



REQUEST FOR PROPOSAL

SELECTION OF INTERNATIONAL LEGAL COUNSEL TO SBI FUNDS MANAGEMENT LIMITED FOR PROPOSED INITIAL PUBLIC OFFERING THROUGH AN OFFER FOR SALE

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Request for Proposal (“RFP”) for acting as International Legal Counsel to the Company (“ILC”) in the proposed Initial Public Offering (“IPO”) of SBI Funds Management Limited (“SBIFM” or “Company”) through an Offer for Sale

1. ABOUT THE COMPANY

SBI Funds Management Limited (“SBIFM” or “Company”) is a joint venture between State Bank of India (SBI) and Amundi (France). The Company was incorporated in 1992 as a private limited company under the Companies Act, 1956 and has been converted to public limited company on December 16, 2021. SBI currently holds 62.63% stake in SBIFM and the 36.78% stake is held by AMUNDI Asset Management through a wholly owned subsidiary, Amundi India Holding.

The Company was granted approval by Securities and Exchange Board of India (SEBI) under SEBI (Mutual Funds) Regulations, 1993, subsequently replaced by SEBI (Mutual Funds) Regulations, 1996, to act as the Investment Manager of SBI Mutual Fund (‘the Fund’). The Company manages the Investment Portfolios of the scheme(s) launched by the Fund as laid down in the Investment Management Agreement dated December 29, 2004.

Headquartered in Mumbai, SBI Mutual Fund is the largest mutual fund in the country in terms of assets under management and has been sponsored by State Bank of India. The average assets under management for Q2FY22 stand at Rs. 5.79 lakh crores.

The Company has a fully owned foreign subsidiary namely SBI Funds Management (International) Private Limited, which is based at Mauritius and manages an Offshore Fund.

The Company is registered with SEBI under the erstwhile SEBI (Portfolio Managers) Regulations, 1993 subsequently replaced by SEBI (Portfolio Managers) Regulations, 2020 and provides Portfolio Management Services (PMS) to domestic and international clients.

The Company offers alternate asset investment products through Alternative Investment Funds (AIF). The Company is acting as Investment Manager of SBI Alternative Equity Fund & SBI Alternative Debt Fund which is registered with SEBI as a category III & category II AIF respectively under SEBI (Alternative Investment Funds) Regulations, 2012.

The Company is also providing the management and advisory services to Category I foreign portfolio investors and Category II foreign portfolio investors through fund manager(s) managing the schemes of the SBI Mutual Fund as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996.

The Company has received approval from Development Commissioner, Special Economic

Zone, vide Letter of Approval dated March 19, 2021 for setting up branch office (IFSC unit) in GIFT city – multi-services – Special Economic Zone for providing Portfolio Management Services and Investment Management activities / services for pooled assets. International Financial Services Centres Authority (IFSCA) has granted certificate of registration dated May 04, 2021 to carry out the activities of Portfolio Management services through a branch office in International Financial Services Centres (IFSC) in India. The registration number of SBIFM is PM/2021-22/0002.

SBIFM has an authorized capital of Rs 52.5 crores and a paid-up capital of Rs. 50.30 crores.

2. PURPOSE & OVERVIEW

The form and content of this Request for Proposal (“RFP”) is designed to enable rapid evaluation of proposals/ bids. Respondents to this RFP (also referred to as “you” or “participant” or “bidder”) are expected to carefully follow the detailed instructions provided herein. Failure on your part to follow the instructions and format may result in disqualification of your proposal. Inclusion of marketing content or material with the response will not cause your response to be evaluated more favorably.

While the objective of this RFP is to identify and select a preferred partner capable of providing the services as detailed in this RFP, now and in the future, the Company (also referred to as “we”) will consider those proposals only from the companies offering the complete services covered in the RFP. Respondents to this RFP are strongly urged to propose services which would reflect their strengths, depth and price performance capabilities in a way that will enable the Company to differentiate the competitive advantages of your proposal against those of other responding companies.

Your response must be clear enough to enable SBIFM to understand how you will provide a compelling value proposition. SBIFM is looking for solutions that are better, faster and have a greater ROI than the solutions offered by other proposals, as measured against such services provided to SBIFM to date.

3. PROPOSAL

3.1 The Company intends to tap capital markets via IPO through Offer for Sale of 10% of existing issued equity shares. However, the IPO offer and structure may vary based on various factors including but not limited to decision of shareholders, management discretion etc.

- 3.2 The Company intends to initiate the work relating to appointment of International Legal Counsel (“ILC”) to the Company to review, vet and prepare the requisite legal documents and to undertake all necessary activities in relation to the IPO as an International legal counsel.
- 3.3 The Company invites bids from law firms recognized as band 1, band 2, band 3 or band 4 law firm by Chambers and Partners in capital markets (International Firms) for Asia Pacific – India region having requisite experience and expertise in capital market transactions and the BFSI sector.
- 3.4 Legal counsels must have an extensive relevant experience and expertise in handling public offerings (including but not limited to SEC Rule 144A transactions) and fulfilling eligibility criteria to assist and advise the Company in the entire IPO process.
- 3.5 The interested Bidders should not have any conflict of interest in any manner whatsoever with the Company which is prejudicial to its interests, and the decision of the IPO Committee of the Company regarding the same shall be final and binding.

4. SCOPE OF WORK

- i. Drafting of the chapters on Business, Risk Factors, Industry and Management Discussion & Analysis to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (together referred to as “Offer Documents”).
- ii. Attending organizational, due diligence and drafting sessions with the Company, its representatives and its accountants and the BRLMs to the Issue.
- iii. Conducting customary due diligence in relation to the Issuer Company.
- iv. Interacting with the Company along with BRLMs to the Issue and the domestic legal counsels to explain and agree upon the due diligence information and documentation requirements.
- v. Drafting overseas publicity restriction guidelines applicable to the Offering and advising on publicity issues.
- vi. Drafting pre-deal research report guidelines applicable to the Offering and review of the research reports, if any, of the BRLMs.
- vii. Providing legal clearance on all issue material and publicity material viz. Offer Documents, research reports, abridged prospectus, public notices, Bid cum Application Forms, Confirmation of Allocation Notes, press releases, corporate and

issue advertisements, etc.

- viii. Review of responses to comments/ queries of SEBI, BSE and NSE, including investor complaints/ queries, etc.
- ix. Providing legal clearance on any investor grievances, complaints, legal notices, etc. received in relation to the Issue.
- x. Drafting of the international wrap/ selling restrictions in the jurisdictions where the international marketing shall be done and filling of necessary documents in other jurisdictions.
- xi. Providing written advice relating to international publicity related restrictions and internet restrictions.
- xii. Review of all Agreements relating to the Issue including Issue Agreement, Syndicate Agreement, Escrow agreement, Underwriting Agreement and Share Escrow Agreement.
- xiii. Conducting bring down due diligence calls with the Issuer/ BRLMs/ domestic legal counsels at various stages of the transaction.
- xiv. Providing closing checklist prior to closing of the transaction.
- xv. Providing no registration opinion and closing opinion [Rule 10b (5) of the U.S. Securities Act].
- xvi. Extending closing opinion for the Offer for Sale.
- xvii. Opining on Passive Foreign Investment Company (PFIC)/ Office of Foreign Assets Control (OFAC) related issues.
- xviii. Advising underwriters on P-Note related matters.
- xix. Providing advice in relation to the Issue pertaining to international regulations including the U.S. Securities Act.
- xx. Providing any other advice as may be required in relation to the Issue.
- xxi. Any other matter incidental to the above.

5. **ELIGIBILITY CRITERIA**

- 5.1 Bidders should be ranked as a band 1, band 2, band 3 or band 4 firm by Chambers and Partners in capital markets (International Firms) for Asia Pacific – India region and should have handled at least one Indian equity issue (Initial Public Offering/Further Public Offering/Qualified Institutional Placement) of the size of Rs 2500 crore or more during the period from 1st April, 2017 to 30th September 2021 in the area of Banking, Financial Services or Insurance Sector in India.
- 5.2 The bidder should not have been prohibited by any regulatory authority in offering such services and should not have been blacklisted/debarred by any authority in the past.
- 5.3 The bidder should give an undertaking that no action has been initiated by SEBI/CVC/RBI or any other government/statutory agency with regard to any financial irregularities.
- 5.4 The interested bidders fulfilling eligibility criteria mentioned above are advised to furnish the following undertaking and declarations as part of the proposal:

“We hereby undertake and declare that there has been no conviction by a Court of Law or indictment/adverse order by any regulatory or governmental authority against us or any of our sister concern(s) for a grave offence. It is further certified that there is no investigation pending against us or our sister concern(s) or the CEO, Directors/Managers/Employees of our concern or of our sister concern(s). It is certified that no conflict of interest exists, which is prejudicial to the interests of the Company or its Shareholders, as on date except as disclosed explicitly and if in future such a conflict of interest arises, we will intimate the same to the Company.

We agree that without the consent of the Company and the Selling Shareholder(s) (which consent in each case shall not be unreasonably withheld or delayed), while engaged in writing by the Company and the Selling Shareholder(s) as ILC, until the listing of the Company’s securities on an Indian Stock exchanges, we will not accept a written or a verbal mandate for an initial public offering of equity of an asset management company to be listed on an Indian stock exchange.

Further we hereby undertake that the decision taken by the IPO Committee of the Company regarding the qualified Bidder shall be binding upon us.”

Note: The undertaking should be signed by the authorized signatory of the Bidder. The content of the undertaking must not be changed. Clarification, if any, is to be provided separately.

6. **SUBMISSION OF PROPOSAL**

Proposals are required to be submitted in a single email to projectblue@sbimf.com as per the following directions:

6.1 Technical Bid - A password protected pdf file “Technical Bid” as per Proposal Format as mentioned in clause 8 hereunder should be attached.

The following documents should be attached along with the technical bid:

- i) A letter authorizing the person to sign the proposal and other documents on behalf of the Bidder;
- ii) Certificate in format (Refer Annexure-I);
- iii) Certificate/Declaration as per clause 5 above;

6.2 Financial Bid - A password protected pdf file “Financial Bid” should be mailed as per format as mentioned in clause 10 hereunder should be attached

The bids will be opened in presence of the respective shortlisted Bidders (who choose to be present), at a pre notified date and time.

Please note that the financial bid shall be considered valid for 90 days from the date of submission of the bid.

- Passwords of the Technical Bids will be obtained from the bidders on the date of opening of the technical bids
- Financial bids will be opened for those who are shortlisted in technical bid.
- Passwords of the Financial Bids will be obtained from the bidders on the date of opening of the financial bids
- Financial aspects of the offer should not be disclosed in any way other than the password protected financial bid. Technical bids consisting financial aspects are liable for rejection.

The proposal can be submitted latest by 17:00 hours IST on January 21, 2022 to projectblue@sbimf.com, duly signed by the authorized officer of the ILC.

For any queries, please contact Mr. R. S. Srinivas Jain, Chief of Strategy, Digital & Technology, 9th Floor, Crescenzo, C-38 and 39, G Block, Bandra-Kurla Complex, Mumbai, Maharashtra India – 400051, Email id: projectblue@sbimf.com

No proposal will be entertained after the appointed time and date. The proposals received after the appointed time and date will be rejected.

The Company reserves the sole right to accept or reject any or all Proposals thus received without assigning any reasons thereof. The decision of the Company's IPO Committee in regard to the selection of ILC is final.

7. **TIME FRAME**

The following is an indicative timeframe for the overall selection process. The Company reserves the right to revise/modify this timeframe at its absolute and sole discretion and without providing any notice/intimation or reasons thereof to any of the Bidders. Changes to the timeframe will be conveyed to the affected Bidders during the process.

RFP Notification	January 15, 2022
Last date of submitting queries	January 18, 2022 – Tuesday
Last Date of Proposal Submission	January 21, 2022
Presentation By Bidders	To be communicated later

8. **PROPOSAL FORMAT**

The Proposals are to be submitted in detail as indicated in the following Sections. The weightage for evaluation of the ILC in respect of each criterion has been indicated against each Section. The Technical evaluation will be done on the score of 100.

Section	Description	Weightage
I.	<ul style="list-style-type: none"> • Prior experience and expertise in handling capital market transactions during the period from 1st April 2017 to 30th September 2021 along with total number of issues handled in the corresponding period. • Prior experience in handling any Indian equity issue (Initial Public Offering/Further Public Offering/Qualified Institutional Placement) of the size of Rs 2500 crore or more during the period from 1st April 2017 to 30th September 2021. 	30%

Section	Description	Weightage
II	<ul style="list-style-type: none"> Understanding of Regulatory Framework- Demonstrate understanding of the legal policy, regulatory framework and issues, and statutory compliances in public offering including through knowledge about guidelines, rules, regulations i.e., SEBI, Companies Act, FDI, etc. Indicate your expertise in handling the regulatory requirements and securing the required approvals from the concerned authorities in the context of IPO transactions. 	20%
III	<ul style="list-style-type: none"> Expertise in BFSI sector – details of public offerings handled during the period from 1st April 2017 to 30th September 2021. Separately highlight the capital market issuances done for Asset Management Companies 	15%
IV	<ul style="list-style-type: none"> Strategy for the IPO – plan for proposed transaction, timeline, ability of preparing quality document, list out the mandates as ILC to the Company for Indian IPOs in the format specified as Annexure II 	15%
V	<ul style="list-style-type: none"> Adequate no. of skilled and experienced lawyers – profile of core and support teams proposed to be assigned for the IPO detailing qualification, list of public issues handled and relevant experience 	20%

9. PROCEDURE FOR SELECTION OF ILC

- 9.1 Qualified interested Bidders, meeting the eligibility criteria would be required to make a presentation (Maximum of 30 minutes) of their credentials, in the format prescribed in Proposal Format (refer clause 8 above), for the proposed transaction, before the IPO Committee. Only the Team Leader of the Core Team shall make the presentation.
- 9.2 The IPO Committee would evaluate the bidders on the criteria mentioned in Proposal Format based on their presentation and proposals received and shortlist the ILC scoring above a pre-determined threshold or any other criteria that IPO Committee may deem fit.
- 9.3 The IPO Committee would open the Financial Bids of shortlisted bidders. The date and

time of opening of the Financial Bids would be announced at the time of the presentations.

- 9.4 The marks scored by shortlisted ILC in the technical evaluation will then be given a weightage of 80. Similarly, the Financial Bids of the ILC will be given a weightage of 20. The combined score of Technical and Financial Bids will determine the H1 (ILC scoring highest point / marks), H2, H3 and so on. The Company will select H1, ILC as deemed appropriate who agrees to undertake the assignment. The Company may exercise its discretion to use the waterfall for the next ILC in case any shortlisted ILC does not accept the appointment.
- 9.5 The bidder scoring the highest points/marks (H1) based on the above principles would be appointed for the transaction

9.6

10. REQUIREMENTS OF FINANCIAL BID

- 10.1 The fee quoted should be unconditional. The Bidder is required to quote a fee in INR for the transaction. The bidders are required to submit financial bid in below format. Fixed Fee to be quoted in RFP, not linked to % of the issue size

Particulars (Financial bid)	To be Quoted in
Fee for acting as International Legal Counsel to Public Issue. Bid has to be quoted as an inclusive bid and SBIFM shall not pay any expense other than those mentioned below. (Bids in slab format shall be liable to be rejected).	Fee in INR for the Assignment (Lump sum amount) – Inclusive of all taxes/duties

- 10.2 ILC will be required to quote a lump sum fee gross of taxes applicable as per law. The Fee quoted by the ILC shall remain Fixed till successful completion of transaction. The ILC has to furnish an unconditional acceptance to Terms and Conditions of the Request for Proposal. The fee quoted by the ILC should be inclusive of GST, cess, duties, out of pocket expenses etc. The different taxes should be indicated separately while raising the bills for payment of fee. All bills are to be raised in INR and will be payable in INR only after successful and satisfactory closure of the transaction. Please note that the financial bid submitted by the bidder shall be valid for 90 days from the date of submission thereof.
- 10.3 ILC to note that no drop-dead fee will be payable to the ILC in case the Company calls off the transaction.

11. DISCLAIMERS

11.1 Purpose

The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement. The purpose of this RFP is to provide information to the potential Bidders, who qualify to submit the response to this RFP, to assist them in responding to this RFP. Though this RFP has been prepared with sufficient care to provide all required information to the potential Bidders, potential Bidders however may need more information than what has been provided herein. In such cases, the potential Bidder is solely responsible to seek the information required from the Company. The Company reserves the right to provide such additional information at its sole discretion. In order to respond to the RFP, if required, and with the prior permission of the Company, each Bidder may conduct their own study and analysis/assessment and seek its own professional, technical, financial and legal advice, as may be necessary.

11.2 No legal relationship

No binding legal relationship will exist between any of the Bidders and the Company until execution of a contractual agreement with the successful Bidder.

11.3 Evaluation of Offer

Each Bidder acknowledges and accepts that the Company may, in its absolute discretion, apply any additional criteria it deems appropriate in the selection of the ILC, not limited to those selection criteria set out in this RFP.

11.4 Disqualification

Any form of canvassing/lobbying/exercise of influence/cartelization etc. by the Bidder will result in disqualification of such Bidder.

In case it is found during the course of the transaction or at any time before award of the assignment or after its execution and during the period of subsistence or after the period thereof, that one or more of the terms and conditions laid down in this Request for Proposal has not been met by the Bidder, or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet appointed. Also if the Selected Bidder has already been appointed, as the case may be, the same shall, notwithstanding anything to the contrary contained in this RFP, be liable to be terminated, by a communication in writing by the Company to the Selected Bidder without the Company being liable in any manner whatsoever to the Selected Bidder. This action will be without prejudice to any

other right or remedy that may be available to the Company under the bidding documents, or otherwise. However, before terminating the assignment, a show cause notice stating why its appointment should not be terminated would be issued giving it an opportunity to explain its position.

11.5 Confidentiality

The information contained in this document is confidential. The Bidder shall not share this information with any other party not connected with responding to this RFP. The information contained in this RFP or subsequently provided to Bidder(s) whether verbally or in writing by or on behalf of the Company shall be subject to the terms and conditions set out in this RFP and any other agreement/contract to be executed by the Company.

11.6 No representation or warranty by the Company

The Company makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations on any claim the potential bidder may make in case of failure to understand the terms and requirements of this RFP and responds to the RFP. The Company may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP and specify additional requirements or cancel this RFP at any time without assigning any reason there of and without any notice, at its sole discretion. All such changes or events will be uploaded on the Company's website at www.sbimf.com. Interested parties are advised to regularly refer the URL mentioned above.

While due care has been taken in the preparation of this document, the Company will not be held responsible for any inaccuracy in the information provided herein. The Bidder must apply its own care and conduct its own investigation and analysis regarding any information contained in the RFP document and the meaning and impact of all such information contained in the RFP.

It is the Bidder's responsibility to examine this RFP; examine all other information available on reasonable inquiry relevant to the risks, contingencies and circumstances affecting its response to the RFP; and satisfy itself as to the completeness, correctness and sufficiency of all the information contained in its response to the RFP.

11.7 Company's Discretion

The Company shall be under no obligation to act upon the advice rendered by the Legal Counsels for the appointment of other Legal Counsels and other intermediaries. The

appointment made by the Company shall be final and binding on all the Bidders.

In case, if there is substantial change in the composition of the team of the appointed/selected Legal Counsel handling the IPO of the Company which can significantly affect its execution, the Company reserves its right to terminate the agreement without any cost to Company and the decision of the Company will be final and binding.

For SBI Funds Management Limited

Sd/-

Authorized Signatory

January 15, 2022

Format of Certificate

This is to certify that the fee quoted by us for engagement as International Legal Counsel for Initial Public Offering by SBI Funds Management Limited is in accordance with the terms and conditions laid down in the Request for Proposal and is unconditional.

Seal with signatures of authorized signatory of the ILC

Annexure-II

List Of International Legal Counsel to the Company for Indian IPOs

Particulars	No. of Issues*	Amount (Rs. crore)
April 1, 2017 to March 31, 2018		
April 1, 2018 to March 31, 2019		
April 1, 2019 to March 31, 2020		
April 1, 2020 to March 31, 2021		
April 1, 2021 to September 30, 2021		

* Please provide Issue-wise details also for each year

Annexure - III**SBI Funds Management Limited – 2022 Holiday List**

Holiday	Day	Date
Republic day	Wednesday	January 26, 2022
Mahashivratri Day	Tuesday	March 01, 2022
Holi	Friday	March 18, 2022
Dr. Baba Saheb Ambedkar Jayanti/Mahavir Jayanti	Thursday	April 14, 2022
Good Friday	Friday	April 15, 2022
Id-ul-Fitr (Ramzan Eid)	Tuesday	May 03, 2022
Muharram	Tuesday	August 09, 2022
Independence Day	Monday	August 15, 2022
Ganesh Chaturthi	Wednesday	August 31, 2022
Dussehra	Wednesday	October 05, 2022
Diwali (Laxmi Pujan)	Monday	October 24, 2022
Diwali Bali Pratipada	Tuesday	October 25, 2022
Guru Nanak Jayanti	Tuesday	November 8, 2022