annual turnover of the AIF in the past three financial years.
  - The total corpus that the AIF can invest till 31<sup>st</sup> March 2024.
  - Ability to network with other funds. Preference will be given to funds who can promote specific sectors.
  - AUM, no. of funds managed in the past and cumulative performance of these funds.
  - Leverage [By how many multiple times of the OSDF's share, the AIF can promise to get from open market]
  - Past experience in managing either fund of funds or in managing big funds in Technology areas like IT, Electronics, Nan-electronics, Energy, Chemicals, Petrochemicals, Logistics, E-Commerce
  - Team
2. Proposal Presentations: Committee may invite each bidder to make a presentation. The purpose of such presentations would be to allow the bidders to present the key points in their proposals.
3. Each technical proposal will be assigned a technical score (ST). The maximum technical score which a bidder can attain is 100 marks.
4. A minimum of 70 marks should be scored in the technical proposal for the bid to be declared technically qualified. The Financial Bids of only those bidders who have obtained a Technical Score of 70 or more shall be opened.

### Technical Evaluation Marking Scheme

Sl. No.	Parameter	Maximum Marks	Criteria for Technical Evaluation
2	The total corpus the AIF can invest in the daughter fund till 31 <sup>st</sup> March 2025	20	>400 Rs Crore: 100% <=400 & >300 Rs Crore: 80% <=300 & >100 Rs Crore: 60% <100 Rs Crores:0%
3	Ability to network with: <ul style="list-style-type: none"> <li>• Other VCs/Hedge Funds/Investment Banks</li> <li>• Other AIFs/Trust Funds</li> </ul>	20	Inputs (to be provided by AIFs) shall be evaluated qualitatively. Scoring guidelines: Basic networking ability: 10 Marks Ability to network with foreign investment banks/VCs: weightage of 5 marks Ability to network with sovereign funds/globally reputable trust funds: weightage of 5 marks

4	Leverage (By how many multiple times of the OSGF's share, the AIF can promise to get from open market).	20	4 times and higher: 100% <4 & >=3: 80% <3 & >=2: 50% <2 & >=1: 20% <1 & >0: 10% 0:0%
5	Past Experience in managing fund of funds or managing big funds in sectors like healthcare, IT, Agritech, FoodTech, E-Commerce, Renewable Energy, EduTech, Logistics, Electronics, Chemicals etc.	20	5 Years and Above: 100% Between 5 and 4 Years: 80% Between 4 and 3 Years: 60% Between 3 and 2 Years: 40% Greater than 0 and less than 2 Years: 20% 0 years of experience: 0% (Lower limit is inclusive)
6	Technical Resources [Team]	20	inputs (to be provided by AIFs) shall be evaluated qualitatively.
	<b>Total</b>	<b>100</b>	

All the bidders which meet the minimum qualifying criteria of 70 % during technical evaluation as prescribed above will be considered for opening of the financial bids. Bidders whose proposals will not meet the technical evaluation criteria or were found non-responsive to RFP will be notified as rejected and their financial proposals will be returned unopened after completing the selection process.

For the financial evaluation, the amount of assistance under OSDF sought shall be indicated [as % of the total funds committed], which shall be scored as follows:

=<5% and >=1%	30
=<10% and >=5%	25
=<15% and >=10%	20
=<20% and >=15%	10
=<25% and >=20%	5
>25%	0

All the bidders selected in technical evaluation phase (above 70%) shall qualify for financial evaluation. The financial bids of only selected bidders shall be opened and shall be evaluated based on 70:30 criteria where 70 % weightage will be assigned to technical parameters and 30% will be to financial aspects. The bidder who scores the maximum marks shall be onboarded.

# Part IV: Annexure- Response Formats

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## Annexure I: Covering Letter

(Company letterhead)

[Date]

To,

**The Chief Executive Officer**

Startup Odisha

2nd Floor, Tower-A, Odisha Startup Incubation Centre (O-HUB, Sez Rd,

Chandaka Industrial Estate, Bhubaneswar, Odisha 751024

Dear Sir,

### Ref: Expression of Interest Notice

Having examined the Request for Proposal (RFP) No. , the receipt of which is hereby duly acknowledged, we, the undersigned, intend to submit a proposal in response to the Request for Proposal (RFP) Named Selection of Alternative Investment Funds. We attach hereto the response as required by the RFP, which constitutes our proposal.

Primary and Secondary contacts for our company are:

	Primary Contact	Secondary Contact
Name		
Title		
Company Name		
Address		
Phone		
Mobile		
Fax		
Email		

We confirm that the information contained in this response or any part thereof, including its exhibits, and other documents and instruments delivered or to be delivered to Startup Odisha is true, accurate, verifiable and complete. This response includes all information necessary to ensure that the statements therein do not in whole or in part mislead the department in its short- listing process.

We have read the additional conditions of subscription stated in Para 3 in Part II of this RFP. We confirm that, upon selection, those conditions can be validly incorporated into the subscription agreement for STARTUP ODISHA and is not inconsistent with or otherwise violate the PPM filed with SEBI or the subscription agreements already entered with other limited partners, or our charter documents.

We fully understand and agree to comply that on verification, if any of the information provided here is later found to be misleading the short listing process, we are liable to be dismissed from the selection process and if found out after entering into a subscription agreement with STARTUP ODISHA, such agreement shall be liable for forthwith termination.

We agree for unconditional acceptance of all the terms and conditions set out in the RFP document.

It is hereby confirmed that I/We are entitled to act on behalf of our company/ corporation/ firm/ organization and empowered to sign this document as well as such other documents, which may be required in this connection.

Dated this                      Day of                      2022

(Signature)    (In the capacity of)

(Name)

(Name and Address of Company) Seal/Stamp of bidder

## Annexure II: Minimum Details to be included in Part 2 of the Proposal

<b>Details of the Applicant</b>	
Name of Applicant	
Legal Constitution of the Applicant	
Legal Constitution reference details	
Nature of business as per Charter Documents	
Date of Incorporation	
Date of Commencement of Business	
Address of the Registered Office in India	
Address of the Corporate Office	
Mandatory Supporting Documents:	
<ul style="list-style-type: none"><li>a. Certificate of Incorporation from Registrar Of Companies(ROC)/ Trust Registration Document/ LLP Agreement</li><li>b. Relevant Sections of Memorandum of Association of the company</li><li>c. Copy of PAN Card</li><li>d. SEBI Registration Certificate</li><li>e. Copies of the IT Return for the last three assessment years</li><li>f. Power of Attorney in favour of the person signing of the bid on behalf of the bidder.</li><li>g. Undertaking Regarding non-existence of potential conflict of interest situation.</li></ul>	

## Annexure III: Pre-Qualification Proposal

(Company letterhead)

[Date]

To,

**The Chief Executive Officer**

Startup Odisha

2nd Floor, Tower-A, Odisha Startup Incubation Centre (O-HUB, SEZ Rd,

Chandaka Industrial Estate, Bhubaneswar, Odisha 751024

Dear Sir,

### **Ref: Satisfaction of Pre-Qualification Criteria**

We, \_\_\_\_\_ (name of the AIF) hereby confirm that we have read through Pre-Qualification Criteria mentioned in Para 6 of Part III of this RFP and also that we satisfy all the criteria mentioned therein. Following are the details:

1. We are SEBI registered Category fund. Our registration certificate is enclosed herewith.
2. The trustee of our fund is and they are registered in India. The Manager of our fund/scheme is and they are also registered in India. The proof of the above is enclosed herewith.
3. The total corpus of the fund/scheme is INR crores, as included in the PPM filed with SEBI dated. We have (state either of) (a) received commitment to the tune of INR which is in excess of 10% of Total Corpus of the fund and have entered into subscription agreement with such limited partners or (b) We have made number of investments from this fund/scheme. The details of the portfolio companies are enclosed.
4. We represent that we are continuingly compliant with the eligibility criteria stated in Regulation 4 of Alternative Investment Fund Regulations issued by SEBI;
5. The tenure of our scheme is years from the date of Final Closing of the Scheme.
6. The Hurdle rate of the our Scheme is %p.a.

(Signature)

(In the capacity of)

(Name)

(Name and Address of Company) Seal/Stamp of bidder

## Annexure IV: Technical Bid

### Technical Evaluation Questionnaire

No.	Question	Response
<b>1</b>	<b>The Applicant / Its Manager</b>	
1.1	State your brief history, background and experience and also of your Key People (Chief Investment Manager in particular). Mention years of experience and positions held, wherever applicable.	
1.2	No: of AIF Schemes managed/under management, categorized into: a) AIF Schemes under management, and currently in the Commitment Period and their corpus size; b) AIF Schemes under management, and currently in the Investment Period corpus size; c) AIF Schemes under management, and currently in the post investment period and their corpus size. d) AIF Schemes previously managed and exited/dissolved.	
1.3	State the amount of assets currently under your management.	
1.4	Names of all startup Investments made in the last 24 months by funds/schemes managed by you with the following details:  a) Name of the Company b) Name of the Sector c) Stage at which Investment was made (Select one from - Early Stage, Pre-Series A, Series A, Series B, Post Series B) d) Amount Invested. Also state the percent of the investment to the total amount of the round in which investment was made. e) Specify the number (names not required) of Institutional Co-Investors & Individual Co-investors, if any, in each investment.	
1.5	Number of Startup Investments made by you till date classified primarily based on the stage of investment (Select one from - Early Stage, Pre-Series A, Series A, Series B, Post Series B) and secondarily based on Sector. (Specify the number and not Names).	
1.6	Number of Co-investments made by you in the last 24 months. Mention the number of Lead role and non-lead role separately.	
1.7	Number of portfolio companies who have raised follow-on round after your investment; Also, state the number of companies where you also participated in the subsequent round.	



1.8	In respect of AIF schemes previously managed and exited, please state the IRR achieved on each of such scheme.	
<b>2</b>	<b>Alignment/Ties to Odisha Startup Ecosystem</b>	
2.1	Please describe what presence or ties, if any, you have in Odisha. Such “presence” can be demonstrated by the percentage of your shareholders/full-time employees who spend more than 5 years of their life time in Odisha and having physical offices or a principal place of business located in Odisha. You can also state any previous investments made to Odisha, if any.. (Cite supporting data)	
2.2	What are your thoughts on the investment opportunity set for venture capital funds in the State of Odisha? Please describe Odisha’s private investment environment as your firm understands it.	
2.3	Please detail your domain expertise in the major startup industry sectors you believe to be Odisha’s strengths.	
2.4	How do you plan to make use of existing entities/organizations (governmental, investment, entrepreneurial, educational, etc.) within the state to source and create investment opportunities? What existing relationships do you have with such organizations across the state?	
<b>3</b>	<b>PPM &amp; the Investment Thesis</b>	
3.1	Please provide an executive summary of the Private Placement Memorandum filed with Securities Exchange Board of India for the AIF Scheme seeking investment. (State the principle terms)	
3.2	Describe the investment strategy, investment objectives and investment methodology (consistent with PPM) of the AIF Scheme seeking investment.	
3.3	Please state whether any material alteration has been made to the fund’s strategy post filing of the PPM. If yes, state the changes and the reasons thereof.	
3.4	State your planned allocation of funds a) Sectors b) Stages of Investment c) TicketSize  Also, state the amount already spent against each head, if any.	
3.5	Are you prohibited from (or intend to exclude) investing to any particular sector - either by 3.2 above or as internal policy or discretion? If yes, state the name of such sectors.	
3.6	Have you entered into any side letter agreements or other arrangements	

	with any general or limited partners? Do you anticipate doing so prior to or at the final closing? Are there 'special' limited partners or limited partners who also have investments in, or special rights from, the general partner or manager? If so, please explain.	
<b>4</b>	<b>Tenure &amp; Current State of the AIF Scheme (for which fund is sought)</b>	
4.1	What is the tenure of the AIF Scheme?	
4.2	What is (was) the Initial Closing Date? How much commitment is expected to be (was actually) received for Initial Closing?	
4.3	What is the Commitment Period? How much Commitment have already been received? When do you expect to have the Final Closing of the AIF Scheme?	
4.4	Does the scheme have a schedule of drawdown already laid down? If yes, state the same. If the same is left to the discretion of the Manager, provide your best estimate of the expected drawdowns.	
4.5	What is the period within which you plan to utilise the entire corpus of the fund, failing which money will be returned (Investment Period)?	
4.6	How many investments were already made from the above scheme and how much money was already spent? (Please state separately if the Manager/Applicant has made any warehoused investments which will be transferred to the AIF Scheme on receipt of funds)	
4.7	Please state the name of the companies in which investments have been made from the AIF Scheme with the following details: a) Name of the Company b) Sector c) Amount Invested	
<b>5</b>	<b>Legal &amp; Regulatory</b>	
5.1	Provide details of your registration with SEBI. If not the first Scheme, please provide details of Scheme registration with SEBI.	
5.2	Please provide a copy of your Charter Documents.	
5.3	Describe any current and known foreseeable litigation, potential litigation, or claim exposure that would adversely affect your ability to perform.	

## Annexure V: Financial Bid

### FINANCIAL EVALUATION QUESTIONNAIRE (REFER BOQ)

No.	Question	Response
<b>1</b>	<b>Size of the Investment Commitment</b>	
1.1	Please state how many times of STARTUP ODISHA Investment will be invested by your AIF Scheme in Odisha Based Startups. (As stated in C above, STARTUP ODISHA Investment shall not be more than 50% of the total investment into Odisha Startups and accordingly the minimum commitment should be 2x)	
1.2	How much of your total fund size can be allocated to Odisha Based Startups? (in terms of percentage and in terms of absolute amount)	
<b>2</b>	<b>Return on Investment</b>	
2.1	What is the Hurdle rate of the AIF Scheme? If you have included a Target IRR in the PPM, please state the same.	
2.2	Please state whether the Subscriptions units are priced differently for each Closing. If yes, please state the Unit price of the Initial Closing and the price for the next closing.	
<b>3</b>	<b>Fees &amp; Expenses</b>	
3.1	What are the fees and expenses payable to the Manager? Please mention the terms thereof.	
3.2	Please state the set-up fee already incurred and the quantum of Mobilization fees, if any.	
3.3	What are the terms of Carry for the General Partner? Please state whether this is with or without catch up.	
3.4	Please state the terms relating to operating expenses of the Scheme as included in the PPM.	
<b>4</b>	<b>Distribution Waterfall</b>	
4.1	Explain the distribution waterfall in reasonable detail. Also state information about clawback/giveback provisions, as applicable.	

## Frequently Asked Questions

### 1. What is the definition of Startups as per Government of Odisha?

An entity shall be considered as a Startup:

- a) if it is incorporated as a private limited company or registered as a partnership firm or a limited liability partnership in India; and
- b) up to seven years from the date of its incorporation/ registration; however, in the case of Startups in the biotechnology sector, the period shall be up to ten years from the date of its incorporation/ registration; and
- c) Its turnover for any of the financial years since incorporation/ registration as per Odisha Startup Policy criteria
- d) Such entity is working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property and makes it scalable for achieving commercial success; and
- e) Such entity is not an extension of the existing family business; or formed by splitting up or reconstruction of a business already in existence; and
- f) It is registered & Headquartered in Odisha or employs at least 50 percent of its total qualified workforce in Odisha;

### 2. What do you mean by Odisha Startup or Odisha basedStartup?

A Odisha startup or a Odisha based Startup means a Startup (as defined in 1 above) which is:

- a) registered & Headquartered in Odisha; oremploys at least 50 percent of its total qualified workforce in Odisha; and
- b) has GST registration in state of Odisha; and
- c) recognized as a startup under Startup Odisha initiative of Govt. of Odisha

### 3. Does STARTUP ODISHA charge any processing fee for evaluating the proposals under Odisha Startup Growth Fund (OSGF) Scheme?

No. STARTUP ODISHA does not charge any processing fees.

### 4. Is there any sector or state specific focus under Odisha Startup Growth Fund (OSGF)?

No. OSGF is sector agnostic. There is no state focus under the programme.

### 5. Are Angel Funds, Impact Investment Funds, etc eligible under OSGF?

Yes. All AIFs registered under SEBI AIF Regulations, 2012 (Category I and II) are eligible under OSGF.

**6. Is registration of the Fund with SEBI necessary before approaching STARTUP ODISHA?**

Yes. Only SEBI registered AIFs are considered.

**7. STARTUP ODISHA Investment cannot exceed 25% of the Corpus of the Fund. When shall the Fund fulfill this condition?**

This condition is to be fulfilled at the time of the Final Closing in terms of the commitments received. Also, this condition is to be fulfilled in terms of actual funds received, by the end of the commitment period of the Fund. The status of the compliance of this condition in terms of actual money received shall be submitted to STARTUP ODISHA at the time of each drawdown and on a periodical basis.

**8. Does STARTUP ODISHA or Government of Odisha have a say on the investment decisions of the AIF?**

STARTUP ODISHA or Government of Odisha is a limited partner and does not have any say in the investment decisions of the AIF. The funds getting partnered with OSGF shall have the right to choose the startup. STARTUP ODISHA will facilitate the investor-startup connect.

**9. Does start-ups covered under OSGF need to be registered with Government of India?**

Yes.

**10. What is the term of AIF covered under OSGF?**

As per existing SEBI AIF guidelines, the term of the Fund is determined from Final Closing of the Fund. The term of the AIF shall not be more 7 years from the date of Final Closing of the Fund. The overall tenure of the Fund can be 10-12 years, subject to the condition above.

**11. Can AIFs covered under the programme invest in foreign entities?**

No.

**12. What are the general covenants of AIFs covered under FFS programme?**

All AIFs supported under OSGF programme will maintain high standards of corporate governance and investor reporting to ensure complete transparency and timely information to all its investors, by maintaining proper books of accounts, documents and records with respect to the Fund to give a true and accurate account of the investments, expenses, earnings, profits, etc.

The Fund shall appoint/change Statutory Auditors and Internal Auditors acceptable to STARTUP ODISHA, who would inter-alia, make periodic disclosures as may be required by STARTUP ODISHA. The AIFs are also required to comply with the various directives of SEBI, RBI, etc and also comply with the provisions of Prevention of Money Laundering Act and KYC guidelines of RBI.

## Annexure VI

### Bid Security Declaration

< Location, Date >

To,

The **Chief Executive Officer**

Startup Odisha

2nd Floor, Tower-A, Odisha Startup Incubation Centre (O-HUB, Sez Rd, Chandaka Industrial Estate, Bhubaneswar, Odisha 751024

Ph: 0674-2585609 | 2587176 | 2587286

Fax : 2587176

Email : [startup.odisha@gov.in](mailto:startup.odisha@gov.in)

Whereas << name of the bidder >> (hereinafter called the Bidder) has submitted the bid for Submission of RFP # << RFP Number >> dated << insert date >> for << name of the assignment >>(hereinafter called "the Bid") to Odisha Computer Application Centre

Know all Men by these presents that we <<>> having our office at << Address >> (hereinafter called "the Bank") are hereby submitting the Bid Security Declaration letter to the << Nodal Agency >> (hereinafter called "the Purchaser") which binds our organization, its successors and assigns by these presents under the following obligations.

The conditions of this obligation are:

1. Fails to submit PBG.
2. Withdraws his participation from the bid during the period of validity of bid document; or
3. Modify the bid during period of bid validity.

We undertake to accept the suspension for a specific period as decided by the Purchaser due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

(Authorized Signatory of the Bidder)

Seal:

**Annexure VII**

**Performa for Bank Guarantee towards Performance Security  
(From Any commercial bank)**

This performance bank guarantee shall be valid until the ..... day of ....., 2022

Our branch at Bhubaneswar (Name & Address of the Bank) is liable to pay the guaranteed amount depending on the filing of claim and any part thereof under this Bank Guarantee only and only if you serve upon us at our Bhubaneswar branch a written claim or demand and received by us at our Bhubaneswar branch on or before Dt.....otherwise bank shall be discharged of all liabilities under this guarantee thereafter.

.....

(Signature of the authorized officer of the Bank)

.....

Name and designation of the officer

Seal, name & address of the Bank & Branch