

**File No.4/3/2020-DIPAM-II-A(E)-Part-3(LA)**

Pre-bid meeting to consider the queries from potential bidder for RFP of engagement of Legal Adviser (LA) for LIC IPO was held on 26.7.2021 under the chairmanship of Dr. Alok Pande, Joint Secretary, DIPAM. The queries and clarification thereon are as under:

<b>S. No</b>	<b>Queries</b>	<b>Clarifications</b>
1.	<p><b>Clause No. 4.3 of RFP, Section E (ii):</b> Indicate strength in preparation of deal bible</p> <p>Preparation of deal bible will be the responsibility of counsel to the BRLMs and this should be deleted from here.</p>	<p>Not accepted. Preparation of deal bible shall be the responsibility of Legal Adviser(LA).</p>
2.	<p><b>Clause 9.2: Validity of the Bid</b></p> <p>There should be a sunset provision of 3 years for the engagement, consistent with other RFPs issued by DIPAM recently.</p>	<p>Accepted. Clause 9.2 may be read as: "The fee quoted should be unconditional and inclusive of all expenditure. It may be noted that the time limit for validity of the financial bid shall be 3 years".</p>
3.	<p><b>Annexure III, para 1:</b> Drafting ----periodic updates to the RHP-----.</p> <p>There are no periodic updates to the RHP as that document will be filed with the RoC just prior to launch of the IPO. This reference may be deleted</p>	<p>It's a typographic mistake. It may be read as <b>DRHP</b> instead of RHP.</p>
4.	<p><b>Annexure III, para 3:</b> Drafting of responses to regulatory authorities</p> <p>It may be clarified that this is limited to drafting responses to queries specifically pertaining to the proposed IPO</p>	<p>Yes, it is related to IPO.</p>
5.	<p><b>Annexure III, para 4</b> Certification that the offer document comply with all applicable statutes..... This certificate is to be issued at the time of respective filing of the offer documents.</p> <p>This certificate will only be provided at the time of filing the draft red herring prospectus, and not for the RHP and prospectus. The reference to Offer Documents may, therefore, be replaced with DRHP</p>	<p>It is clarified that the wording, "offer documents" may be substituted by "DRHP".</p>
6.	<p><b>Para. No Annexure III, para 6</b></p> <p>Preparation of transaction bible and diligence back up</p>	<p>Not agreed to. It is the responsibility of the LA.</p>

	<p>documents</p> <p><b>Clarification/change sought</b></p> <p>Preparation of deal bible will be the responsibility of counsel to the BRLMs and this should be deleted from here</p>	
7.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 8</b></p> <p>Reference to due diligence report</p> <p><b>Clarification/change sought</b></p> <p>No due diligence report will be prepared in relation to the transaction and the reference to this may be deleted accordingly</p>	Agreed
8.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 9</b></p> <p>Explaining and agreeing the due diligence information and documentation required</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel to the BRLMs and should be deleted from here.</p>	This comes under the scope of work of LA.
9.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 11</b></p> <p>Drafting of consent letters taken from all intermediaries</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel to the BRLMs and should be deleted from here.</p>	Not agreed to. This shall be the duty of the LA.
10.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 16</b></p> <p>Review of disclosures regarding other ventures promoter/partnered by LIC</p> <p><b>Clarification/change sought</b></p> <p>This should be limited to ventures in India and documents under Indian law and should be modified accordingly</p>	This comes under the scope of work of LA.
11.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 17</b></p>	There cannot be any conditions attached in submitting the bids.

	<p>Review of litigation relating to directors, joint ventures etc.</p> <p><b>Clarification/change sought</b></p> <p>We will not review litigation matters relating to entities/persons other than LIC and its Indian subsidiaries, and will rely on certificates provided by directors and other entities in this regard. Suitable modifications may be made here</p>	<p>Conditional bids are liable to be rejected as per clause 6.1(ii) of the RFP.</p>
12.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 19</b></p> <p>Review of the offer documents to ensure compliance with disclosure requirements under all applicable laws</p> <p><b>Clarification/change sought</b></p> <p>This should be limited to applicable Indian laws and suitable modifications may be made here</p>	
13.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 20</b></p> <p>Drafting of agreements relating to the offer</p> <p><b>Clarification/change sought</b></p> <p>Drafting of offer-related agreements will be the responsibility of counsel to the BRLMs, except for the Registrar Agreement and Ad Agency agreement, which will be drafted by Indian counsel to LIC. Reference to “drafting” may therefore be deleted from here</p>	<p>Not agreed to.</p>
14.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 21</b></p> <p>Giving advice on pricing, marketing, book building and settlement</p> <p><b>Clarification/change sought</b></p> <p>This is not part of the scope of counsels and should be deleted from here. These activities will be performed by the BRLMs</p>	<p>It is agreed that there might be a limited role for LA in these activities. Nevertheless there might be situation where legal advice is required so the LA should be prepared accordingly.</p>
15.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 22</b></p> <p>Statutory and corporate advertisements in Hindi</p> <p><b>Clarification/change sought</b></p>	<p>Not agreed to keeping in mind the requirements under the Official language Act.</p>

	<p>Our advice will be limited to review of documents in the English language and we will not provide advice or opinions on documents in any other language. Reference to Hindi may therefore be deleted from here</p>	
16.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 23</b></p> <p>Analysis of tax risks and providing solutions</p> <p><b>Clarification/change sought</b></p> <p>We do not provide tax advice in relation to the transaction and the reference to tax may therefore be deleted from here</p>	<p>The LA might need to take help of tax experts.</p>
17.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 30</b></p> <p>Processing of IRDAI, FIPB/RBI applications</p> <p><b>Clarification/change sought</b></p> <p>We will assist LIC with drafting of relevant applications, but processing the applications with the relevant authorities is outside our scope and should be deleted from here</p>	<p>The wording "Processing" is substituted with "Drafting".</p>
18.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 33</b></p> <p>Advice in relation to the offer pertaining to domestic regulations</p> <p><b>Clarification/change sought</b></p> <p>This is too broad and all advice specific to the transaction is covered at various other places. This paragraph may therefore be deleted</p>	<p>Not agreed to. The regulations pertain to the standard regulations of SEBI and IRDA and the LA is expected to be aware of the same.</p>
19.	<p><b>Issue</b> <b>Para. No Annexure III, Clause 35</b></p> <p>Any other matter connected to the proposed public offering</p> <p><b>Clarification/change sought</b></p> <p>This is too broad and all advice specific to the transaction is covered at various other places. This paragraph may therefore be deleted</p>	<p>Not agreed to. It is expected that LA sees the transaction from all legal perspectives.</p>
20.	<p><b>Issue</b> <b>Para. No Annexure IV, Clause 1</b></p>	<p>This clause may be read with clause 4.2</p>

	<p>10b-5 certificate favoring the issuer and offeror</p> <p><b>Clarification/change sought</b></p> <p>This certificate will only be addressed to the BRLMs. Reference to issuer and offeror may therefore be deleted from here</p>	<p>which clarifies that 10b-5 certificate/letter is to be issued as is customary or mandatory.</p>
<p>21.</p>	<p><b>Issue</b> <b>Para. No Annexure IV, para 7</b></p> <p>Drafting of research guidelines and review of research reports</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel appointed by the BRLMs and should be deleted from here</p>	<p>At present this constitutes the part of the RFP. The split between the scope of work between Issuer LA and BRLM LA may be done post-appointment of LA by BRLMs as is the practice in transactions of similar nature.</p>
<p>22.</p>	<p><b>Issue</b> <b>Para. No Annexure IV, Clause 11</b></p> <p>Filing of documents in other jurisdictions</p> <p><b>Clarification/change sought</b></p> <p>No documents should be required to be filed in other jurisdictions, and this should be deleted from here</p>	<p>This will be based on the requirements of the transaction is so needed.</p>
<p>23.</p>	<p><b>Issue</b> <b>Para. No Annexure IV, Clause 15</b></p> <p>Interacting with auditors of LICl, negotiating comfort letters and preparing circle ups</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel appointed by the BRLMs and should be deleted from here</p>	<p>Please see the response in S. No. 21</p>
<p>24.</p>	<p><b>Issue</b> <b>Para. No Annexure IV, Clause 16</b></p> <p>Closing opinion on the Offer for Sale</p> <p><b>Clarification/change sought</b></p> <p>There will be no separate opinion on the offer for sale portion of the IPO, and this may be deleted from here</p>	<p>It is clarified that this will be based on the requirements of the transaction.</p>

<p>25.</p>	<p><b>Issue</b>  <b>Para. No Annexure IV, Clause 17</b></p> <p>Advising underwriters on P-Note related matters</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel appointed by the BRLMs and should be deleted from here</p>	<p>Please see response to Sr. No. 21</p>
<p>26.</p>	<p><b>Issue</b>  <b>Para. No Annexure IV, Clause 18</b></p> <p>Drafting of closing certificates and closing checklist</p> <p><b>Clarification/change sought</b></p> <p>There will be no closing certificates or closing checklist for this transaction and this may be deleted from here</p>	<p>This will be based on the requirements of the transaction.</p>
<p>27.</p>	<p><b>Issue</b>  <b>Para. No Annexure IV, Clause 18</b></p> <p>Drafting of closing certificates and closing checklist</p> <p><b>Clarification/change sought</b></p> <p>There will be no closing certificates or closing checklist for this transaction and this may be deleted from here</p>	<p>This will be based on the requirements of the transaction.</p>
<p>28.</p>	<p><b>Issue</b>  <b>Para. No Annexure IV, Clause 19</b></p> <p>Conducting customary bring down due-diligence calls</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel appointed by the BRLMs and should be deleted from here</p>	<p>Please see response to S. No. 21</p>
<p>29.</p>	<p><b>Issue</b>  <b>Para. No Annexure IV, Clause 20</b></p> <p>Assistance in preparing transaction bible and due diligence back-up documents</p> <p><b>Clarification/change sought</b></p> <p>This will be the responsibility of counsel appointed by the BRLMs and should be deleted from here</p>	<p>Please see response to S. No. 21</p>

<p>30.</p>	<p><b>Issue</b>  <b>Para. No Annexure VII, para 2(h), (i), (j), (k), (l) and (m)</b></p> <p>List of mandated transactions of a similar nature for companies that are in the same line of business, and seeking approval for undertaking any such mandate</p> <p><b>Clarification/change sought</b></p> <p>Due to confidentiality restrictions, we will not be able to divulge names of other parties for whom we may be acting. We can confirm that, from time to time, we act on similar transactions for issuers in the same line of business, and that there exists no conflict of interest with the current transaction proposed in the RFP. However, we will not be able to seek prior approval for undertaking such mandates in the future. These requirements may be modified accordingly.</p>	<p>It is clarified that the conflict of interest applies for similar nature of transaction which means if there is a mandate for IPO transaction in a life insurance issuer in India, there is a conflict of interest.</p> <p>Accordingly, list of transaction of a similar nature are required to be provided.</p>
<p>31.</p>	<p><b>Issue</b></p> <p>DLC acting for BRLMs on other transactions</p> <p><b>Clarification/change sought</b></p> <p>Please clarify that there will be no conflict of interest arising out of our Firm representing the BRLMs appointed for this transaction on other transactions for other issuers, whether of a similar nature or not, as we will from time to time engage with one or more of the BRLMs appointed for this transaction on various other matters.</p>	<p>Please see response to S. No. 30.</p>
<p>32.</p>	<p><b>Issue</b></p> <p>ILC acting for BRLMs on other transactions</p> <p><b>Clarification/change sought</b></p> <p>Please include the following paragraph as a clarification in the RFP:</p> <p>"It is acknowledged that the rules governing the conduct of lawyers in certain jurisdictions, such as each state of the United States of America, prohibit a lawyer from representing a client in an unrelated matter if the lawyer represents another client adverse to that client, unless the lawyer receives the informed consent of each client. It is acknowledged that many of the international law firms that are potentially likely to bid with domestic counsels to be appointed as Advisers in respect of the transaction are active in advising investment banks on capital markets</p>	<p>This was discussed in the Pre-bid meeting &amp; explained that BRLM RFP has a clear explanation on conflict of interest. No change in LA RFP.</p>

<p>transactions in India and, as a result, are currently acting for (and will want the ability to act for in the future) those investment banks that may be appointed as, or have already been appointed as, Book Running Lead Managers in respect of the transaction. It is acknowledged that for the most part there is no conflict of interest between LIC/Government and the Book Running Lead Managers appointed to advise on the transaction. However, there are conflicts of interest between LIC/Government and the Book Running Lead Managers appointed for the transaction, such as the representations and warranties of the parties to be included in the offer agreement and the underwriting agreement, the closing conditions and termination provisions in the offer agreement and the underwriting agreement, the payment provisions in the escrow agreement and the line items to be included for negative assurance in the comfort letters. LIC/Government has no objection to a lawyer representing an investment bank on unrelated capital markets transactions now or in the future and LIC/Government waives any actual or potential conflict of interest in relation thereto.”</p>	
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