

BID EVALUATION CRITERIA

MATRIX

Bid Evaluation Matrix

Parameters

Quantitative

Upfront Cash Recovery as per Resolution Plan

NPV factoring in upfront cash recovery (based on tiered rate of discount)

70%

Equity upside

Fresh Equity Infusion for improving operations, if lenders continue with Company

Qualitative

Reasonableness of Financial Projections

Ability to turnaround distressed companies

30%

Standing of Bidder

Sl.	Parameter	Score Matrix	Weightage	Max. Score	Score Obtained										
Quantitative															
i.	Upfront Cash Recovery as per Resolution Plan. ###	> = 35% of the Resolution Debt Amount - 10 >= 30% <35% of the Resolution Debt Amount - 8 >= 20% <30% of the Resolution Debt Amount - 6 >= 10% <20% of the Resolution Debt Amount - 4 >= 5% <10% of the Resolution Debt Amount - 2 < 5% of the Resolution Debt Amount - 1 No cash recovery - 0	200%	20											
ii.	NPV factoring in upfront cash recovery (based on following tiered rate of discount, <table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td>Period</td> <td>Rate of Discount</td> </tr> <tr> <td>0-5 years</td> <td>8%</td> </tr> <tr> <td>>5 years upto 10 years</td> <td>10%</td> </tr> <tr> <td>>10 years upto 15 years</td> <td>15%</td> </tr> <tr> <td>>15 years</td> <td>30%</td> </tr> </table>	Period	Rate of Discount	0-5 years	8%	>5 years upto 10 years	10%	>10 years upto 15 years	15%	>15 years	30%	> =70% of the Resolution Debt Amount - 10 >=65%<70% of the Resolution Debt Amount - 9 >= 60%<65% of the Resolution Debt Amount - 8 >= 50%<60% of the Resolution Debt Amount - 6 >= 40%<50% of the Resolution Debt Amount - 4 >= 30%<40% of the Resolution Debt Amount - 3 >= 20%<30% of the Resolution Debt Amount - 2 <20% of the Resolution Debt Amount - 0	350%	35	
Period	Rate of Discount														
0-5 years	8%														
>5 years upto 10 years	10%														
>10 years upto 15 years	15%														
>15 years	30%														
### Resolution Plan involving upfront cash recovery should be backed by Letter of Commitment from a Bank or Cheque. If Upfront Cash infusion is by way of Equity the source should be laid out in the plan.															

Sl.	Parameter	Score Matrix	Weightage	Maximum Score	Score Obtained
iii.	Equity upside	Expected upside if, > =10% of the Resolution Debt amount - 10 >=8% <10% of the Resolution Debt amount - 8 >=6% <8% of the Resolution Debt amount - 4 >=4% <6% of the Resolution Debt amount - 3 > =1% <4% of the Resolution Debt amount - 2 No upside - 0	50%	5.00	
iv.	Fresh Equity Infusion for improving operations (If lenders continue with the Company)	> = 15% of the Resolution Debt Amount - 10 >= 10% <15% of the Resolution Debt Amount - 8 >= 5% <10% of the Resolution Debt Amount - 4 >= 1% <5% of the Resolution Debt Amount - 2 No infusion - 0	100%	10.00	

	Parameter	Score	Weightage	Max. Score	Score Obtained
	Qualitative				
v.	Reasonableness of Financial Projections i.e. Sales, EBITDA, EBIT etc/Certainty / Likelihood / Feasibility/Eventuality of honouring proposed commitments	Range : 0-10	100%	10.00	
vi.	Ability to turnaround distressed companies - Managerial competence and technical abilities, key managerial personnel, track record in implementing turnaround of stressed assets etc.	Range: 0-10	100%	10.00	
vii.	Standing of Bidder/Group in sector /External Rating /adherence to financial discipline/ record of regulatory compliance / whether NPA, including Group Companies, <12 months	Range : 0- 10 (Based on the track record of the Bidder) If NPA, including Group Companies <12 months, will fetch a Score of "0".	100%	10.00	
	Grand Total				100