



Research Development and Innovation Fund

A Special Purpose Fund and Independent Business Unit
under the

Anusandhan National Research Foundation

Notice Inviting Applications

for

Second Level Fund Managers

07.01.2026



विज्ञान एवं प्रौद्योगिकी विभाग
DEPARTMENT OF
SCIENCE & TECHNOLOGY

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SECTION 1: Introduction

- 1. Background and Objectives.** The Government of India has set up a Special Purpose Fund (SPF) with a Rs 1 lakh crore corpus under the Anusandhan National Research Foundation (ANRF), referred to as the Research Development and Innovation Fund (RDIF).

Research, development, and innovation (RDI) remains essential to India's economic security, strategic purpose, and self-reliance. To attain strategic autonomy and competitiveness, India must rank amongst the top three to five globally, in five to 10 of our chosen key technology areas. To achieve this, India has already established strengths in applied R&D. RDIF aims to further advance these strengths by encouraging the scale-up by the private sector both of RDI, and of investment in it.

- 2. Funding to Scale Up Private Sector Research Development and Innovation.** RDIF would encourage this scale-up by engaging the risks both innovators and investors face from the novelty in RDI's science-based advances, and in RDI applications to new use-cases and markets. This novelty generates uncertainty and possible failures across every stage of RDI scale-up: from technology and product development, through production, to marketing and adoption. These affect cashflows for innovators and investors, generating risk. RDIF would reduce this risk by financially supporting companies including startups¹ developing RDI-intensive technologies at developmental stages conducive to scaling R&D, (Technology Readiness Level [TRL] 4 and above), providing them with adequate capital, tailor-made to their requirement, to survive failure risk, and to sustain long gestation periods.
- 3. First Level Fund Manager (FLFM).** The Government of India has established an Independent Business Unit (IBU) under the Anusandhan National Research Foundation, to act as the FLFM. The IBU will be manned by a professional team which will operate and manage the Fund.
- 4. Second Level Fund Managers (SLFMs).** SLFMs would be the entities selected by RDIF to receive funds, to further invest in companies including startups scaling up RDI-intensive technologies.
- 5. RDIF Implementation Guidelines.** Implementation Guidelines for managing RDIF are enclosed with this document, and also available on RDIF Website. Applicants

¹ In this document, the phrase 'companies including startups' is equivalent to the term 'Eligible Technology Entities', as defined in the RDIF Implementation Guidelines Part A Para 6.

are advised to read these guidelines carefully, before preparing and submitting this Application. On any matters where this Notice is silent and/or not adequately clarified, guidance provided in the Implementation Guidelines will be considered final.

- 6. Special Financial Rules:** The RDIF will be governed by a Special Financial Rules (SFR) notified by Department of Science and Technology (DST). The rules have been published on DST website and are enclosed with this document. The rules under SFR have been framed in accordance with the Implementation Guidelines to facilitate smooth transaction of RDIF. Note that the General Financial Rules (GFR) of Government of India are not applicable for RDIF transactions.
- 7. RDIF Sectors, Types of Projects, and Sub-Projects:** RDIF funds must be used by SLFMs to invest in companies including startups advancing RDI-intensive technologies, as defined in the RDIF Implementation Guidelines. A tentative list of sectors, types of projects, and sub-projects is enclosed with this NIA, and available on the RDIF website.

SECTION 2: Objective, Eligibility Criteria, Scope, and Schedule for the Notice Inviting Applications

- 1. Objective.** The objective of this Notice Inviting Applications (NIA) is to invite applications from prospective eligible entities to become SLFMs. The selected SLFMs will receive funds from RDIF to further invest in companies including startups, scaling up RDI-intensive technologies in RDIF Priority Sectors. These must take place in a manner aligned with the RDIF Investment Policy (Part A of the Implementation Guidelines).

- 1.1. Selection Method.** SLFMs will be selected using Quality and Cost Based Selection (QCBS) method (further elaborated in Section 4 of this document).

- 1.2. Round-Based Approach.** RDIF may conduct further rounds of NIA, to select additional SLFMs based on QCBS.

- 2. Eligibility.** Entities eligible to be selected as SLFMs include:

- 2.1.** Alternative investment funds (AIF), as defined in Section 2 (1) (b) of Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012; and registered with the Board under the Regulations.

- (i) As noted above, these may also include AIFs which themselves invest in units of other AIFs as permitted in the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012. Such an AIF would be referred to as a Fund of Funds. In such cases, these Funds of Funds shall ensure that any daughter AIFs to which it contributes RDIF funds (a) shall not themselves invest RDIF funds in units of other AIFs (b) shall themselves comply with all provisions specified for, and be treated as, SLFMs by RDIF;

- (ii) AIFs may include existing AIFs that have not yet achieved Final Close; as well as new AIFs that have not yet achieved First Close;

- 2.2.** Development Finance Institutions (DFIs): Institutions established by relevant Statutes or Acts of Parliament or the Government of India, to develop economic activities or sectors (e.g., infrastructure, housing, agriculture, etc.) or industrial concerns or enterprises of various classifications (e.g., small and medium enterprises, etc.); or Institutions licensed as a Development Financial Institution by the Reserve Bank of India under Section 29 of the National Bank for Financing Infrastructure and Development Act, 2021. This definition is only for the purposes of implementation of RDI Scheme, and does not contravene any existing legal or regulatory provisions pertaining to DFIs otherwise.

2.3. Non-banking Finance Companies (NBFCs), as defined in Section 45-I(f) of the Reserve Bank of India Act, 1934; showing income tax statements for a period of no less than five years;

2.4. Focused Research Organisations (FROs), being statutory organisations, public institutions, academic/research/non-profit organisations funded by the Government of India or State Governments; defined by a specialised focus on particular technologies, sectors, or innovation functions.

3. Scope. RDIF will identify, screen, and qualify Applicants to become SLFMs that are:

3.1. Operating under Investment Theses that align with the RDIF Investment Policy (Part A of the Implementation Guidelines) as available on the RDIF website;

3.2. Currently investing, or seek to invest, in companies including startups that are engaged in developing cutting edge technologies which must include, but are not necessarily restricted to, RDI-intensive technologies as defined in the RDIF Implementation Guidelines Part A Para 8.1;

3.3. Investing, or seek to invest, in sectors that must include, but are not necessarily restricted to, RDIF Priority Sectors as defined in the RDIF Implementation Guidelines Part A Para 5.

4. Schedule and Due Date for Submission of Applications. The NIA will follow the schedule outlined below. Applications must be submitted on the RDIF Management Portal at www.rdifund.anrf.gov.in, by 1700 hours IST on 31 January 2026.

Application Schedule			
S.No.	Action	Current Date	Changed Date
1	Issue of Notice Inviting Applications	03 Nov 2025	Action Complete
2	Last date for queries seeking clarification on NIA	10 Dec 2025 (1700 hrs IST)	Action Complete
3	Pre-Submission Conference/Meeting	15 Dec 2025	Action Complete
4	Last date for written submission of queries seeking clarification	19 Dec 2025	Action Complete
5	Final NIA incorporating changes	31 Dec 2025	07 Jan 2026
6	Last date for submission of Applications	15 Jan 2026 (1700 hours IST)	31 Jan 2026 (1700 hours IST)

5. Note: Application alone does not give the Applicant any right to be selected. RDIF reserves the right to reject any or all applications under various categories of applicants as described above viz. AIF, DFI, NBFC, FRO, etc. without assigning any reason. Section 8 Para 5 of this Notice may also be referred to.

SECTION 3: Scope of Work for Second Level Fund Managers

1. Selected SLFMs will receive and invest RDIF funds in the manner as outlined below.
2. **Modalities for SLFMs to Access RDIF Funding.** The RDIF offers funding to SLFMs,
 - 2.1. In the form of contribution to AIF, via purchase of units in a Scheme;
 - 2.2. In the form of loans.
3. **SLFM Investment Requirements.** Successful SLFMs, on receiving RDIF funds, must invest RDIF funds only:
 - 3.1. In companies including startups, as defined in RDIF Implementation Guidelines [IG] Part A Para 6;
 - 3.2. Advancing RDI-intensive Technologies, as defined in RDIF IG Part A Para 8.1 at TRL 4 and above;
 - 3.3. Working in RDIF Priority Sectors, as defined in RDIF IG Part A Para 5;
 - 3.4. In a manner that advances RDIF objectives to:
 - (i) Encourage the private sector to scale up RDI in sunrise domains and in other sectors relevant for economic security, strategic purpose, and self-reliance;
 - (ii) Finance transformative projects at higher levels of TRL 4 and above;
 - (iii) Support acquisition of technologies which are critical or of high strategic importance.
 - 3.5. In accordance with the **Funding Guidelines to be followed by SLFMs**, as defined in Part C of the RDIF IG.

SECTION 4: Application and Selection Method

1. **Application Process.** RDIF will execute the QCBS system via the following process, for selection of SLFMs:

- 1.1. *Mode and Deadline.* Applicants to be selected as SLFMs in accordance with this NIA must submit applications via the RDIF Management Portal at www.rdifund.anrf.gov.in, by 1700 hours IST on 31 January 2026. Applicants would submit all information and supporting documents via the Portal's workflows. The Portal will not accept applications after the prescribed deadline.

- 1.2. *Digital Sealed Cover 1: Quality.* Applicants would provide information and supporting documents related to Quality criteria, as outlined in Section 5, in Digital Sealed Cover 1 provided within the Portal.

- 1.3. *Digital Sealed Cover 2: Cost.* Applicants would provide undertakings related to Cost criteria, as outlined in Section 6, in Digital Sealed Cover 2 provided within the Portal.

Note: Applicants should not include any mention of cost criteria in Digital Sealed Cover 1, under any circumstances.

2. **QCBS Method of Selection.** Under QCBS, RDIF will evaluate applications from prospective SLFMs on the parameters given below. Applicants may provide information and documentation accordingly:

- 2.1. Quality criteria, at a weightage of 80%: which focus on selecting SLFMs most competent to support companies including startups in scaling RDI-intensive technologies. These criteria are listed in Section 5;

- 2.2. Cost criteria, at a weightage of 20%: which focus on

- (i) For the Contribution to AIF modality: management fees and carried interest charged by the SLFM to RDIF;
- (ii) For the Loan modality: net interest margins maintained, and management fees charged to RDIF, by SLFMs. These criteria are listed in Section 6.

SECTION 5: Quality Criteria, Information Requirements, and Evaluation Matrix

- 1. Evaluating Applicants.** RDIF will apply a weightage of 80% to Quality criteria, which focus on selecting SLFMs that are most competent to support Indian RDI-intensive companies including startups in scaling up RDI-intensive technologies in RDIF Priority Sectors.
- 2. Quality Criteria for AIF Applicants.** RDIF will use criteria that evaluate such competence for AIFs that prioritise the Applicant Management Team's professional calibre.
 - 2.1. Part A | General Competence: Managing Investments and Operational Risks for Scaled Returns. RDIF will assess the core competence of the Applicant team in building consistently successful investment portfolios. This shall be irrespective of the extent of the Applicant's RDI-intensive technology focus, allowing more general funds to also apply to RDIF.
 - 2.2. Part B | R&D and RDI-Intensive Technology Focus: Orientation and Competence to Execute RDIF Mandate. The evaluation will consider the Applicant's ability to execute RDIF's mandate for India's RDI-intensive companies including startups. The Applicant's track record demonstrating these competences does not need to have exclusively been in RDI-intensive technologies. Competences shown in other technology investments would also be considered.
 - 2.3. Part C | 'Crowd In': Extent of Private Contributions to Applicant's Aggregate Capital. RDIF seeks to mobilise private capital to RDI scaling. The Applicant will therefore be evaluated on the extent to which it is able to raise private capital, alongside the RDIF contribution.
 - 2.4. Evaluation Matrix. RDIF will accordingly evaluate Applicants under Quality criteria, per the **Evaluation Matrix 5.1** outlined at the end of this Section 5. Weights mentioned here are indicative only.
- 3. Additional Information Requirements from AIF Applicants.** Additional to Quality criteria information, AIFs applying to RDIF must also provide information related to the following RDIF funding terms, as per **Table 5.1.A**:
 - 3.1. Contribution Modes.

- (i) The RDIF offers funding to AIFs via any of the three suggested Modes, from which Applicants may choose any one. Applicants may also suggest any other Modes for RDIF consideration.
 - a. Mode 1: RDIF offers capital at an Internal Rate of Return (IRR) that is lower than the hurdle rate offered by the AIF to private contributors. AIFs would be required to prioritise distributions to RDIF, e.g. by providing RDIF with a higher position in the distribution waterfall.
 - b. Mode 2: RDIF offers capital to the AIF at the same hurdle rate and/ or IRR as other contributors. It would receive distributions in pari passu with other contributors to the AIF.
 - c. Mode 3: RDIF offers capital at an IRR that is higher than that offered by the AIF to private contributors. RDIF would take a lower position in the distribution waterfall.
- (ii) Applicant AIFs should provide following information:
 - a. Their preference of Mode of RDIF funding;
 - b. Should the preference be for Modes 1 or 3: (1) the IRR and (2) the Distribution Priority that they propose to offer RDIF.

3.2. Contribution Quantum. To encourage private investment in RDIF Priority Sectors and RDI-intensive technologies: RDIF shall contribute to AIFs as a percentage of aggregate capital as may be determined, reflecting the AIFs' focus on RDI-intensive Technologies and RDIF Priority Sectors, as defined in the RDIF Implementation Guidelines, so as to enable increased RDIF funding to these technologies and sectors. RDIF-funded Funds of Funds shall contribute RDIF capital to AIFs via the same approach as above.

- (i) Applicants selected as SLFMs shall invest all funding contributed by RDIF only in companies including startups that focus on (a) RDI-intensive technologies (b) RDIF Priority Sectors.
- (ii) AIF Applicants should provide following information:
 - a. Amount requested from RDIF;
 - b. Technology focus: Whether the AIF will invest wholly or only partly in RDI-intensive technologies; with details;

- c. Sector focus: Whether the AIF will invest wholly or only partly in RDIF Priority Sectors; with details;
- d. Target values for First and Final Close;
- e. Private and RDIF contributions, respectively sought by the Applicant; as a percentage of aggregate capital; with details.

4. Quality Criteria for DFI Applicants. The criteria RDIF uses in this NIA to evaluate such competence for DFIs applying for RDIF funding will follow those specified for AIF Applicants in Para 2 above. These will be adapted to DFIs' organisational structures and operational practices.

4.1. RDIF will accordingly evaluate DFI Applicants under Quality criteria, per the ***Evaluation Matrix 5.1*** outlined at the end of this Section 5. Weights mentioned here are indicative only.

5. Quality Criteria for NBFC Applicants. As with DFIs, the criteria RDIF uses in this NIA to evaluate such competence for NBFC applicants will follow those specified for AIF Applicants in Para 2 above, adapted to DFIs' organisational structures and operational practices.

5.1. RDIF will accordingly evaluate NBFC Applicants under Quality criteria, per the ***Evaluation Matrix 5.1*** outlined at the end of this Section 5. Weights mentioned here are indicative only.

6. Quality Criteria for FRO Applicants. The criteria RDIF uses in this NIA to evaluate such competence for FROs applying for RDIF funding, will prioritise the FROs' suitability to scale-up private RDI. Only such FROs which have provided funding to companies including startups in the past, including via equity, debt, or grant, would be considered for RDIF funding.

6.1. Criteria. These will include:

- (i) Organisational and governance structure conducive to private RDI scale-up;
- (ii) FRO Management Team Competence;
- (iii) Demonstrated Track Record of Investment/ Funding;
- (iv) Track Record in supporting RDI-Intensive Technology startups;
- (v) Alignment of FRO focus with RDI Investment Policy.

6.2. Evaluation Matrix. RDIF will accordingly evaluate Applicants under Quality criteria, per the ***Evaluation Matrix 5.2*** outlined at the end of this Section. Weights mentioned here are indicative only.

- 7. Verification.** Applicants that are shortlisted will be required to provide detailed documentation supporting information they have provided under this NIA. Applicants have to submit data/facts/figures as per forms and documents at the time of submission. At this stage RDIF is not asking for any supporting documents to verify the claim. The selected SLFM will be asked to submit the supporting documents at later stage (before signing of the agreement between SLFM & RDIF). At that stage if any discrepancy is noticed between the data/facts/figures submitted vis-a-vis supporting documents and if SLFM fail to provide satisfactory clarification then their case will be rejected.

Evaluation Matrix 5.1: Quality Criteria for AIFs, DFIs, and NBFCs

S. Nos.	Selection Criteria	Measures	Weight	<u>Indicative Documentation to be Submitted</u> (Applicants may provide other suitable documentation)
Part A General Competence: Managing Investments and Operational Risks for Scaled Returns				
1	<p>Fund Management Team Competence: General capability of the SLFM team in managing <u>investments and operational risks</u>, investees in the technology sector (irrespective of R&D/ RDI-intensive technology specialisation)</p> <p>For AIFs: <u>Professional background</u> of General Partners and Principals (or equivalent): successful investors, founders, managers, technologists.</p> <p><u>Skillsets:</u> expertise, experience, and success related to (for example)</p> <ul style="list-style-type: none"> - Managing founder teams, to ensure robust teams, scaled operations, and strong returns; - Emerging technologies; - Product management; - Finance and investment; 	<p><u>Qualitatively assessed and scored</u>, based on expert evaluation of (for example)</p> <ul style="list-style-type: none"> - Team profiles - Successful scaling of operations at technology firms or prior fund investees <p>1. <u>AIFs:</u> Teams, for</p> <ul style="list-style-type: none"> - experience leading deals and exits for technology firms; - successful scaling of operations at technology firms; - ability to build strong teams with low attrition; - ability to build strong processes for consistent investment performance and risk management; - track record of having raised third party capital; - quality of Investment Committee, Advisory Board, and compliance management. <p><i><u>Note.</u> These would normally be evaluated for the Fund organisation. In cases where a new Fund is being established, these may be evaluated for the individuals forming the new Fund.</i></p> <p>2 <u>DFIs / NBFCs:</u> Organisation's</p>	15%	<p>For AIFs: As per Annexure B.2</p> <ol style="list-style-type: none"> 1. Trustee / Investment Manager Profile Briefs; 2. Relevant chapters in Private Placement Memorandum (e.g. Trustee or Investment Manager profiles); 3. Curriculum Vitae / Biodata, containing the names and experience profiles of Partners, Investment Committee Members, and Advisory Board Members of the AIF; 4. Number of years Fund Management Team has worked together. 5. <u>Examples of success in the following:</u> <ul style="list-style-type: none"> - Managing / building / maintaining high-performing teams, including startup founder teams with low attrition; - Experience leading deals and exits for technology firms; - Driving scale-up operations; - Emerging technologies and product management; - Finance and investment; - Mentoring and support to startups; - Building strong processes for consistent investment performance and risk management; - Raising third party capital;

	<ul style="list-style-type: none"> - Building and maintaining mentoring networks. <p>For DFIs: Organisation's credentials and management team experience.</p>	<ul style="list-style-type: none"> - credentials; - management team and board, track record and experience; - experience in RDIF Priority Sectors; - project financing experience: manufacturing, working capital. <p><u>3. In common across AIFs, DFIs, NBFCs:</u></p> <ul style="list-style-type: none"> - Key personnel's track record related to functions such as deal-sourcing, due diligence / evaluation, portfolio management, exits; - Combined team (including advisory boards) for domain expertise in technologies / sectors. <p><u>4. Where quantitative criteria are considered essential, the following may be explored:</u></p> <ol style="list-style-type: none"> 1. Combined number of person-years of experience in technology and investment, in RDIF <ul style="list-style-type: none"> - Priority sectors, in India; - TRLs / venture development stages. 2. Total number of funds from which successful exits have taken place; 3. Internal rates of return (IRR) / distribution to paid-in capital (DPI) across previous Funds: mean values; standard deviations (to verify consistent performance); 4. Number of years that Fund Management Team have worked together. 	<p>20% (for DFI & NBFC)</p>	<ul style="list-style-type: none"> - Deal-sourcing, due diligence / evaluation, portfolio management, exits (with highlight examples); - Relevant priority sectors, in India; - TRLs from Level 4 onward; and corresponding venture development stages; - Any additional supporting detail and documentation, that the prospective SLFM feels is appropriate. <p>For DFIs / NBFCs: As per Annexure C.1</p> <ol style="list-style-type: none"> 1. Organisational credentials (management team and board: track record and experience; experience in RDIF Priority Sectors; project financing experience); 2. Key personnel's track record related to functions such as deal-sourcing, due diligence / evaluation, portfolio management, exits; 3. Combined team (including advisory boards) for domain expertise in technologies / sectors.
2	<p>Demonstrated Track Record of Investment Management Competence. Success and</p>	<ol style="list-style-type: none"> 1. Net Internal Rate of Return (IRR) over <ul style="list-style-type: none"> - previous Funds (for AIFs) or - the last 10 years (for DFIs / NBFCs) (<i>annualised return of Fund to LPs</i>). 	<p>20%</p>	<p>For AIFs: For the previous Funds: details as per Annexure B.6</p>

	<p>consistency in delivering prior Funds, through</p> <ul style="list-style-type: none"> - Repeatable processes; - Robust execution; - Effective risk management. 	<p>AND / OR</p> <p>2. Multiple on Invested Capital (MOIC) over previous Funds (for AIFs) (<i>what multiple of the invested money was actually returned</i>).</p> <p>AND/ OR</p> <p>3. Distributions to Paid-In Capital (DPIC) over</p> <ul style="list-style-type: none"> - last Funds (for AIFs) (<i>realised returns – cash actually distributed to LPs</i>) - last 10 years (for DFIs / NBFCs). <p>AND/ OR</p> <p>4. Yield on Loans or Portfolio Yield over previous funds (for debt AIFs) (<i>average interest rate earned on the outstanding loan portfolio, measuring income generated from Debt AIF's investments</i>).</p> <p>AND/OR</p> <p>5. Vintage Year Performance (<i>AIF's performance against other funds in the same First Close year</i>).</p> <p>AND/OR</p> <p>6. Default Rates or Non-Accrual Loans (for debt AIFs, DFIs, NBFCs) (<i>percentage of loans in portfolio that are unable to make repayments as scheduled – as a measure of robustness of execution and risk management</i>).</p>	<p>a. Net Internal Rate of Return (IRR) delivered by the Funds;</p> <p>b. Multiple on Invested Capital (MOIC) delivered by the Funds;</p> <p>c. Distributions to Paid-In Capital (DPIC) delivered by the Funds;</p> <p>d. Yield on Loans or Portfolio Yield over previous funds (for debt AIFs)</p> <p>e. Vintage Year Performance of previous Funds (AIF's performance against other funds in the same First Close year)</p> <p>f. Default rates or Non-Accrual loans (for debt AIFs)</p> <p>g. Tabulated portfolio summary of investees of each Fund, with entry and exit valuations</p> <p>For DFIs / NBFCs: details as per Annexure C.3:</p> <p>a. Net Internal Rate of Return (IRR) over last five years;</p> <p>b. Distributions to Paid-In Capital (DPIC) over the previous five years (for DFIs / NBFCs);</p> <p>c. Yield on Loans or Portfolio Yield over the previous five years;</p> <p>d. Default Rates or Non-Accrual Loans over the previous five years;</p> <p>e. Recovery Rates (percentage of the principal and accrued interest amounts recovered from loans that are in default e.g. via liquidation of assets, etc. – measuring robustness of SLFM's measures against downside);</p> <p>f. A tabulated summary of the portfolio of investees.</p>
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		<p>AND/ OR</p> <p>7. Recovery Rates (for, DFIs, NBFCs) (percentage of the principal and accrued interest amounts recovered from loans that are in default e.g. via liquidation of assets, etc. – measuring robustness of SLFM's measures against downside.</p>		
Part B R&D and RDI-Intensive Technology Focus: Orientation and Competence to Execute RDIF Mandate				
3	<p>Investment Theses (which may be part of the Private Placement Memorandum): alignment with RDIF Investment Policy.</p>	<p>Qualitatively assessed and scored, based on expert evaluation against RDIF Investment Policy criteria. Scoring would take place against;</p> <p>1. Alignment with RDIF R&D / RDI-intensive technology and Priority Sectors;</p> <p>2. Technology maturity ranges specified in the RDIF Investment Policy (TRL 4+);</p> <p>3. Venture development stage (laboratory spin-out to production).</p>	10%	<p>For AIFs (PPM as submitted to SEBI, or Investment Theses as per Annexure B.2.), DFIs, NBFCs:</p> <p>Current / proposed fund's concentration as per Annexure A.2:</p> <p>a. technological focus;</p> <p>b. industry sector focus;</p> <p>c. market focus;</p> <p>d. technology maturity ranges (stated in terms of TRLs);</p> <p>e. venture development stage (laboratory spin-out to production).</p>
4	<p>Track Record in R&D Scale Up and RDI-Intensive Technology Competence. Demonstrated competence with the high-uncertainty investments characterising RDI-intensive technology – at the TRLs concerned.</p>	<p>Fund Management teams that have achieved the following would be highly scored:</p> <p>At least one exit from an RDI-intensive technology firm:</p> <p>AND/OR</p> <p>At least two prior investments in RDI-intensive technology firms.</p>	15%	<p>For AIFs:</p> <p>For previous Funds which the Partners have launched as Schemes of the same Trust / under the same LLPs, for (a) exits from, and/ or (b) investments in RDIF-intensive technology firms:</p> <p>a. Number of prior investments in RDI-intensive technology firms, with profiles on relevant startup investments, as per Annexure B.7 and Annexure B.2</p>

	This would include technology stage / maturity, advanced science bases, 'hockey-stick' valuation growth (long low period, followed by exponential increase).			<p>c. Number of exits from RDI-intensive firms, with details including exit route (e.g. management buy-out, IPO), as per Annexure B.7.</p> <p>For DFIs / NBFCs: As per Annexure C.4:</p> <p>a. exits from, and/ or</p> <p>b. investments in RDIF-intensive technology, as per companies over the previous five years</p>
5	Track Record in Investment Sizes for R&D Scale Up. Demonstrated competence with the size of investments needed to scale-up R&D.	<p>Ticket Sizes in previous Funds (for AIFs) or across the previous five years (for DFIs / NBFCs):</p> <p>1. Average value across previous Funds (for AIFs) or across the previous five years (for DFIs / NBFCs): indicating general familiarity with managing investment ticket sizes in the RDIF's target range;</p> <p>2. Modal value across previous Funds (for AIFs) or across the previous five years (for DFIs / NBFCs): indicating consistent ability to manage these ticket sizes;</p> <p>3. Trends (longitudinal) across previous Funds (for AIFs) or across the previous five years (for DFIs / NBFCs).</p>	5%	<p>For AIFs: For previous Funds, as per Annexure B.8:</p> <p>a. Tabulated summaries of investments made in firms;</p> <p>b. Average and modal value of investments</p> <p>For DFIs / NBFCs: as per Annexure C.5, including</p> <p>a. Tabulated summaries of loans made to firms;</p> <p>b. Average and modal value of loan sizes.</p>
6	Absorption and Utilisation Capacity. Ability to effectively invest capital contributions received, in companies including startups.	Percentage of previous fund committed to investees.	<p>5%</p> <p>0% (for DFI & NBFC)</p>	<p>Provide information regarding percentage of previous fund committed to investee as per Annexure B.6 for AIFs. In Forms and Documents Annexure C.3, Table C.3.1, parameters 6 ('Absorption Capacity') and 7 ('Utilisation Capacity') for DFIs / NBFCs stand deleted.</p>

Part C | 'Crowd In': Extent of Private Contributions to Applicant's Aggregate Capital

7	'Crowd in' of private capital. Ability to raise and direct private capital to innovation, alongside the RDIF contribution.	Percentage of aggregate capital contributed by private sources, at Close for which contribution is being sought from RDIF (for AIFs) or Percentage of funding for loan scheme / programme sourced from private sources (for DFIs / NBFCs)	10%	Provide information regarding percentage of aggregate capital contributed by private sources, as per Annexure B.5 for AIFs and Annexure C.2 for DFIs / NBFCs.
Note 1. If only one or no prior Fund has been launched previous to this one, as Schemes of the current Trust / with the current management team: details may be provided for previous funds with which individual Partners were earlier associated.				
Note 2: All such information would be treated as a commercial confidence under Section 8[1][d] of the Right to Information Act 2005.				

Table 5.1.A: Additional Information for AIFs Only

S	Information Requirement	Documentation to be Submitted
1	Contribution Modes through which Applicant seeks funding (Mode 1, 2, or 3)	Please fill in the format as per Annexure B.4 .
1.a	<i>Should Applicant seek Mode 1 or 3: IRR offered to RDIF</i>	
1.b	<i>Should Applicant seek Mode 1 or 3: Distribution Priority offered to RDIF</i>	
2	Contribution Quantum to inform RDIF cap on funding as a percentage of aggregate capital contribution (i) Technology focus: Whether the AIF will invest wholly or only partly in RDI-intensive technologies; (ii) Sector focus: Whether the AIF will invest wholly or only partly in RDIF Priority Sectors; (iii) Target values for First and Final Close; (iv) Private and RDIF contributions, respectively sought by the Applicant as a percentage of aggregate capital .	Please fill in the format as per Annexure B.5 .

Evaluation Matrix 5.2: Quality Criteria for FROs

S. Nos.	Selection Criteria	Measures	Weight	<u>Indicative</u> Documentation to be Submitted (Applicants may provide other suitable documentation)
1	Organisational and governance structure conducive to private RDI scale-up. Ability of the FRO to build and house high-performance teams, capable of driving private-sector R&D scale-up – with initiative and focus on commercialisation, distinct from purely academic research.	<u>Qualitatively assessed and scored</u> , based on expert evaluation of (for example) <ul style="list-style-type: none"> - Organisational structure conducive to distinctive focus on private R&D scale-up and commercialisation, including: <ul style="list-style-type: none"> - Organisational form (Section 8 firm, Trust, Society etc. distinct from academic institutional structure); - Governance systems dedicated to organisational form (e.g. dedicated Board or Council), with proven regular functioning; - Structure of Investment Committee or any other Committee with financial and technical experts for assisting in decision making for funding companies and startups along with the profile of committee members - Accountability systems for achieving defined, time-bound milestones. 	10%	As per Annexure D.2
2	Management Team Competence. General capability of the FRO team in managing support to and investments in companies including startups.	<u>Qualitatively assessed and scored</u> , based on expert evaluation of (for example) <ul style="list-style-type: none"> - Professional leadership and personnel, reflecting both specialised RDI focus as well as scale-up / commercialisation; - Team profiles: FRO Management Team, and advisors 	15%	As per Annexure D.3

	<p><u>Professional background</u> of leadership and personnel: successful scientists, technologists and managers.</p> <p><u>Skillsets</u>: expertise, experience, and success related to (for example):</p> <ul style="list-style-type: none"> - Managing founder teams, to ensure robust teams, scaled operations, and strong returns; - Emerging technologies; - Product development; - Product management; - Building and maintaining mentoring networks. 	<ul style="list-style-type: none"> - Experience leading partnerships and support at companies including startups (or equivalent) ; - Ability for technology commercialisation and business mentoring; - Experience in RDIF Priority Sectors; 		
3	<p>Demonstrated Track Record of Investment/Funding. Success and consistency in delivering prior Funds, through</p> <ul style="list-style-type: none"> - Repeatable processes; - Robust execution; - Effective risk management. 	<ul style="list-style-type: none"> - Revenue generated or earned, including proceeds from any exits, from companies including startups; - Combined valuations of companies including startups funded by FRO; - Commercialisation successes by such companies including startups. e.g. licensing deals for IP, commercial partnerships, etc. with <u>value</u>; for up to 5 years subsequent to the final round of grant funding provided by the FRO; for each such company including startup. 	20%	As per Annexure D.4
4	<p>Track Record in R&D Scale Up and RDI-Intensive Technology Competence. Success and consistency in transitioning companies including startups to commercialisation, with high-uncertainty investments characterising RDI-intensive technology – at the TRLs concerned.</p>	<p><u>Qualitatively assessed and scored</u>, based on expert evaluation of outputs conducive to transitioning scientific knowledge to commercialisation. This might include any or more of the following <u>indicative examples</u>:</p> <ul style="list-style-type: none"> - Details on the nature of the support provided to companies including startups by the FRO: qualitative, and investment; - Number of RDI-intensive companies including startups (or equivalent) supported over the last 5 years, or age of the FRO, whichever is greater; 	20%	As per Annexure D.5

		<ul style="list-style-type: none"> - Profiles of companies including startups (or equivalent) supported: technology, sector, IPR generated; - TRLs at entry into, and exit from, FRO support. 		
5	Alignment of FRO focus with RDI Investment Policy. Intersection between the Focused Research Organisation's focus area – technology, sector, or innovation function – to RDIF objectives.	<u>Qualitatively assessed and scored</u> , based on expert evaluation of <ol style="list-style-type: none"> 1. FRO focus on technologies, and extent of overlap with RDIF's focus on RDI-intensive technologies; 2. FRO focus on Sectors, and extent of overlap with RDIF Priority Sectors; 3. The extent to which the technology, sector, or innovation function is essential to RDIF objectives. 	15%	As per <i>Annexure D.6</i>

SECTION 6: Cost Criteria and Evaluation Matrix

1. **Evaluating Applicants** RDIF will apply a weightage of 20% to Cost criteria.
2. **Cost Criteria for Applicants Seeking RDIF Funds as Contributions to AIFs.**
For the Contribution to AIF modality, RDIF will consider the management fees and carried interest demanded by the Applicant from RDIF as a contributor. Lower fees and Carried Interest demands would achieve higher scores. Applicants must provide information as per **Annexure B.9**.
 - 2.1. Management fees would be considered to an extent not exceeding 2% per annum (i) of the aggregate Capital Commitment at the beginning of the year, from the initial closing date until the end of the Commitment Period (ii) of the actual invested capital, if it is lesser than the committed capital, or as a percentage of the underlying value of the assets under management (AUM) of the fund, after the end of the Commitment Period;
 - 2.2. Carried Interest would be considered to an extent not exceeding 20% of the AIF SLFM's distributions after return of capital, hurdle rate, and catch-up.
3. **Cost Criteria for Applicants Seeking RDIF Funds as Loans, applicable to DFIs, NBFCs, and FROs.**
 - 3.1. For the Loans modality, RDIF will consider the following. Applicants must provide information as per **Annexure C.6**.
 - (i) The net interest margin i.e. the difference between the interest rate at which the Applicant, if selected as an SLFM, would lend capital to companies including startups, and that at which it would receive funding from RDIF; to an extent not exceeding a maximum limit of 3%;
 - (ii) The Management Fee charged by the Applicant, if selected as an SLFM, to RDIF; not exceeding 1% per annum of the total amount of the loan provided by RDIF to the SLFM.
 - 3.2. QCBS cost criteria shall not apply to SLFMs that are (a) statutory organisations (b) public institutions (c) academic/research/non-profit organisations wholly funded by the Government of India or State Governments.

SECTION 7: Proposal Submission Requirements

1. Applicants seeking RDIF funds in the form of Contributions to Alternative Investment Funds (AIFs), via purchase of units in a Scheme of the AIF Trust, are invited to submit proposals to RDIF. These would provide information and supporting documentation against the criteria listed below.
2. **Modality of Funding (Contribution to AIF or Loan):** as per **Annexure A.1**.
3. **Quantum of Financing Requested from RDIF:** as per **Annexure B.5** (for Contribution to AIFs) and **Annexure C.2** (for Loans).
4. **Tenure/ Tenor of Financing Requested from RDIF:** as per **Annexure B.4** (for Contribution to AIFs) and **Annexure C.2** (for Loans).
5. **Undertakings Required for Authorised Persons and Company Secretary.** Applicants must provide such undertakings as listed in **Annexure A.3**
6. **Eligibility.** Applicants must satisfy the eligibility criteria listed in Para 2 of Section 2 above. Applicants must provide evidence of such eligibility, via documents indicatively listed
 - 6.1. In **Annexure B.1** for Contribution to AIFs;
 - 6.2. In **Annexure C.1**, for Loans.
7. **Quality Criteria.** The Applicant must provide information as specified in Section 5 above:
 - 7.1. **Evaluation Matrix 5.1**, for AIFs, DFIs, and NBFCs;
 - 7.2. **Evaluation Matrix 5.2**, for FROs.
8. **Additional Information Requirements.** AIF Applicants must also provide information as specified in Section 5 **Table 5.1.A**, above.
9. **Cost Criteria.** Applicants seeking to be selected as SLFMs under the Contribution to AIF modality would be selected on the basis of the following criteria, against which the Applicant must provide information as per
 - 9.1. **Annexure B.9**, for Contributions to AIFs;
 - 9.2. **Annexure C.6**, for Loans.
10. **Forms, Declarations, and Undertakings.** Applicants must fill in and submit **Annexures E.1, E.2, and E.3**.

SECTION 8: Key Administrative and Legal Details

1. **Dispute Settlement and Jurisdiction.** All disputes relating to this Notice Inviting Applications will be subject to jurisdiction of the competent Courts of New Delhi only.
2. **Conflict of Interest.** The Applicant shall submit an undertaking to ensure that there is no conflict of interest in the choice of specific projects for financing, as per **Annexure A.4.**
3. **Governing law and Dispute Settlement Mechanism.** In the event of any dispute or difference between the parties hereto shall be settled by mutual consultation. If such resolution is not possible, then the unresolved dispute or difference shall be resolved through provisions under the Arbitration and Conciliation Act, 1996, as amended from time to time. The place of arbitration shall be New Delhi, India. The cost of the arbitration shall be shared equally by the parties to the agreement. However, expenses incurred by each party in connection with the preparation and presentation shall be borne by the party itself. The language of arbitration proceedings shall be English.
4. **Force Majeure.** If at any time, during the continuance of selection process under this NIA, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, pandemic or epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of the Licensee), fire, floods, natural calamities or any act of GOD (hereinafter referred to as EVENT), neither party shall, by reason of such event, have any such claims for damages against the other, in respect of such non- performance or delay in performance.
5. **Right to accept or reject any responses.** Notwithstanding anything contained in this document, RDIF reserves the right to accept or reject any application from prospective SLFMs, to annul the NIA process, and reject all the Application(s), at any time without any liability or any obligation for such acceptance, rejection, or annulment. RDIF reserves the right to reject any Application if:
 - 5.1. At any time, a material misrepresentation and/ or concealment of any facts / materials is made or discovered, or
 - 5.2. The applicants do not respond promptly and diligently to requests for supplementary information required for the evaluation of the submitted response.

6. **Disqualification.** The Applicant is liable to be disqualified in the following cases or in case the applicant fails to meet the participating requirements as indicated in this NIA:

- 6.1. NIA application not submitted in accordance with the procedure and formats prescribed in this document shall be treated as non-conforming and shall not be processed further.
- 6.2. Applications received after due date and time.
- 6.3. Information submitted in the NIA application is found to be misrepresented, incorrect or false, accidentally, unwillingly, or otherwise, at any time during the further NIA processes/ SLFM selection process (no matter at what stage) or during the tenure of the Contribution Agreement, including the extension period, if any.
- 6.4. Applicant trying to influence the proposal evaluation process by unlawful, corrupt, or fraudulent means at any point of time during the SLFM selection process.
- 6.5. The Applicant, having failed to perform any of their material obligations under an agreement with a Government department, or blacklisted, or expelled from any project or agreement or have any agreement terminated for breach of agreement by the Party.

7. **Liability of RDIF with regards to information contained in this NIA**

- 7.1. This NIA does not purport to contain all the information that the applicants, their directors, consultants, contractors, officers, employees, agents, and/ or advisors would desire or require in reaching a decision as to the submission of their applications. This NIA is a summary of available information and no reliance shall be placed on any information or statements contained herein, and no representation or warranty, expressed or implied, is or will be made in relation to such information and no liability is or will be accepted by RDIF, its directors, advisors, consultants, contractors, officers, employees and/or its agents arising out of or in respect of the issue of this NIA, and/or the accuracy, adequacy or completeness of the contents hereof, and/or any related information/statement thereof, nor shall it be assumed that such information or statements shall remain unchanged.
- 7.2. The information in this NIA does not purport to be comprehensive. Any and all information provided by RDIF to the applicants in this NIA is indicative and has been provided for reference only. RDIF does not affirm or confirm for the accuracy or correctness of such information and data. It is the responsibility of the applicants applying for SLFM modalities to verify such information/ data and are advised to undertake independent studies, and exercise due diligence before relying on the data, projections and other details contained in this NIA, or as may be provided by RDIF during the Selection Process, and before submitting their respective applications in response to this NIA.

8. Right to update, amend, or supplement this NIA. RDIF reserves the right to:

- 8.1. Update, amend, or supplement this NIA, and/or any information contained herein at any time.
- 8.2. Change the basis of, or the procedures (including the Application Schedule Key Events and Dates contained in Section 2, or on the RDIF Website) relating to the selection process.
- 8.3. Reject any, or all, of the proposals submitted by the applicants in response to this NIA.
- 8.4. Not to proceed with the Applications.
- 8.5. Not to furnish the Applicant with any additional information, nor otherwise to negotiate with the Applicants in respect of the Application submitted.
- 8.6. The Applicants shall not have the opportunity to revise their application following submission, except as provided in this NIA.



RDI

Research Development & Innovation

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