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EXPRESSION OF INTEREST

EOI REF. NO. OIL/C&P-CORP/EOI/02/2024

Date: 30.08.2024

LAST DATE OF SUBMISSION: 17:00 HRS (IST) OF 30.09.2024

Sub: Notice Inviting “**Expression of Interest (EOI)**” for services as a **Fund Manager (FM) or Asset Management Company (AMC) for OIL’s proposed Angel Fund, aimed at providing equity investment in startups.**”

Introduction:

Oil India Limited (OIL) is a premier National Oil Company engaged in the business of Exploration, Production and Transportation of Crude Oil and Natural gas. As a *Maharatna* Company under the Ministry of Petroleum and Natural gas, Government of India (GOI), it is the second largest national oil and gas company in India in the upstream sector as measured by total proved plus probable oil and natural gas reserves and production.

OIL, with a view to creating a self-sustaining fund as part of its flagship startup initiative – SNEH (Startup Nurturing, Enabling, and Handholding), has adopted an equity investment strategy by constituting a Trust under the Indian Trusts Act, 1882. This Trust will be registered as a Category-I Alternative Investment Fund (AIF) - Angel Fund under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, for equity investments in startups. The proposed Alternative Investment Fund (AIF) is expected to have a total corpus of Rs. 35 Crores

As per SEBI guidelines for Alternative Investment Funds (AIF), OIL intends to engage a Fund Manager (also referred to as an Asset Management Company (AMC) or Investment Manager) to manage its startup equity portfolio. The Fund Manager will play a crucial role in assisting OIL with the creation of the Trust and the establishment of the Angel Fund. Their

responsibilities will include conducting due diligence, valuation during the pre-investment phase and recommendation, monitoring startup performance, ensuring regulatory compliance, and devising exit strategies during the post-investment phase. This engagement will span a period of 5 years from the date of the award of the contract.

OIL (referred to as Company in the EOI), hereby, seeks Expression of Interest (EOI) from Fund Managers (FM)/ Asset Management Companies (AMC) involved in the startup investment management or venture capital management in India to manage the startup equity portfolio under the proposed Angel Fund of OIL.

I. Brief Scope of Work for the Fund Manager:

Phase I: Creation of Venture Capital Fund

i) Incorporation of Documents for the Trust and Trustee:

- Drafting and finalizing all necessary documentation for the establishment of the Trust.
- Ensuring the proper registration and legal compliance of the Trust and its Trustee under relevant laws.

ii) Setting up the Corporate Governance Structure:

- Designing and implementing a robust corporate governance framework.
- Establishing roles, responsibilities, and operational procedures for the governance of the Fund.
- Creating policies for conflict resolution, ethical standards, and decision-making processes.

Phase II: Pre-Investment Stage

i) Business Due Diligence:

- Conducting thorough assessments of potential startups' business models, market potential, and competitive landscape.
- Evaluating the startups' strategic alignment with OIL's objectives and investment criteria.

ii) Preparation of Investment Case:

- Developing detailed investment cases for shortlisted startups, including financial projections, risk assessments, and potential return on investment.
- Presenting investment cases to the investment committee for approval.

iii) Legal Due Diligence:

- Reviewing and ensuring compliance with all legal requirements and regulations applicable to potential investments.
 - Identifying and mitigating any legal risks associated with the startups.
- iv) **Financial Due Diligence:**
- Performing in-depth financial analysis of the startups, including historical financial performance, financial health, and future financial projections.
 - Assessing the valuation and financial viability of potential investments.
- v) **Valuation:**
- Conducting comprehensive valuations of potential startups using various methodologies to determine fair market value.
 - Ensuring valuations are aligned with industry standards and reflective of the startups' growth potential.
- vi) **Negotiation:**
- Engaging in negotiations with potential startups to finalize investment terms.
 - Ensuring that the terms of investment are favourable and align with OIL's strategic and financial objectives.

Phase III: Post-Investment Stage

- i) **Monitoring of Investments:**
- Regularly tracking and reporting on the performance and progress of the invested startups.
 - Providing ongoing support and guidance to ensure the startups achieve their business goals.
- ii) **Exit Strategy:**
- Developing and executing strategies for exiting investments.
 - Identifying and evaluating potential exit opportunities such as mergers, acquisitions, or public offerings.
- iii) **Fund Accounting (Record Keeping):**
- Maintaining accurate and up-to-date financial records for the Fund.
 - Ensuring transparent and compliant accounting practices.
- iv) **Legal/Regulatory Compliances:**
- Ensuring that all activities of the Fund comply with relevant legal and regulatory requirements.
 - Keeping abreast of any changes in regulations and adapting the Fund's practices accordingly.

v) **Developing Process Manuals:**

- Creating comprehensive manuals outlining the processes and procedures for fund management.
- Documenting best practices, guidelines, and protocols for consistent and efficient fund operations.

vi) **Stakeholder Engagement:**

- Regularly engaging with key stakeholders, including OIL's management, investors, and startups, to provide updates and gather feedback.
- Facilitating communication between OIL and portfolio companies to ensure alignment of goals and expectations.

vii) **Reporting and Transparency:**

- Providing detailed and regular reports on fund performance, individual investment performance, and overall portfolio health.
- Ensuring transparency in all fund operations and decisions to build trust and confidence among stakeholders.

viii) **Capacity Building and Support:**

- Offering capacity-building programs and resources to help portfolio companies grow and scale effectively.
- Providing mentorship, advisory services, and access to industry networks to support the development of startups.

ix) **Sustainability and ESG Considerations:**

- Incorporating environmental, social, and governance (ESG) factors into investment decisions.
- Ensuring that portfolio companies adhere to sustainable practices and contribute positively to society.

II. Period of Engagement- 5 Years

III. Pre-Qualification Criteria:

A) Technical Criteria.

Expression of Interest is sought from parties/companies in India having the following qualifications:

1. The Fund Manager should have experience in managing investment funds of a minimum fund size of 14 Crores (single size) over the last 07 (seven) years reckoned from the date of publication of the EOI, in PSUs/Central Government/State Government Organizations in India.

For proof of requisite experience for “1”, the following documents/photocopy (self-attested) must be submitted along with the bid.

- a) CA Certified Audited financial statements of the managed investment funds.
 - b) Contract document/LOI/LOA/WO/ MoU showing details of the work and fund size.
2. The Fund Manager should have at least three years of experience working as a consultant or advisor with PSUs, Central Government, or State Government Organizations in India on **Startup Investments** during the last 07(seven) years which shall include experience of -
- a) Mentoring and managing a portfolio of at least 25 startups as on the date of publication of the EOI.
 - b) Assisting the abovesaid organization(s) in disbursing funds against equity to various Startups.
 - c) Carrying out startup business due diligence, legal & financial due diligence, valuation & providing investment recommendations, executing term sheets and Share Subscription and Shareholders’ Agreements (SSSHA), and setting up milestones for the Startups.

For proof of requisite experience for “2”, the following documents/photocopy (self-attested) must be submitted along with the bid.

- a) Contract document/LOI/LOA/WO/ MoU detailing the services provided.
- b) Proof of fund disbursement to various startups, against successful transaction of equity.
- c) Proof of carrying out startup business due diligence, legal & financial due diligence, valuation & providing investment recommendations, executing term sheets and Share Subscription and Shareholders’ Agreements (SSSHA), and setting up milestones for the Startups.

Note: Based on the evaluation of technical criteria, successful applicants from the EoI process will be shortlisted and invited to participate in a limited tender for the selection of a Fund Manager (FM) or Asset Management Company (AMC) for OIL’s proposed Angel Fund, which aims to provide equity investments in startups

GENERAL POINTS:

- i) Interested Agency/Firm/Vendor/Contractor/Service Provider must write clearly the EOI number and EOI Description on their EOI.
- ii) All documents submitted with the EOI must be self-certified by the vendor's authorized person. However, OIL reserves the right to verify the original documents.
- iii) All the copies of document submitted along with the EOI should be clear and legible. OIL INDIA LIMITED (OIL) reserves the right to physically check the original documents/certificates, copies of which are submitted along with the EOI.
- iv) The EOI is liable to be ignored in case of submission of any misleading/false representation by the vendor in the form of statements and attachments.
- v) Shortlisted Parties may to give a presentation to OIL on their approach for AIF in a Virtual or Physical mode deemed suitable.

4.0 Address for Communication:

Interested Applicants are requested to visit our website www.oil-india.com for further details on the above and submit their Expression of Interest latest by **30.09.2024** till 17:00 Hrs (IST) to the following address:

General Manager (C&P)
Oil India Limited, Plot No. 19, Sector-16A,
Noida-201301

Applicants must ensure that submissions through post reaches the above address before 17:00 hours on the last date of submission (30.09.2024). Any application received after the deadline will be summarily rejected.

The expression of Interest along with all requisite documents may also be sent through e-mail to the e-mail id corpcnpei@oilindia.in within the closing date and time of this invitation of EOI.

For any inquiries or clarifications regarding this EOI, interested parties may contact:
shashank.tripathi@oilindia.in