

**Request For Quotation for sale of 36,30,000 equity shares of M/s.India Middleeast Broadcasting Network Pvt. Ltd. held by Kerala State Industrial Development Corporation Ltd.**

Date: 12/01/2018

**1. Introduction**

- 1.1. Kerala State Industrial Development Corporation Ltd. (KSIDC), set up in 1961, is the premier agency the Government of Kerala to promote/assist medium and large scale industries in the State of Kerala. KSIDC has the following mandates among others:
- To promote, establish and execute industries, projects or enterprises including infrastructure projects both physical and social which in the opinion of the Company are likely to promote or advance the Industrial and economic development of Kerala.
  - To aid, assist and finance any industrial undertakings, projects or enterprises, whether owned or run by Government, statutory body, private company, firm or individual with capital, credit, means, or resources for prosecution of its work and business.
- 1.2. M/s. India Middleeast Broadcasting Network Pvt. Ltd. (IMBN) is a private limited company incorporated in 2013. KSIDC assisted the unit by sanctioning equity investment in the shares of the company to establish a satellite Television channel under the name 'TV Now' (channel name later changed to 'TV New') in November 2013. TV New channel was conceived as first of its kind in Malayalam focusing on the economic & political scenario in the State. The main objective of the channel is to accelerate economic development in the State by propagating awareness about the strengths, advantages and growth stories of Kerala before the business community and corporates across the globe. The total envisaged project cost was Rs.4300.00 lakhs which was envisaged to be financed by an equity contribution of Rs.3300.00 lakhs from Members of Kerala Chamber of Commerce and Industry (hereafter referred to as KCCI), the then KCCI Directors, NRIs and KSIDC and balance Rs.1000.00 lakhs by a term loan from a nationalized bank. M/s.Real Video Impact Pvt. Ltd. (RVI) is a wholly owned subsidiary of IMBN. An extract of the latest available audited balance sheet of IMBN (as on 31-03-2014), is given below.

	Rs. lakhs
Particulars	Amount
Share capital	395.50
Reserves & Surplus	-44.35
Net worth	351.15
Long term borrowings	211.01
Trade payables	29.47
Other current liabilities	809.41
Total Liabilities	1,401.04
Tangible assets	0.11
Non-current investments	290.00
Trade receivables	24.00
Cash & bank balances	1.03
Short term loans & advances	1,085.90
Total Assets	1,401.04

1.3. As per the information available with KSIDC, the fund utilization of the holding company (IMBN) and subsidiary company (RVI) together, as on 30-11-2015, are as follows.

Rs. lakhs

<b>Source of funds</b>	<b>Amount</b>
Share Capital (*)	3514.14
Advance Share Capital	609.14
Share capital - RVI	26.97
unsecured loan - promoters	178.36
Current liabilities	254.74
Term Loan	1,055.79
<b>Total</b>	<b>5,639.14</b>

<b>Uses of funds</b>	<b>Amount</b>
Buildings improvements	639.62
Plant & Machinery	2,593.15
Deposits	73.08
Preliminary & Pre-op exp.	2,113.67
Cash & Bank balance	219.62
<b>Total</b>	<b>5,639.14</b>

\* shareholding pattern as on 30-11-2015

<b>Particulars</b>	<b>Percentage</b>
NRI Investors	41.0%
KCCI Directors & their companies	14.4%
KCCI Members	32.4%
KCCI	6.3%
KSIDC	5.9%
<b>Total</b>	<b>100.0%</b>

[KSIDC's shareholding has gone up slightly subsequently. Since the exact paid up capital of the company as on date is not available, the current shareholding percentage cannot be crystallised]

1.4. The channel started operations in July 2014 and started airing news programmes on 24/7 basis. Later, the company faced financial difficulties and the channel stopped broadcasting by July – August 2015. The channel had license for broadcasting till 2016.

## **2. The proposal and its submission**

2.1. Through this RFQ, KSIDC invites interested buyers to submit their bids for acquiring its stake of 36,30,000 equity shares (having face value of Rs.10/- each) in M/s. India Middleeast

Broadcasting Network Pvt. Ltd. (hereafter referred as the transaction) The Transaction shall be executed off-market.

- 2.2. Interest parties may submit their bid in the format attached as Annexure along with 10% of the quoted amount as Demand Draft (EMD) drawn on a scheduled commercial bank in favour of KSIDC, payable at Thiruvananthapuram, to reach KSIDC latest by 14:00 hours on 12-02-2018.
- 2.3. All the above enclosures shall be submitted in a sealed envelope to the following address: Dy. General Manager (Projects), KSIDC, Keston Road, Kowdiar, Thiruvananthapuram - 695003. The envelope should be captioned as “Confidential – to be opened by the addressee only“ and “Quotation document for purchase of shares of IMBN”.
- 2.4. Bids received after the appointed date and time will be summarily rejected. KSIDC will not be responsible for any dispatch / delivery related delays. The prospective bidders requiring any clarifications on the RFQ can send their queries addressed to Dy. Manager (Projects), KSIDC, Keston Road, Kowdiar, Thiruvananthapuram -695003, Email – jacksonjose@ksidcmail.org, Phone – 0471 2318922
- 2.5. The received quotations will be opened at KSIDC Thiruvananthapuram office at 15:00 hours on 12-02-2018 in the presence of bidders or their authorized representatives who would like to be present.
- 2.6. If any information provided by any bidder in the format is found and/or proved to be incorrect or misleading, such bid shall be rejected / disqualified.
- 2.7. The bids shall be evaluated after taking into account the price per share. KSIDC shall shortlist the bids based on the highest price per share. If more than one bidder has bid for the same price per share, then successful bidder will be decided based on inter-se bidding to be concluded after the bid opening.
- 2.8. The EMD of the successful bidder shall be retained. KSIDC shall refund the EMD to all the bidders latest by March 31, 2018, except for the successful bidder / bidders whose EMD shall be adjusted against the transaction. In case the successful bidder / bidders fail to perform their obligation as per the terms of the RFQ, then the EMD for such bidders shall stand forfeited. No interest shall be payable on the EMD by KSIDC. Bids without EMD would be considered as incomplete and shall be rejected. Any decision in this regard taken by KSIDC shall be final, conclusive and binding on the bidder.
- 2.9. KSIDC and the successful bidder shall execute the transaction off market, as per mutual agreement and the transaction shall be completed within one month from the date of bid opening.
- 2.10. KSIDC reserves the right to reject the bids, without assigning any reason whatsoever.

### **3. Jurisdiction**

- 3.1. In case of any dispute with the bidders, the Jurisdiction of Court will be at Thiruvananthapuram only.

**Annexure  
Format of Bid**

Date:

To,

The Managing Director  
Kerala State Industrial Development Corporation  
Keston Road, Kowdiar  
Thiruvananthapuram -695003.

**Sub: Bid to acquire the stake of KSIDC in M/s.India Middleeast Broadcasting Network Pvt. Ltd.**

Dear Sir/ Madam,

I/We have perused the Request For Quotation for the subject matter and hereby submit our bid for acquisition of stake in M/s.India Middleeast Broadcasting Network Pvt. Ltd. from KSIDC as follows:

<b>Number of equity shares bid for</b>	36,30,000
<b>Price per equity share</b>	<b>Rs.</b> ..... In words (Rupees ..... Only)
<b>Total consideration</b>	<b>Rs.</b> ..... In words (Rupees ..... Only)

This is to certify that the bid submitted by us for acquisition of equity shares of M/s.India Middleeast Broadcasting Network Pvt. Ltd. from Kerala State Industrial Development Corporation (KSIDC) is in accordance with the terms and conditions laid down in the Request for Quotation displayed on the website of KSIDC and is unconditional.

Seal with signatures of authorized signatory of the Bidder

Bidder Name & address