

NO./LUN/PER/VF/----/2026

BHOPAL, DATED --/--/2026



MADHYA PRADESH LAGHU UDYOG NIGAM LIMITED

(M.P. GOVT.UNDERTAKING)

PANCHANAN BHAWAN, FIRST FLOOR

MALVIYA NAGAR, BHOPAL, 462003

Request for Proposal (RFP)
Selection of
Alternative Investment Funds
Under the

Madhya Pradesh Startup Policy and Implementation Scheme, 2025

MADHYA PRADESH LAGHU UDYOG NIGAM LIMITED
(M.P. GOVT.UNDERTAKING)
PANCHANAN BHAWAN, FIRST FLOOR
MALVIYA NAGAR, BHOPAL, 462003

NO./LUN/PER/VF/.....

BHOPAL, DATED.....

REQUEST FOR PROPOSAL FOR EMPANELMENT OF
Alternative Investment Funds

Applications are invited from eligible applicants for Request for Proposal from SEBI Accredited Alternative Investment Funds (AIFs) for receiving funds from Government of Madhya Pradesh (GoMP), in the capacity as a Limited Partner to such AIFs to invest in the startups from MP.

Interested applicants may download application form format and terms & conditions from the official website. **The last date for submission of application is Dated 30-03-2026** by 2:00 PM.

Interested AIFs, who meet the pre-qualification criteria may submit their expression of interest with all necessary documents, as detailed in this document, along with the covering letter duly signed by an authorized signatory, on below email address:-

md.mplun@mp.gov.in

cc to startup-head@mp.gov.in

For any further query and assistance please reach out to –

Mr. R K Raikwar, CGM Finance, MPLUN

Contact No.: 0755 2673112

Dr. Abha Rishi, Executive Head, Madhya Pradesh Startup Centre

Contact No.: +91 7553524017

Email: startup-head@mp.gov.in

MANAGING DIRECTOR

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1. Disclaimer

- 1.1 This document is published in connection with the proposed empanelment of Alternative Investment Funds (AIFs) under the Madhya Pradesh Startup Capital Fund Scheme, provisioned under Clause 9.1.2 of the Madhya Pradesh Startup Policy and Implementation Scheme, 2025.
- 1.2 This document does not constitute, nor should it be interpreted as, an offer or invitation for investment or empanelment/appointment, nor does it create any binding obligation on the Government of Madhya Pradesh (GoMP), Madhya Pradesh Laghu Udyog Nigam (MPLUN), or Madhya Pradesh Startup Centre (MPSC).
- 1.3 This document is intended solely to provide information to eligible applicants for the purpose of submitting proposals for empanelment under the Madhya Pradesh Startup Policy and Implementation Scheme, 2025. It does not purport to contain all the information that an applicant may require, nor does it form the basis of any contract. No representation or warranty, express or implied, is made as to the accuracy, reliability, or completeness of the information contained herein.
- 1.4 While this document has been prepared in good faith, neither GoMP, MPLUN, MPSC, nor any of their officers, employees, or advisors accept any responsibility or liability whatsoever for any loss, damage, or expense arising from the use of this document, or for any error or omission therein, whether negligent or otherwise.
- 1.5 By accepting this document, the recipient acknowledges and agrees that the information contained herein may be subject to change, superseded by subsequent updates, or otherwise modified by MPLUN or MPSC without notice. Neither GoMP, MPLUN, nor MPSC undertake any obligation to provide access to additional information or to update or correct inaccuracies in this document.
- 1.6 MPLUN reserves the right, at its sole discretion and without prior notice, to modify the selection process, amend any part of this document, reject any or all proposals, or terminate the empanelment process at any stage without assigning any reason.
- 1.7 Applicants are advised to independently assess and analyze the requirements of the Startup Capital Fund arrangement, the regulatory requirements, and the information contained in this document. Submission of a proposal shall be deemed to imply that the applicant has conducted such independent assessment and is fully satisfied with its eligibility.
- 1.8 This document has not been registered, filed, or approved in any jurisdiction. Applicants must inform themselves of applicable legal, regulatory, and statutory requirements, and ensure strict compliance with the same.
- 1.9 This document does not constitute any form of commitment or obligation on the part of GoMP, MPLUN, or MPSC. No applicant shall have any claim against GoMP, MPLUN, or MPSC arising out of any matter contained in or arising from this document or the selection process.

- 1.10 MPLUN reserves the right to disqualify or reject any proposal, without prejudice to other remedies available, for reasons including but not limited to:
- Material misrepresentation by the applicant;
 - Failure to provide requisite information;
 - Discovery of disqualifying information at any stage, even post-empement;
 - Any conviction, indictment, or adverse regulatory order casting doubt on the applicant's ability to manage funds.
- 1.11 In case of misrepresentation or suppression of material facts by the applicant at any stage, MPLUN reserves the right to cancel the empanelment, terminate participation in the scheme, and take appropriate legal action including but not limited to intimation to SEBI or other regulatory bodies.
- 1.12 All costs and expenses incurred by the applicant in connection with the preparation and submission of the proposal shall be borne solely by the applicant. MPLUN, GoMP, or MPSC shall not be liable for any such costs, regardless of the outcome of the process.
- 1.13 Reference to any laws, regulations, or guidelines in this document shall be construed as references to the laws, regulations, or guidelines as applicable in India, as amended from time to time.

2. Schedule of Application Process

2.1 MPLUN invites applications from SEBI-Accredited Alternative Investment Funds (AIFs) for receiving funds from Government of Madhya Pradesh (GoMP), in the capacity of a Limited Partner, for the purpose of investing in startups from Madhya Pradesh. The following schedule shall be adhered to for the application process:

Event	Date and Time
Date of publishing Notice Inviting Proposal on official website / e-procurement portal	09.03.2026
Date from which RFP document can be downloaded from official website	Same as above
Website link	http://mplun.mpmsme.gov.in & https://startup.mp.gov.in/
Last date and time for submitting queries via email	14.03.2026
Email ID for pre-application queries (Subject: "Pre-application queries for AIF RFP – GoMP")	startup-centre@mp.gov.in
Pre-Application meeting / conference (virtual/in-person)	17.03.2026
Corrigendum / clarifications, if any, to be uploaded by the department	23.03.2026
Email ID for submission	Managing Director M.P. Laghu Udyog Nigam Ltd., 1 st Floor, Panchanan Bhawan, Malviya Nagar, Bhopal – 462003 (MP) Email Ids md.mplun@mp.gov.in cc to startup-head@mp.gov.in
Last Date of Submission of Proposal	30.03.2026 at 14:00 hrs

2.2 **Pre-application queries** should be submitted only through email to startup-centre@mp.gov.in with the subject line:

"Pre-application queries for AIF RFP – GoMP"

Interested Applicants, who meet the eligibility criteria as specified in this RFP, shall submit their proposals along with all required documents by the due date mentioned above. The detailed terms and conditions are available in the RFP document downloadable from official website <http://mplun.mpmsme.gov.in> & <https://startup.mp.gov.in/>

2.3 **Note:**

- All interested SEBI-accredited AIFs are advised to regularly visit the official website for any updates or corrigenda related to the RFP.
- All dates/times are India Standard Time (IST).

Section/ Part-I

3. Background and Introduction

- 3.1 In line with the Government of Madhya Pradesh's commitment to foster innovation, entrepreneurship, and startup growth, a Startup Capital Fund amounting to ₹100 crores has been provisioned under Provision No. 9.1.2 of the Madhya Pradesh Startup Policy 2025. The objective of this fund is to create a catalytic support system for DPIIT-recognized startups based in Madhya Pradesh, through capital infusion by leveraging the expertise and management capabilities of professionally managed Alternative Investment Funds (AIFs).
- 3.2 To this end, the Government of Madhya Pradesh, through Madhya Pradesh Laghu Udyog Nigam (MPLUN) and Madhya Pradesh Startup Centre (MPSC), invites proposals from eligible and SEBI-registered AIFs for empanelment under the Capital Fund Scheme. Under this scheme, the GoMP shall participate as a Limited Partner (LP) in selected AIFs, who shall in turn invest in startups that are recognized in Madhya Pradesh. The objective is to support and promote startups based in Madhya Pradesh by participating as a Limited Partner (LP) in the selected AIFs.

4. Objectives of the RFP

- 4.1 The key objectives of this RFP are as follows:
- To empanel and select eligible SEBI-registered AIFs that will receive financial contributions from the Government of Madhya Pradesh (through MPLUN).
 - To ensure that the selected AIFs invest at least **twice** the amount contributed by MPLUN in Madhya Pradesh-based DPIIT-recognized startups.
 - To support the creation and development of early-stage or high-growth startups of Madhya Pradesh
 - To develop a sustainable, innovation-driven startup ecosystem across Madhya Pradesh.

5. Definitions

- **AIF:** Alternative Investment Fund registered under SEBI (Alternative Investment Funds) Regulations, 2012.
- **GoMP:** Government of Madhya Pradesh.
- **MPLUN:** Madhya Pradesh Laghu Udyog Nigam, acting as the contributor on behalf of GoMP.
- **MPSC:** Madhya Pradesh Startup Centre, an initiative of GoMP.

- **PPM:** Private Placement Memorandum filed with SEBI outlining the investment strategy and terms of an AIF.
- **Mandate Requirement:** The requirement that each selected AIF shall invest at least **twice** the amount of capital contributed by MPLUN in startups based in Madhya Pradesh.

6. Scope of the Proposal

- 6.1 The purpose of this empanelment is to identify and select eligible AIFs that will receive corpus funds from GoMP to be deployed in Madhya Pradesh reco startups.
- 6.2 Receive capital contributions from GoMP in the capacity of a Limited Partner.
- 6.3 Invest, manage, and monitor startup investments in accordance with their Private Placement Memorandum (PPM) and this RFP.
- 6.4 Provide access to mentorship, strategic guidance, and business networking opportunities for startups.
- 6.5 Comply with all applicable legal, regulatory, and policy norms, including SEBI AIF Regulations, 2012.

7. Investment Focus and Strategic Alignment

- 7.1 MPLUN shall **prioritize investment partnerships with AIFs whose sectoral focus aligns with Madhya Pradesh's economic and developmental priorities.**
- 7.2 Proposals from AIFs must clearly specify their investment thesis, sectors of focus, and how these align with the sectors identified by GoMP.
- 7.3 Preference will be given to AIFs that actively invest in startups and ventures in the following focus areas (but not limited to):
 - **Product/Manufacturing based**
 - **Agriculture & Food Processing**
 - **Animation, Visuals, Graphics, Extended Reality (XR), and Gaming**
 - **Biotech & Life Science**
 - **Bioprinting, Organoids, Genetic Engineering, Human Augmentation, Biodynamics, and Brain-Computer Interface (BCI)**
 - **Circular Economy-Based Solutions**
 - **Deep Tech**
 - **Mobility**
 - **Renewable Energy**
 - **Quantum Technology**
- 7.4 The inclusion of focus areas will be a **key evaluation parameter** during screening and shortlisting. AIFs must demonstrate current or intended investment activity in these domains, especially as applied to or benefiting Madhya Pradesh.
- 7.5 MPLUN reserves the right to revise or expand the list of focus areas based on evolving state priorities and national/global technology trends.

Section/ Part II

8. Terms of Reference/ Investment Terms and Conditions

- 8.1 **Mandate Requirement:** The AIF shall invest at least **2x** the amount received from MPLUN into startups that are registered in Madhya Pradesh. The said requirement is to be satisfied within 12 months of any Drawdown or before issuance of notice of the next Drawdown, whichever is earlier.

Example: If MPLUN commits ₹2 Crore as a Limited Partner, the AIF must invest a minimum of ₹4 Crore in eligible startups based in Madhya Pradesh.

This requirement is a minimum threshold and AIFs are encouraged to exceed this multiplier for greater consideration during evaluation and future fund tranches.

- 8.2 **Contribution Limit:** The aggregate capital contribution by the Contributor (MPLUN) to the AIF shall not, at any time, exceed **ten percent (10%) upto a maximum of 10 crores** of the total committed corpus of the respective AIF Scheme, subject to the approval of the concerned department of the Government of Madhya Pradesh.
- 8.3 **Compliance Timeline:** Each capital drawdown made by the Alternative Investment Fund from the Contributor (MPLUN) shall be subject to the condition that the corresponding investment(s), meeting the Mandate Requirement for deployment in eligible startups registered in the State of Madhya Pradesh, shall be completed within a period of **twelve (12) months** from the date of such drawdown or prior to the issuance of any subsequent drawdown notice, whichever is earlier. No further drawdown shall be permitted unless this condition is duly satisfied.
- 8.4 **Non-Eligibility for Continued Investment:** The AIF shall not invest further in any entity that ceases to qualify as a startup (as per DPIIT norms), except to the extent of prior committed investments.
- 8.5 **Drawdown Conditions:** The manner of drawdown shall be in accordance with the terms of the PPM and the subscription agreement entered between MPLUN & the AIF. However, the agreement shall stipulate that no further drawdown will be payable by MPLUN unless and until the Mandate Requirement of the previous drawdown(s) have been fully satisfied. Also, there shall be no drawdown of funds before the initial closing of the AIF Scheme.
- 8.6 **Fund Management Fees:** The Fund Management Fees, including any performance-based or fixed components, shall be clearly disclosed, detailed, and duly justified in the Private Placement Memorandum (PPM) submitted to the Contributor and SEBI. The Contributor reserves the right to seek clarification or additional information in relation to any component of the fee structure prior to execution of the Contribution Agreement.
- 8.7 **Compliance Reporting:** The AIF shall be required to submit to the Contributor (MPLUN) (i) quarterly investment updates, and (ii) an annual compliance report. Such reports shall include, at a minimum: (a) details of investments made in startups registered and operating in the State of Madhya Pradesh; (b) the total corpus deployed by the Fund during the reporting period; and (c) a summary investments made and the profit/loss status

of the investment made by the contributor (MPLUN). (d) Any other information related to the investment made by the contributor and the Fund. All reports shall be submitted in such format and within such timelines as may be specified by the Contributor from time to time.

8.8 **Transferability of Units:** Notwithstanding anything to the contrary contained in the Contribution Agreement or any related documents, the Contributor shall have the right, at its sole discretion and without requiring the prior consent of the Fund, the Trustee, or the Investment Manager, to transfer, assign, or otherwise dispose of all or any part of its Units in the Alternative Investment Fund to any third party, including any government or non-government entity, as may be deemed necessary by the Contributor.

8.9 For ensuring any on-going compliance and alignment with the terms of the PPM, if the AIF amends/changes its PPM, or modifies the terms or documents of the AIF/ scheme, such changes or modifications shall be as per the procedure prescribed by SEBI. Further, the AIF shall send the written intimation to MPLUN within 7 days from the date when any such changes/modifications are made in PPM and approved by SEBI.

8.10 **Consideration of Government-Recommended Startups:** The Empanelled AIFs shall give due consideration to startups recommended by the Government of Madhya Pradesh (GoMP) or its designated agencies. While such recommendation shall not constitute an obligation to invest, the AIFs shall be required to duly assess and evaluate each recommended opportunity on its commercial and investment merits, in accordance with the standard diligence and evaluation procedures applied by the AIF for all prospective investments.

8.11 **Amendment Agreement Requirement**

The applicant AIF acknowledges that the standard form of the Contribution Agreement ordinarily executed with contributors may not adequately incorporate or safeguard the specific rights, obligations, and interests of M.P. Laghu Udyog Nigam Ltd. (MPLUN), acting on behalf of the Government of Madhya Pradesh. Accordingly, as a condition of participation, the selected AIF shall be required to execute an Amendment Agreement/ Supplementary Contribution Agreement with MPLUN, incorporating such additional terms, conditions, rights, and covenants as may be reasonably required by MPLUN to protect its interests. Such agreement shall constitute an integral and binding part of the overall contribution arrangement and shall prevail to the extent of any inconsistency with the standard Contribution Agreement, solely in respect of MPLUN's participation.

8.12 **Prior Intimation to GoMP for Investments in Madhya Pradesh-Based Startups**

The AIF shall, prior to consummating any investment in a startup registered and operating in the State of Madhya Pradesh, provide a written intimation to the Government of Madhya Pradesh (GoMP) or its designated agency, including MPLUN or the MP Startup Centre, as applicable. Such intimation shall include, at a minimum: (i) the name and corporate details of the proposed investee startup; (ii) the proposed investment amount and instrument; (iii) the indicative timeline for completion of the investment; and (iv) any other information reasonably required by the Contributor for monitoring and compliance purposes.

8.13 Mandatory Participation in State–Organised Pitching and Startup Engagement Sessions

All empanelled AIFs, consistent with their respective investment strategies and fund thesis, shall mandatorily participate in pitching sessions, investor connect programs, startup showcases, or any similar engagement forums organised by the Government of Madhya Pradesh or its designated agencies, including MPLUN or the MP Startup Centre

8.14 Denial of Investment to Madhya Pradesh State Government Defaulters

Any Startup Entity which has committed any default, breach, or non-compliance in respect of its financial, contractual, statutory, or other obligations towards any Department of the Government of Madhya Pradesh (GoMP) or any of its agencies, boards, or corporations shall be ineligible to receive any investment under the Alternative Investment Fund (AIF) Scheme, and accordingly:

- (i) The AIF shall, as a mandatory condition precedent to the consideration of any investment proposal, obtain a written undertaking/affidavit from the concerned Startup Entity affirming that it is not a defaulter of any Department or entity of the Government of Madhya Pradesh and that no dues, liabilities, claims, or obligations of any nature whatsoever are outstanding against it as on the date of application; and
- (ii) Where any Department of the Government of Madhya Pradesh provides or communicates the name(s) of any defaulting Startup Entity, the AIF shall refrain from processing, approving, or disbursing any investment or financial support in respect of such Startup Entity.

8.15 Applicable Condition in case of Mandate Requirement Shortfall

The AIF Scheme shall be liable to return the Capital Contributions pertaining to the Mandate Requirement shortfall, along with a 10% compounded interest rate per annum. The Government of Madhya Pradesh (GoMP) may, its sole discretion, provide further extension of time to comply with the Mandate Requirement.

9. Additional Terms and Conditions

9.1 Proposal Submission

Any proposal received after the prescribed deadline shall be summarily rejected without further review or consideration.

9.2 Failure to Execute Agreement

If any selected AIF fails to execute the Contribution Agreement within the stipulated period, MPLUN reserves the right to:

- Cancel the selection and
- Either empanel another eligible AIF or allocate the corpus to an already-performing AIF.

9.3 Legal and Contractual Obligations

- Selected AIFs will be required to sign a standard **Contribution Agreement** and a **Supplementary Contribution Agreement** with MPLUN.

- These agreements shall be in line with SEBI's disclosure requirements and the terms disclosed in the PPM.
- Legal vetting of the agreements will be conducted by an external counsel appointed by MPSC.
- MPLUN reserves the right to make necessary amendments based on legal opinion.

9.4 Disqualification

MPLUN reserves the right to disqualify any applicant at any stage of the process if found ineligible, if false information is furnished, or for any other reason deemed fit in the interest of the scheme.

9.5 Rights to Proposal Content

All submitted content becomes property of MP Startup Centre. Confidentiality claims in proposals will not bind MPSC.

9.6 Non-Binding Nature of RFP

This Request for Proposal (RFP) is issued with the intent to solicit proposals from eligible SEBI-accredited Alternative Investment Funds (AIFs). However, the issuance of this RFP does not constitute a commitment by the Government of Madhya Pradesh (GoMP), M.P. Laghu Udyog Nigam Ltd. (MPLUN), or the MP Startup Centre to award any contract or to engage in any related procurement process.

9.7 Right to Exercise Full Discretion

MPLUN reserves the right, at its sole discretion, to accept or reject any or all proposals, cancel or withdraw this RFP without assigning any reason, modify the terms and conditions of the RFP at any time without prior notice or liability, extend submission timelines, or cancel the entire process.

9.8 No Binding Oral Communications

Any oral communication or information provided by any official, employee, or representative of GoMP, MPLUN, or MP Startup Centre shall not be considered binding on the issuing authorities. Only written communications issued through official channels (website notifications or authorized email correspondence) shall be treated as binding.

9.9 No Liability

Under no circumstances shall GoMP, MPLUN, the MP Startup Centre, or any of their respective officers, employees, or advisors be held liable for any claim, loss, damage, or expense of any kind arising out of or in connection with this RFP process. This includes, without limitation, any costs or expenses incurred by applicants in preparing or submitting their proposals, or for any representations made during the RFP process.

9.10 Governing Law and Jurisdiction

All disputes arising under these terms and conditions shall be governed by the laws of India. Jurisdiction shall lie with the competent courts in Bhopal, Madhya Pradesh.

9.11 Acknowledgement

By submitting, applicants agree to all terms of this RFP.

Section/ Part III

10. Pre-Qualification Criteria

- 10.1 **Registration:** The AIF must be duly registered with SEBI under Category I (also including Angel Funds) or II as per SEBI (AIF) Regulations, 2012.
- 10.2 The manager of the fund and the Trustee of the Fund shall be entities registered and domiciled in India
- 10.3 **Fund Structure:** The AIF must have an operational scheme structure (trust, LLP, company or corporate body) eligible to receive contributions from a Limited Partner.
- 10.4 **Fund Size:** The target or committed corpus of the AIF must be a minimum of **₹50 crores**.
- 10.5 There shall be at least one active AIF Scheme under the fund, whose corpus size shall \geq **₹50 crores**.
- 10.6 The AIF scheme should satisfy one of the following conditions:
 - Has received commitments \geq 10% of the total Corpus of the Scheme.
 - Has made at least 1 startup investment from the Scheme since its inception
- 10.7 Tenure of the AIF Scheme shall be \geq 4 years as on the date of proposal to MPLUN
- 10.8 Hurdle rate of the AIF Scheme \geq 7% p.a.
- 10.9 The fund thesis must allow investing in equity and equity-linked instruments of various Startups at early stage, seed stage, and growth stage.
- 10.10 The fund must commit to invest the subscription fund into startups as defined in MP Startup Policy and Implementation Scheme 2025
- 10.11 **Investment Track Record:** Demonstrable experience of having managed funds and made investments in startups or early-stage ventures.
- 10.12 **Compliance:** No ongoing investigations or regulatory actions against the AIF, its fund manager, or sponsor.

Section/ Part IV

11. Evaluation and Selection Process

- 11.1 The selection of SEBI-accredited Alternative Investment Funds (AIFs) for receiving funding support from the Government of Madhya Pradesh (GoMP), through M.P. Laghu Udyog Nigam Ltd. (MPLUN), shall be carried out through a transparent, structured, and merit-based process following the Quality and Cost-Based Selection (QCBS) methodology.
- 11.2 The entire process is designed to ensure that the most capable, experienced, and aligned AIFs are selected to serve as investment partners in supporting Madhya Pradesh's startup ecosystem. The evaluation will be conducted in three stages, namely:
- i. **Technical Evaluation**
 - ii. **Financial Evaluation**
 - iii. **Final Presentation and Recommendation**

12. Technical Evaluation

- 12.1 The technical evaluation will focus on the following parameters:
- **History of the AIF and Experience:** Experience of the fund and its management team in managing and deploying capital in early and growth-stage startups, especially in India.
 - **Track Record and Previous Investment Performance and Returns:** Track record of returns delivered to investors; number and quality of successful exits; Internal Rate of Return (IRR) or Multiple on Invested Capital (MOIC).
 - **Team Expertise and Fund Management:** Experience and qualifications of key fund managers and investment professionals; fund governance mechanisms; institutional infrastructure.
 - **Alignment with Madhya Pradesh Startup Ecosystem:** Presence, experience, or intent to engage with MP-based startups, incubators, accelerators, or government programs.
 - **Investment Thesis and Strategy:** Coherence, clarity, and innovation in investment strategy; alignment with the sectors promoted under MP Startup Policy; stage and sector focus of the fund.
 - **Legal and Regulatory Compliances of the AIF**
- 12.2 Applicants must submit their responses and supporting documentation in the prescribed format (Annexure IV and V). The Evaluation Committee may request clarifications, additional documentation, or interviews during this phase. Only AIFs that meet or exceed a pre-defined **minimum technical score** shall proceed to the Financial Evaluation stage.

13. Financial Evaluation

- 13.1 The financial evaluation shall be conducted only for those AIFs that qualify in the technical evaluation stage. This evaluation aims to assess the financial attractiveness and alignment of the fund's economics with the interests of the Government of Madhya Pradesh as a Limited Partner.
- 13.2 The following financial parameters shall be considered:
- **Investment Commitment in MP Startups:** Quantum of fund's proposed capital allocation toward startups originating or operating in Madhya Pradesh.
 - **Expected Return on Investment (ROI):** Fund's historical or projected return metrics, including Internal Rate of Return (IRR), MOIC, etc., that demonstrate capital efficiency and value creation.
 - **Fee Structure and Charges:** Management fees, performance fees (carry), fund expenses, and cost transparency; alignment of fee model with LP interest.
 - **Distribution Waterfall Model:** Fairness and alignment of profit-sharing structure; clarity in priority of returns.
- 13.3 Applicants are required to provide detailed disclosures of their fund economics, including sample calculations or term sheets where applicable. The Evaluation Committee may seek access to the fund's **Private Placement Memorandum (PPM)** or **Subscription Agreements** to verify the information provided.

14. Combined Evaluation and Final Selection

- 14.1 The final selection will be based on a **combined score**, calculated as follows:

$$\text{Final Score} = \text{Technical Score (70\%)} + \text{Financial Score (30\%)}$$

Based on the combined evaluation scores, the top-ranking AIFs shall be **shortlisted** and invited to make a **presentation before the Startup Standing Committee (SSC)**.

- 14.2 This presentation will allow the AIFs to further elaborate on their investment approach, operational plans for engaging with MP-based startups, fund governance, legal compliance, and strategic value to the state's innovation ecosystem. The SSC may also seek additional documents such as:
- Private Placement Memorandum (PPM)
 - SEBI registration and compliance documents
 - Draft subscription and side letters
 - Fund governance and conflict of interest policies

15. Final Recommendation and Approval

- 15.1 After the presentations, the SSC shall finalize its recommendation and submit the list of eligible AIFs to the **Administrative Department** through the **Managing Director, MPLUN**. The Administrative Department shall take the final decision regarding selection, allocation of capital, and issuance of Letters of Intent (LoIs).
- 15.2 The **decision of the Administrative Department shall be final and binding** on all applicants. MPLUN reserves the right to accept or reject any application, wholly or partially, without assigning any reason.

16. Additional Notes:

- 16.1 MPLUN reserves the right to modify, amend, or revise the evaluation criteria, methodology, or process or marking at any stage of the selection process, at its sole discretion, without assigning any reason or providing prior notice to the applicants. Such modifications, if any, shall be notified through a corrigendum or addendum published on the official website or communicated via email, and shall be deemed to be part of this RFP.
- 16.2 The Evaluation Committee/SSC may modify or refine the evaluation criteria if necessary, to suit policy objectives or respond to market realities.
- 16.3 No binding commitment shall arise from the issuance of the RFP or participation in the selection process unless a formal agreement is executed.
- 16.4 Applicants acknowledge and agree that MPLUN shall not be liable for any claims, damages, or losses, direct or indirect, arising out of or in connection with any such modification of the evaluation process or criteria.

Section/ Part V

17. Proposal Submission Format

17.1 Proposals must be submitted in complete form to the address specified in this RFP. It is the sole responsibility of the applicant to ensure timely and compliant submission. MPLUN shall not be liable for any delays, regardless of cause, and late submissions shall be summarily rejected without consideration.

17.2 Applicants must submit 5 separate sections:

- a) Cover Letter – Annexure I
- b) Applicant Profile – Annexure II
- c) Pre-Qualification Proposal – Annexure III
- d) Technical Details – Annexure IV
- e) Financial Details – Annexure V

18. Documentation Required

18.1 Regulatory & Legal Compliance

- SEBI Registration Certificate (Category I or II AIF)
- SEBI Acknowledgement Letter / Form A or equivalent filing
- Declaration of adherence to SEBI AIF Regulation 4
- Legal disclosures made to investors (if any)
- Certificate of Incorporation (ROC/Trust Registration/LLP Agreement)
- PAN Card and GST Registration Certificate
- Relevant sections of Memorandum of Association (MOA), if applicable

18.2 Fund Credentials & Structure

- Private Placement Memorandum (PPM) – latest and revised, if any
- Term Sheet(s) for investments made/to be made
- Model Subscription and Contribution Agreements
- Investment Committee Reports (if applicable)
- Auditor's Certificate confirming:
 - Receipt of capital commitments \geq 10% of corpus
 - Compliance with hurdle rate (\geq 7% per annum)

18.3 Financial Information

- Audited Financial Statements for the last 3 financial years

- Self-Certification (on letterhead):
 - On Total Fund Size
 - On Capital Commitment Plan

18.4 Investment Track Record

- Investment Portfolio Details (with sectors, stages, and geographies)
- Performance Reports (including IRR, MOIC, exit history, etc.)

19. Annexure- Response Formats

To,

**Managing Director
M.P. Laghu Udyog Nigam Ltd.,
1st Floor, Panchanan Bhawan,
Malviya Nagar, Bhopal – 462003 (MP)**

Ref: Expression of Interest Notice

Dear Sir,

Having examined the Request for Proposal (RFP), the receipt of which is hereby duly acknowledged, we, the undersigned, intend to submit a proposal in response to the Request for Proposal (RFP) for Selection of Alternative Investment Funds.

We attach hereto the response as required by the RFP, which constitutes our proposal. Primary and Secondary contacts for our company are:

	Primary Contact	Secondary Contact
Name		
Title		
Company Name		
Address		
Phone		
Mobile		
Email		

We confirm that the information contained in this response or any part thereof, including its exhibits, and other documents and instruments delivered or to be delivered to Madhya Pradesh Laghu Udyog Nigam (MPLUN), is true, accurate, verifiable, and complete. This response includes all information necessary to ensure that the statements therein do not in whole or in part mislead the department in its shortlisting process.

We have read the additional conditions as stated in this RFP. We confirm that, upon selection, those conditions can be validly incorporated into the subscription agreement/amendment agreement for MPLUN and is not inconsistent with or otherwise violate the SEBI regulations. Notwithstanding anything contained in the subscription agreement, in the event of any inconsistency or discrepancy between the subscription agreement and the amendment agreement to be executed for safeguarding the interests of MPLUN, the amendment agreement shall prevail and be binding to the extent of such inconsistency or discrepancy

We fully understand and agree to comply that on verification, if any of the information provided here is later found to be misleading the shortlisting process, we are liable to be dismissed from the selection process and if found out after entering into a subscription agreement with MPLUN, such agreement shall be liable for forthwith termination.

We agree for unconditional acceptance of all the terms and conditions set out in the RFP document.

It is hereby confirmed that I/We are entitled to act on behalf of our company/ corporation/ firm/organization and empowered to sign this document as well as such other documents, which may be required in this connection.

Dated this Day of 2026

(Signature) (In the capacity of)

(Name)

(Name and Address of Company)

Seal/Stamp of the Applicant

Annexure II: Minimum Details to be included in Proposal

Details of the Applicant	
Name of Applicant	
Legal Constitution of the Applicant	
Legal Constitution reference details	
Nature of business as per Charter Documents	
Date of Incorporation	
Date of Commencement of Business	
Address of the Registered Office in India	
Address of the Corporate Office	
Mandatory Supporting Documents:	
<ul style="list-style-type: none">• SEBI Registration Certificate (Category I or II AIF)• SEBI Acknowledgement Letter / Form A or equivalent filing• Declaration of adherence to SEBI AIF Regulation 4• Legal disclosures made to investors (if any)• Certificate of Incorporation (ROC/Trust Registration/LLP Agreement)• PAN Card and GST Registration Certificate• Relevant sections of Memorandum of Association (MOA), if applicable	

(Company letterhead)

[Date]

To,

**Managing Director
M.P. Laghu Udyog Nigam Ltd.,
1st Floor, Panchanan Bhawan,
Malviya Nagar, Bhopal – 462003 (MP)**

Ref: Satisfaction of Pre-Qualification Criteria

Dear Sir,

We, _____ (name of the AIF) hereby confirm that we have read through Pre-Qualification Criteria mentioned in this RFP and that we satisfy all the criteria mentioned therein.

Following are the details:

1. We are SEBI registered Category ___ fund. Our registration certificate is enclosed herewith.
2. The trustee of our fund is _____ and they are registered in India. The Manager of our fund/scheme is _____ and they are also registered in India. The proof of the above is enclosed herewith.
3. The total corpus of the fund/scheme is INR ___ crores, as included in the PPM filed with SEBI dated _____. We have (state either of) (a) received commitment to the tune of INR _____ which is more than 10% of Total Corpus of the fund and have entered into subscription agreement with such limited partners or (b) We have made ___ number of investments from this fund/scheme. The details of the portfolio companies are enclosed.
4. We represent that we are continuingly compliant with the eligibility criteria stated in Alternative Investment Fund Regulations issued by SEBI.
5. The tenure of our scheme is _____ years from the date of Final Closing of the Scheme.
6. The Hurdle rate of the Scheme is _____% p.a.

(Signature) (In the capacity of)

(Name)

(Name and Address of Company) Seal/Stamp of the Applicant

Annexure IV: Technical Details

Technical Evaluation Questionnaire:

No.	Question	Response
1	The Applicant / Its Manager	
1.1	State your brief history, background, and experience and also of your Key People (Chief Investment Manager in particular). Mention years of experience and positions held, wherever applicable.	
1.2	Number of AIF Schemes managed/under management, of the fund, categorized into: a) AIF Schemes under management, and currently in the Commitment Period and their corpus size; b) AIF Schemes under management, and currently in the Investment Period corpus size; c) AIF Schemes under management, and currently in the post investment period and their corpus size. d) AIF Schemes previously managed and exited/dissolved. e) AIF Schemes in pipeline/planned for future	
1.3	State the amount of assets currently under management of the fund	
1.4	Names of all startup Investments made in the last 24 months by funds/schemes managed by the fund with the following details: a) Name of Company b) Name of the Sector c) Stage at which Investment was made (Select one from - Early Stage, Pre-Series A, Series A, Series B, Post Series B) d) Amount Invested. Also state the percent of the investment to the total amount of the round in which investment was made. e) Specify the number (names not required) of Institutional Co-Investors & Individual Co-investors, if any, in each investment.	
1.5	Number of Startup Investments made by the fund till date classified primarily based on the stage of investment (Select one from - Early Stage, Pre-Series A, Series A, Series B, Post Series B) and secondarily based on Sector. (Specify the number and not Names).	
1.6	Number of Co-investments made by the fund in the last 24 months. Mention the number of Lead role and non-lead role separately.	
1.7	Number of portfolio companies who have raised follow-on round after the fund's investment; Also, state the number of companies where you also participated in the subsequent round.	
1.8	In respect of AIF schemes previously managed and exited, please state the IRR achieved on each of such scheme.	
2	Alignment/Ties to Madhya Pradesh Startup Ecosystem	
2.1	Please describe what presence or ties, if any, your fund have in Madhya Pradesh. Such "presence" can be demonstrated by the percentage of your shareholders/full-time employees who spend more than 5 years of their life time in MP and having physical offices or a principal place of business located in MP. You can also state any previous investments made to MP, if any.. (Cite supporting data)	

2.2	What are your thoughts on the investment opportunity set for venture capital funds in the State of Madhya Pradesh? Please describe MP's private investment environment as your firm understands it.	
2.3	Please detail the fund's domain expertise in the major startup industry sectors you believe to be MP's strengths.	
2.4	How does the fund plan to make use of existing entities/organizations (governmental, investment, entrepreneurial, educational, etc.) within the state to source and create investment opportunities? What existing relationships do you have with such organizations across the state?	
3	PPM & the Investment Thesis	
3.1	Please provide an executive summary of the Private Placement Memorandum filed with Securities Exchange Board of India for the AIF Scheme seeking investment. (State the principle terms)	
3.2	Describe the investment strategy, investment objectives and investment methodology (consistent with PPM) of the AIF Scheme seeking investment.	
3.3	Please state whether any material alteration has been made to the fund's strategy post filing of the PPM. If yes, state the changes and the reasons thereof.	
3.4	State the planned allocation of funds under the scheme a) Sectors b) Stages of Investment c) Ticket Size Also, state the amount already spent against each head, if any.	
3.5	Is your fund prohibited from (or intend to exclude) investing to any particular sector - either by 3.2 above or as internal policy or discretion? If yes, state the name of such sectors.	
3.6	Have you entered into any side letter agreements or other arrangements with any general or limited partners? Do you anticipate doing so prior to or at the final closing? Are there 'special' limited partners or limited partners who also have investments in, or special rights from, the general partner or manager? If so, please explain.	
4	Tenure & Current State of the AIF Scheme (for which fund is sought)	
4.1	What is the tenure of the AIF Scheme?	
4.2	What is (was) the Initial Closing Date? How much commitment is expected to be (was actually) received for Initial Closing?	
4.3	What is the Commitment Period? How much Commitment have already been received? When do you expect to have the Final Closing of the AIF Scheme?	
4.4	Does the scheme have a schedule of drawdown already laid down? If yes, state the same. If the same is left to the discretion of the Manager, provide your best estimate of the expected drawdowns.	
4.5	What is the period within which you plan to utilize the entire corpus of the fund, failing which money will be returned (Investment Period)?	

4.6	How many investments were already made from the above scheme and how much money was already spent? (Please state separately if the Manager/Applicant has made any warehoused investments which will transferred to the AIF Scheme on receipt of funds)	
4.7	Please state the name of the companies in which investments have been made from the AIF Scheme with the following details: a) Name of the Company b) Sector c) Amount Invested	
5	Legal & Regulatory	
5.1	Provide details of your registration with SEBI. If not the first Scheme, please provide details of Scheme registration with SEBI.	
5.2	Please provide a copy of your Charter Documents.	
5.3	Describe any current and known foreseeable litigation, potential litigation, or claim exposure that would adversely affect the fund's ability to perform.	

Annexure V: Financial Details

FINANCIAL EVALUATION QUESTIONNAIRE

No.	Question	Response
1	Size of the Investment Commitment	
1.1	Please state how many times of M P L U N Investment will be invested by your AIF Scheme in MP Based Startups. (in line with the mandate requirement)	
1.2	How much of your total fund size can be allocated to MP Based Startups? (in terms of percentage and in terms of absolute amount)	
2	Return on Investment	
2.1	What is the Hurdle rate of the AIF Scheme? If you have included a Target IRR in the PPM, please state the same.	
2.2	Please state whether the Subscriptions units are priced differently for each Closing. If yes, please state the Unit price of the Initial Closing and the price for the next closing.	
3	Fees & Expenses	
3.1	What are the fees and expenses payable to the Manager? Please mention the terms thereof.	
3.2	Please state the set-up fee already incurred and the quantum of Mobilization fees, if any.	
3.3	What are the terms of Carry for the General Partner? Please state whether this is with or without catch up.	
3.4	Please state the terms relating to operating expenses of the Scheme as included in the PPM.	
4	Distribution Waterfall	
4.1	Explain the distribution waterfall in reasonable detail. Also state information about clawback/giveback provisions, as applicable.	

Frequently Asked Questions

1. What is the definition of Startups as per Government of Madhya Pradesh?

An entity shall be considered as a Startup:

- If the startup is recognized by DPIIT in MP and have a valid DPIIT certificate.
- Also, the startup must be incorporated in the state of Madhya Pradesh.

2. What do you mean by MP Startup or MP based Startup?

A MP startup or a MP based Startup means a Startup (as defined in 1 above) which has its principal place of business (registered office) in the State of Madhya Pradesh.

3. Does MPLUN charge any processing fee for evaluating the proposals under empanelment programme?

No. MPLUN does not charge any processing fees.

4. Are Angel Funds, Impact Investment Funds, etc eligible?

Yes. All AIFs registered under SEBI AIF Regulations, 2012 (Category I and II) are eligible to apply

5. Is registration of the Fund with SEBI necessary?

Yes. Only SEBI registered AIFs are considered.

6. Government of MP Investment cannot exceed 10% of the Corpus of the Fund/Scheme. When shall the Fund fulfill this condition?

This condition is to be fulfilled at the time of the Final Closing in terms of the commitments received.

7. Does MPLUN or Government of MP have a say on the investment decisions of the AIF?

MPLUN or Government of MP is a limited partner and does not have any say in the investment decisions of the AIF. The funds have the right to choose the startup. MPSC will facilitate the investor-startup connect.

8. What are the general covenants of AIFs?

All AIFs will maintain high standards of corporate governance and investor reporting to ensure complete transparency and timely information to all its investors, by maintaining proper books of accounts, documents and records with respect to the Fund to give a true and accurate account of the investments, expenses, earnings, profits, etc.

The AIFs are also required to comply with the various directives of SEBI, RBI, etc and also comply with the provisions of Prevention of Money Laundering Act and KYC guidelines of RBI.