

Addendum to Request for Proposal for Empanelment of Investment Banker(s) / Merchant Banker(s) for Advising and Managing the Process of Disinvestment of Allahabad Bank and Andhra Bank's Investment in ASREC (I).

Issued by

Allahabad Bank jointly with Andhra Bank

RFP # : HO.GAC/DIVESTMENT/2018-19/05 dated 02.04.2019

Addendum Date: 23rd April 2019

Introduction

The Bank had floated the RFP Ref No. **HO.GAC/DIVESTMENT/2018-19/05** dated 2nd April, 2019 for Empanelment of Investment Banker(s) / Merchant Banker(s) for Advising and Managing the Process of Disinvestment of Allahabad Bank and Andhra Bank's Investment in ASREC (I). As per the terms of the RFP document a pre-bid meeting was held on 18th April 2019 which was attended by the prospective Bidder' representatives.

The addendum is issued for clarifications/queries raised by the prospective bidders. As an outcome of the clarifications sought by the vendors during the pre-bid meeting and the queries sent by the bidder through e-mail, an addendum dated 23rd April 2019 to the RFP document is issued as per Annexure-1 containing response/clarification.

Annexure-1

SI No	Bidder's Queries details	Clause ref	RFP Page No	Section No.	RFP text	Remarks
1	Whether a bidder engaged in Investment banking and related advisory services not having any registration from SEBI eligible ?	Mandatory Eligibility Criteria	13	3 (SI.1)	'The Bidder shall be at least one of the SEBI Registered: a. Merchant Banker b. Investment Banker	RFP Clause remains unchanged
2	Whether a Corporate advisory firm not having any registration from SEBI eligible for bidding?	Mandatory Eligibility Criteria	13	3 (SI.1)	'The Bidder shall be at least one of the SEBI Registered: a. Merchant Banker b. Investment Banker	RFP Clause remains unchanged
3	Whether bidders registered as MSE's with NSIC exempted from paying tender fee and EMD ?	General Detail	3	-	Tender Fee-Rs.50,000/-+(applicable GST) non refundable and EMD-Rs 1,00,000/-	The exemptions allowed to MSEs as per Government Guidelines are applicable to the Tender. However to avail exemptions, the bidder has to submit all the necessary documents in its Technical Bid.

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4	Whether tender fees can be refundable and reduced to not exceeding 10,000/- plus applicable taxes?	Tender Fee	14	5(a)	The interested eligible bidder will have to pay along with the technical proposal (in a separate cover), a non-refundable fee of Rs. 50,000/- plus applicable GST by way of Demand Draft issued by a Scheduled Commercial Bank in favor of "Allahabad Bank" payable at Kolkata. Bids not accompanied by the Demand Draft of requisite amount shall be rejected	RFP Clause remains unchanged
5	Whether EMD Amount of Rs.1,00,000/- is refundable or non-refundable?	Earnest Money Deposit	56	6.1-6.3	6.1 While submitting commercial bid, the BIDDER shall deposit an amount Rs. 1,00,000/- (Rupees One Lakh Only) as Earnest Money/security deposit. with the BUYER through any of the following instruments: (i) Bank Draft or a Pay Order in favour of "ALLAHABAD BANK" 6.2 The Security Deposit shall be valid upto the complete conclusion of the contractual obligations for the complete satisfaction of both the BIDDER and the BANK or upto the contract period, whichever is later. 6.3 No interest shall be payable by the BANK to the-BIDDER on Earnest Money/Security Deposit for the period of its currency.	RFP Clause remains unchanged.
6	Whether the mode of e-tender is mandatory or optional?	Mode of tender	5		As part of Technical bid submission in physical form as well as online mode	RFP Clause remains unchanged
7	Whether separate legal firm/legal counsel will be appointed for the purpose of legal documentation with respect to the TOR of RFP?	TOR	11	2(6)	Upon selection of successful potential investor/buyer, assisting in finalization and execution of requisite agreements (Share Purchase Agreement, Shareholders' Agreement etc.), and all legal documentation, required for completing the transaction.	RFP Clause remains unchanged

SI No	Bidder's Queries details	Clause ref	RFP Page No	Section No.	RFP text	Remarks
8	Whether the average audited turnover of Rs. 10 Crore from the services specified in the RFP can be revised to Rs. 7.5 Crore? Also, whether revenue from other related services like Stock Exchange Transactions, wealth management, bond distribution, etc can be counted in the turnover criteria?	Mandatory Eligibility Criteria	14	3 (SI.3)	The Bidder must have average audited turnover of not less than Rs.10 Cr (Rupees Ten Crore) from the above services in the last 3 (three) years including the last financial year ending March 31, 2018.	The Bidder must have average audited turnover of not less than Rs.10 Cr (Rupees Ten Crore) in the last 3 (three) years including the last financial year ending March 31, 2018.
9	Whether a reasonably higher period for closure of the transaction can be allowed ?	Time Period for completion of assignment	27	8	The assignment has to be completed within 60 days from the date of the award of assignment to the empanelled Merchant Banker / Investment Banker or such other extended period as decided by the bank	RFP Clause remains unchanged
10	If one bidder is selected based on maximum sales proceeds, however the potential investor backs off from the deal, then whether penalty can be restricted to EMD amount only without invocation of additional clauses as mentioned in page 30, General terms and conditions, point 14 Termination for default and point 15 – Contract Termination /Cancellation ?	Termination For Default & 15. Contract Termination/Cancellation:	30	14-15	14.The Bank may, without prejudice to any other remedy for breach of contract, by written notice of default of 30 days sent to the bidder terminate the Contract in whole or in part: a. If the Bidder fails to perform any or all of the Services within the time period(s) specified in the Contract, or within any extension thereof granted by the Bank or b. If the Bidder breaches any of its obligations set forth in RFP/ Contract. c. If the Bidder, in the judgment of the Bank has engaged in corrupt or fraudulent practices in competing for or in executing the contract. d. At the discretion of the bank with prior notice. In the event the Bank terminates the Contract in whole or in part, the Bank may procure, upon such terms and in	RFP Clause remains unchanged

S N o	Bidder's Queries details	Clause ref	RFP Pag e No	Sectio n No.	RFP text	Remarks
					<p>such manner, as it deems appropriate, services similar to those undelivered and the bidder shall be liable to the Bank for any excess costs for such similar Services.</p> <p>15. Contract Termination/Cancellation: The Bank reserves the right to cancel the contract placed on the selected Bidder and recover expenditure incurred by the Bank under the following circumstances:-</p> <p>a. The selected Bidder commits a breach of any of the terms and conditions of the bid.</p> <p>b. The Bidder goes into liquidation, voluntarily or otherwise.</p> <p>c. An attachment is levied or continues to be levied for a period of 180 days within the contract period.</p> <p>d. If the selected Bidder fails to complete the assignment as per the time lines prescribed in the RFP and the extension if any allowed, it will be a breach of contract. The Bank reserves its right to cancel the order in the event of delay and forfeit the performance security as liquidated damages for the delay.</p> <p>e. After award of the contract, if the selected Bidder does not perform satisfactorily or delays execution of the contract, The Bank reserves the right to get the balance contract (remaining work) executed by another party of its choice by giving three months' notice for the same. In this event, the selected Bidder is bound to make good the additional expenditure, which The Bank may have to incur in executing the balance contract. This clause is applicable, if for any reason,</p>	

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					the contract is cancelled. f. The Bank reserves the right to recover any dues payable by the selected Bidder from any amount outstanding to the credit of the selected Bidder, including the pending bills and/or invoking The Bank guarantee under this contract.	
11	Whether Indemnity clause can be relaxed to restrict the indemnity charges to EMD amount only ?	Indemnity	34	21	The Bidder hereby indemnifies Bank, and shall always keep indemnified and hold Bank, its employees, personnel, officers, directors, representatives (hereinafter collectively referred to as "Personnel") harmless from and against any and all losses, liabilities, claims, actions, costs and expenses (including attorneys' fees) relating to, resulting directly or indirectly from or in any way arising out of any claim, suit or proceeding brought against Bank as a result of:• Bank's authorized/ bonafide use of the Deliverables and/ or the Services provided by Bidder under this RFP;• and/ or an act or omission of the Bidder, employees, agents, in the performance of the obligations (including performance of service) of the Bidder under this RFP;• and/ or claims made by employees who are deployed by the Bidder, against Bank;• and/ or breach of any of the term of this RFP or breach of any representation or false representation or inaccurate statement or assurance or covenant or warranty of the Bidder under this RFP;• and/ or any or all Deliverables or Services infringing any patent, trademarks, copyrights or	RFP Clause remains unchanged

S N o	Bidder's Queries details	Clause ref	RFP Pag e No	Sectio n No.	RFP text	Remarks
					<p>such other Intellectual Property Rights;• and/ or breach of confidentiality obligations of the Bidder contained in this RFP;• and/ or willful negligence or gross misconduct solely attributable to the Bidder or its employees.• Non-compliance of the Bidder with Laws/ Governmental Requirements• IP infringement under any laws including Copyrights Act 1957 and IT Amendment Act 2008• Loss of data due to any of the reasons mentioned aboveThe Bidder shall at its own cost and expenses defend or settle any such claim against Bank, provided Bank notifies the Bidder in writing. The Bank shall cooperate with the Bidder in the defense and settlement of the claims.It will be the Bidder's responsibility to rapidly do away with such third-party claims. The Bidder will also pay any compensation arising from the infringement claims and the Bank will in no manner be responsible for such payments. In addition, the Bidder will bear all the related expenses and legal fees.On its part, the Bank will promptly relay to the Bidder any such claims and offer assistance within reasonable limits to rid the claim.All indemnities shall survive notwithstanding expiry or termination of the contract and bidder shall continue to be liable under the indemnities</p>	

Apart from above mentioned queries based on the response received in pre bid meeting we amend the following clause of RFP as per Annexure-2:

Annexure-2

SI No	Clause ref	RFP Page No	RFP text	Remarks
1	TOR	12	The bank intends to empanel a minimum of 5 (Five) MB/IB and a maximum of 10(Ten) MB/IB. It is expected from the empanelled MB/IB to procure the maximum valuation for its stake in ALL at the minimum out go. The one among the empanelled bidders who procures the best valuation for the Bank's stake shall be awarded the assignment to conclude the deal in accordance with terms of reference.	The bank intends to empanel a minimum of 3 (Three) MB/IB and a maximum of 10(Ten) MB/IB . It is expected from the empanelled MB/IB to procure the maximum valuation for its stake in ALL at the minimum out go. The one among the empanelled bidders who procures the best valuation for the Bank's stake shall be awarded the assignment to conclude the deal in accordance with terms of reference.
2	Scoring methodology	22	Profile & business activities of the bidder in last 3 years Ø Overall Turnover of the bidders up to Rs. 100 Cr with Contribution from consultancy services relating to disinvestment/ strategic sale/ Merchant banking/ investment Banking / QIP / Private Placement of buy or sell transactions/M & A is up to 50 Cr – 10 marks Ø Overall Turnover of the bidders up to Rs. 50 Cr with Contribution from consultancy services relating to disinvestment/ strategic sale/ Merchant banking/ investment Banking/ QIP/ Private Placement of buy or sell transactions/ M & A is up to 25 Cr – 8 marks Ø Overall Turnover of the bidders up to Rs. 25 Cr with Contribution from consultancy services relating to disinvestment/ strategic sale/ Merchant banking/ investment Banking/ QIP/ Private Placement of buy or sell transactions/ M & A is up to 10 Cr – 6 marks	Profile & business activities of the bidder in last 3 years Ø Overall Turnover of the bidders up to Rs. 100 Cr – 10 marks Ø Overall Turnover of the bidders up to Rs. 50 Cr – 8 marks Ø Overall Turnover of the bidders up to Rs. 25 Cr – 6 marks

Please treat this Addendum as an integral part of the RFP document issued.

No further queries pertaining to this Addendum or the RFP will be entertained.