

No.15/2/2018- DIPAM
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT (DIPAM)

ENGAGEMENT OF LEGAL ADVISER FOR DISINVESTMENT IN GENERAL INSURANCE CORPORATION OF INDIA (GIC) AND THE NEW INDIA ASSURANCE COMPANY LIMITED (NIACL) OUT OF GOI SHAREHOLDING THROUGH THE “OFFER FOR SALE (OFS) BY PROMOTERS THROUGH THE STOCK EXCHANGES” METHOD IN THE DOMESTIC MARKET – REQUEST FOR PROPOSALS.

1. Introduction

Indian financial services industry has been through the toughest of the times and yet stands strong and robust. Having a deep impact of the far-reaching changes in the Indian economy since liberalization, the new face of this industry is evolving in a strong, transparent and resilient system. Over the last few years, financial sector has witnessed introduction of several new instruments and products in banking, insurance and capital markets space.

1.1 The sector was opened up to new private players including foreign companies who embraced international best practices and modern technology to offer a more sophisticated range of financial services to corporate, retail and institutional customers. Financial sector regulators ensured that new regulations and guidelines are in tandem with global norms. These developments have given a robust boost to the development and modernization of the financial services sector in India.

1.2 The Government owned and controlled financial companies occupy a major space in India's Financial Sector. These largely include Public Sector Banks and Public Sector Insurance Companies. Government is in the process of listing of non-listed entities and to make them comply with the various regulatory norms including SCRR requirement of Minimum Public Sector Shareholding by listed public sector undertakings.

1.3 DIPAM, on behalf of Government of India, requires the services of reputed Law Firms with experience and expertise in Public Offerings/OFS in capital markets to act as Legal Adviser and assist Government in the process for a period of two years extendable with mutual consent/agreement thereafter. **The Domestic Law Firm will act as the Legal Adviser to the transaction and may submit Proposals in consortium with an International Law Firm of repute, with similar experience and expertise in Public Offerings/OFS in capital markets.**

1.4 The confirmation letter duly signed by the authorized signatory of the Consortium Partner (International Law Firm) may be furnished along with the Proposal, in support of their willingness to be a part of the Consortium.

1.5 The scope of work of domestic Law Firm is as detailed in **Annexure-I** and that of the International Law Firm is as detailed in **Annexure-II**.

1.6 Bidders submitting the proposals should note that the International Law firm with whom they decide to tie up should have the relevant experience of managing India Capital market transactions i.e. IPOs/FPOs/OFS as counsels to the issuer or underwriters with drafting responsibility for the customary sections of the offer document and preparing international wraps together with requisite experience and to issue any opinion required for capital market transactions as is customary or mandatory.

2. Proposal format

2.1 Interested Law Firm may submit their Proposal in the following format. Information in respect of the International Law Firm may also be submitted in this format.

2.2 Experience and capability in handling Public Offerings/OFS (Weightage for evaluation 25/100)

- (i) Profile of the organization
- (ii) Capability, capacity and previous experience of the Firm and expertise in handling such assignment.
- (iii) Details of domestic/international offerings handled.
- (iv) Demonstrate ability to work with Government and in coordination with Merchant Bankers and other intermediaries as a part of team, including ability to co-ordinate the work of International Law Firm.

2.3 Infrastructure & Manpower (Weightage for evaluation 25/100)

- (i) Details of infrastructural facilities like office, manpower etc. in India and abroad.
- (ii) Detailed profile of the core and support teams (with CVs of each team member detailing qualification and relevant experience) that will be deployed on each assignment in the event of selection.

2.4 Understanding of the Regulatory framework (Weightage for evaluation 15/100)

- (i) Demonstrate understanding of the legal, policy & regulatory issues in Public Offerings/OFS, i.e. SEBI, Companies Act, FDI etc.
- (ii) Indicate expertise in handling the regulatory requirements and securing the required approvals from the concerned authorities.

2.5 Indicative Timeline (Weightage for evaluation 10/100)

- (i) The transaction is proposed to be completed by this Financial Year. Demonstrate ability to deliver in accordance with the timetable requirement and the ability to commit key personnel for the entire duration of the transaction.

2.6 Strategy for the OFS (Weightage for evaluation 25/100)

- (i) Indicate intended approach to the proposed transactions including the sequencing of the transaction.
- (ii) Demonstrate capability of preparing quality document to be filed with Stock Exchanges and other regulatory authorities or the agreements that are required to be entered into in the course of the transaction.

3. Undertaking – To be furnished along with the proposal

“We certify that there has been no conviction by a Court of Law or indictment/adverse order by a regulatory authority for a grave offence against us or any of our sister concern(s). It is further certified that there is no investigation pending against us or our sister concern(s) or the CEO, Directors/Managers/Employees of our concern or of our sister concern(s). It is certified that no conflict of interest as defined in O.M. No. 5/3/2011-Policy dated 8th June, 2011 exists as on date and if in future such a conflict of interest arises, we will intimate the same to the Government of India/ Company.

Further, we certify that as on the date we are not advising or acting on behalf of or associated with any other person or entity (including any company, partnership, proprietary concern or individual or an HUF or association of persons or body of individuals) which is engaged in the same line of business as that of the Company (being disinvested), in respect of any transaction of same nature as the transaction for which the Government and/or the Company (being disinvested) is proposing to select the Adviser, except for the list of the mandates, duly signed by us, in the same line of business and for the same type of transaction, as enclosed.

Further, we certify and undertake that for a period commencing from the date of our appointment (if so appointed) as the Adviser till the completion of the transaction, we shall keep the Government/CPSE/PSU informed of any mandate/contracts entered into, to advise or act on behalf of or associate ourselves with, any other person or entity (including any company, partnership, proprietary concern or individual or an HUF or association of persons or body of individuals) which is engaged in the same line of business as that of the Company being disinvested, in respect of any transaction of same nature as the transaction in respect of which we have been appointed as the Adviser.”

4. **Submission of Proposal**

4.1 The proposals are required to be submitted in two envelopes as per the following:

- (i) **Envelope 1** containing the technical bid as per format in paragraph 2, to be opened in the presence of the bidders **on 7th December, 2018 by 4:00 pm.** in the **Committee Room of the Department of Investment and Public Asset Management (DIPAM) Room No. 515, 5th Floor, Block No.14, CGO Complex, New Delhi - 110003, Tel. 011- 24368039, e-mail: mm.dawla@nic.in.** The bidders are also required to send technical bid through soft copy to DIPAM after the opening of the bids.
- (ii) **Envelope 2 (Sealed)** containing the Financial Bid, to be opened only after the presentations and of only those parties who qualify in the technical bid. The bids will be opened in the presence of the bidders (who are technically qualified based on presentations) immediately after the presentations. Bids with conditionality will be summarily rejected.

4.2 The proposal (both envelopes) can be submitted latest by **3.30 pm on 7th December, 2018 to Shri M M Dawla, Under Secretary, DIPAM, Ministry of Finance, Room No. 219 , 2nd Floor, Block No.11, CGO Complex, New Delhi - 110003, Tel. 011- 24368039, e-mail: mm.dawla@nic.in** in hard copies in original, duly signed by the authorized officer of the Legal Adviser. No proposal will be entertained after the appointed time and date. The Government will not be responsible for any postal/ courier delay. The proposals received after the appointed time and date will be rejected.

4.3 The Government reserves the sole right to accept or reject any or all Proposals thus received without assigning any reasons thereof.

5. **Evaluation process**

5.1 Qualified interested Law Firms (applicants) will be required to make a presentation in respect of their Proposal before a Selection Committee in the Committee Room of the DIPAM (Room No.515, 5th Floor, Block 14, CGO Complex, Lodhi Road, New Delhi-110003). The schedule of presentation will be posted on the DIPAM's website (www.dipam.gov.in)

5.2 The IMG would evaluate the Bidders on the criteria mentioned in paragraph 2 above based on their presentation and Proposals received and shortlist them for the purpose of opening of their Financial Bids. Only the parties scoring pre-determined marks/ score out of 100, which will be announced before presentation, will be technically short-listed.

5.3 After the short-listing of Bidders based on their presentations, the IMG would open the Financial Bids of only the short-listed Bidders. The short-listed bidders, if they so desire, may remain present at the time of opening of the financial bids. The marks scored by the short-listed bidders will be announced before opening of the financial bids. The date and time of opening of the financial bids would be announced at the time of the presentations.

5.4 The marks scored by the short-listed bidders in the technical evaluation will then be given a weightage of 70. Similarly, the financial bids of the short listed bidders will be given a weightage of 30. The combined score of technical and financial bids on QCCBS will determine the H1, H2, H3 and so on.

5.5 In case of a tie in the financial bid, the bidder who has a higher technical score, will be selected.

6. Requirements for Financial Bids

6.1 The Bidder is required to quote fee as a percentage of the disinvestment proceeds i.e. the amount received in Government account. The fee quoted should be limited to four decimal points. The fee quoted by the Bidder should include all the applicable taxes, cess, duties and expenditure to be incurred on the work mentioned in paragraph 1.5 above. The fee will be payable in Indian rupees after successful completion of the transaction of each company.

6.2 The Fee quoted by the bidder shall remain **FIRM** till successful completion of transaction.

6.3 The fee quoted should be unconditional. The travel related expenses and all the other expenses including those related to due diligence would have to be borne by the Legal Advisor.

7. For any further clarification, contact Shri M M Dawla, Under Secretary, DIPAM, Ministry of Finance, Room No. 219 , 2nd Floor, Block No.11, CGO Complex, New Delhi - 110003, Tel. 011- 24368039, e-mail: mm.dawla@nic.in.

8. A pre-bid meeting will be held at 03:30PM on 26.11.2018 in the Conference Hall of DIPAM (Room No.515, Block No.14, CGO Complex, New Delhi). The interested parties may attend the pre-bid meeting, if they so desire. They may send their queries on RFP through email in email address: mm.dawla@nic.in by 22.11.2018 before 1700 hrs. Queries raised after said time will not be entertained.

Scope of Work for the Domestic Legal Adviser

1. Drafting, reviewing and finalization of the Notice for filing with Stock Exchanges and Public Notice, if required.
2. Drafting responses to queries received from SEBI, Stock Exchanges, depositories etc. until the completion of all activities relating to OFS.
3. Drafting of the consent letters to be taken from all intermediaries.
4. Reviewing all other relevant legal and other documents.
5. Drafting and review of all Agreements relating to the OFS (including Merchant Banker/Broker Agreements, other Agreements, if any).
6. Providing advice, consulting, holding discussions with the Merchant Bankers and official of the Company during OFS.
7. Providing all other legal advice on research publication and dissemination, statutory and corporate advertisement in connection with the OFS as may be required.
8. Advising and Processing of FIPB/ RBI applications, if required.
9. Providing advice on the duties and actions of the Offeror, including drafting of any applications, letters, certificates etc in connection with the OFS.
10. Providing advice in relation to the offer pertaining to domestic regulations.
11. Assisting with respect to Closure of Offer.
12. After completion of OFS transaction, advising the Government on the method & modalities of allotment of shares to employees and render such other legal assistance as may be required in connection therewith.
13. Any other matter connected with proposed OFS.

Scope of Work for the International Legal Adviser

1. Providing written advice relating to international publicity related restrictions.
2. If required, providing written advice on draft international marketing documents.
3. Providing written advice on internet restrictions.
4. Advising on selling restrictions in international jurisdictions.
5. Opinion on US Investment Company Act, if applicable.
6. Providing other legal advice and opinions in connection with the issue pertaining to international law, as may be required.
7. Completion of all necessary legal formalities as may be required by competent authorities/ prescribed authorities as per applicable laws for the proposed OFS.
8. Any other matter connected with the proposed OFS.
