

Reply/Clarification to the queries raised by Merchant Bankers (Prospective Bidders) on Request For Proposal (RFP) for empanelment of Merchant Bankers for proposed Qualified Institutions Placement (QIP)/ Follow-on Public Offer (FPO)/ Rights Issue.

RFP Ref. No. - HO/SD/BRLM/RFP/46

Dated. 25.06.2019

Sl. No.	RFP Provision and Query raised	Reply/Clarification by the Bank
1.	<p>Please refer to the captioned subject. Para 4.1 under Eligibility Criteria of the RFP stipulates as under:</p> <p>“Bidder should have handled at least one domestic equity issue (Initial Public Offer/or Follow-on Public Offer/Qualified Institutions Placement) of the issue size of ₹250 crore or more in BFSI (Banking Financial Service & Insurance)/ Corporate space during the period from 1st April, 2014 to 31st March, 2019. The information in this regard to be provided in format as per ‘Annexure III’ for all Sectors and ‘Annexure V’ for BFSI Sector”</p> <p>The above Para does not mention Rights Issue as part of domestic equity issue. However, the format of Annexure III and Annexure V includes Rights Issue as part of Domestic Public Offerings. Please advise whether the Eligibility Criteria of atleast one domestic equity issue of issue size more than ₹250 Crore or more also includes Rights Issue in the relevant period.</p>	<p>NO.</p> <p>Eligibility criteria mentioned at Para 4.1 of the RFP do not include Rights Issue.</p>
2.	<p>Can the physical bid be submitted to Mumbai Zonal office of the Allahabad Bank, apart from the Kolkata address mentioned in the RFP?</p>	<p>NO.</p> <p>The physical bid documents are to be submitted at the Bank’s Head Office as mentioned in RFP.</p>
3.	<p>Request to confirm if the integrity pact is to be submitted on letterhead of the bidder or on non-judicial stamp paper</p>	<p>The duly executed Integrity Pact is to be submitted on Non-Judicial Stamp Paper of ₹100.</p>
4.	<p>Kindly Clarify: In Annexure VI, bidders need to add the details of Equity Sales and Research members and information about them.</p>	<p>In Annexure VI, the details of sales members of the bidder</p>

	Accordingly the details like number of issues handled and amount will not be applicable in case of Equity Sales and Research team.	involved in equity issuances are to be provided.
5.	<p>1. If we are already mandated with any other bank, can we participate in the issue?</p> <p>2. If we get mandated with Allahabad bank, can we bid for other bank Equity Fund raise?</p>	<p>YES.</p> <p>The bidder can bid for another Indian Bank only after receipt of No Objection from Allahabad bank after it gets a mandate for a particular tranche of equity issue.</p> <p>It is further clarified that the current RFP process is for empanelment of Merchant Bankers and the Selection of the Merchant Banker for a particular tranche of equity issue will depend on the outcome of financial bidding process which will be called by the Bank from the empanelled MBs only as and when required.</p> <p>Thus, the period of mandate will be from the date of selection and acceptance of the same by the Merchant Banker (s) for a particular tranche till its closure.</p>
6.	What is the indicative size of funds which the Bank intends to raise?	The Bank will raise funds through QIP/FPO/Rights Issue or in combination thereof in one or more tranches. The Size of a particular tranche will

		<p>be finalized in consultation with the selected Merchant Banker (s) for that particular tranche.</p> <p>The current RFP process is for empanelment of Merchant Bankers for said issuances and the selection of Merchant Banker for a particular tranche of equity issue will depend on the outcome of financial bidding process which will be called by the Bank from the empanelled MBs only as and when required.</p>
7.	<p>Is the Bank looking at a Rule 144A offering for the equity fund raise (either through FPO or QIP)-i.e.: Marketing the Offering in the US Geography?</p>	<p>The fund raising by the Bank through aforesaid mode (QIP or FPO) will be in compliance with the provisions of SEBI (ICDR) Regulations, 2018 and the eligible QIBs and FPIs can participate in the Issue as permitted by SEBI (ICDR) Regulations, 2018 and other applicable Indian Laws. The issue will be made in INR only.</p> <p>Marketing of offering in Overseas including US can be done within the overall ambit of Indian Laws Governing Capital Issuances to FPIs or other QIBs.</p>
8.	<p>Kindly confirm if the Rights Issue will be underwritten or a non-underwritten Rights Issue ?</p>	<p>The current empanelment is for QIP/FPO/Rights Issue.</p>

		The detail of a particular tranche of Issue will be communicated by the Bank to all the empanelled Merchant Bankers while inviting Financial/ Commercial Bids.
9.	<p>Clause 4 - Under Eligibility Criteria, Point 4.3 : “The bidding Merchant Bankers should not have been prohibited by any regulatory authority or Court or Tribunal or any Authority in offering such services and should not have been <u>blacklisted/debarred penalized by Central Government or State Government or SEBI or RBI or by any authority in the past or is pending</u>”</p> <p>Trust the underlined is also in relation to offering of such services as contemplated under the RFP.</p> <p>Further, the details in this regard have been sought as per the format of Annexure IV A, which mentions Pending Litigations. Kindly confirm if Annexure IV A requires details of only such Outstanding Litigations relating to the point under 4.3 of the RFP. If not, kindly clarify is the same requires pending litigations with Regulatory Authorities only.</p>	<p>YES.</p> <p>The bidding Merchant Bankers should not have been prohibited by any regulatory authority or Court or Tribunal or any Authority in relation to services pertaining to issuances of the capital market instruments/ securities or for any other financial irregularities.</p> <p>YES.</p> <p>The bidding Merchant Bankers has to provide details of all pending litigations before any regulatory authority or Court or Tribunal or any authority, Central Government, State Government or SEBI or RBI with regard to issuances of the capital market instruments/ securities or for any other financial irregularities.</p>
10.	<p>Clause 4-Under Eligibility Criteria, Point 4.4 : “The bidding Merchant Bankers should give an undertaking that no action has been initiated against it by SEBI/CVC/RBI or any other government/statutory agency with regard to any</p>	<p>YES.</p> <p>There should not be any action initiated by SEBI/CVC/RBI or any</p>

	financial irregularities”. Kindly clarify if this pertains to actions initiated and outstanding as on date?	other government/ statutory agency with regard to issuances of the capital market instruments/securities or for any other financial irregularities as on the date of undertaking.
11.	Clause 4-Under Point 4.5: “The selected Merchant Bankers would be required to sign the non-disclosure agreement with the Bank. Failure to sign the same would make their appointment null and void”. Request if the Bank could please share the draft format of the said NDA.	The Non-disclosure Agreement will be required to be executed only by the Merchant Banker (s) who will be selected for the particular tranche of issuance based on the outcome of financial/ commercial bidding process.
12.	Clause 5.2 – Submission of Proposal, Envelope 2, “Technical Bid containing the Technical Bid as per Proposal Format as mentioned in clause 7 hereunder, to be opened in the presence of the Bidders”. Kindly clarify if a representative of the Bidder is mandatory to be present at the Banks office for the same.	NO. Presence of the representative of bidder is not mandatory at the time of opening of technical bids. It is discretion of the Bidder.
13.	Clause 5.3-“The proposal (all two envelopes) can be submitted latest by 16:00 Hrs. on July 20, 2019 either to The General Manager (F&A) and CFO, Allahabad Bank Head Office, 2 Netaji Subhas Road, Kolkata- 700001 or to The Asst. General Manager and Company Secretary, Shares and Bonds Department, Allahabad Bank Head Office, 2 Netaji Subhas Road, Kolkata-700001” Request if you could kindly accept the same also in any of your representative offices in Mumbai. If yes, request if you could provide the said address of your Mumbai office.	NO. The proposal has to be submitted to the Bank’s Head Office as mentioned in the RFP.
14.	Clause 9.1: mentions “The fee quoted by the Bidder would be exclusive of GST, out of pocket expenses, etc.”, whereas in the RFP elsewhere you have listed down only limited costs which the Bank would be bearing. Kindly clarify if the	Bank will pay applicable taxes on the fee quoted by Merchant banker (s) however all out of pocket expenses

	OPE expenses of the BRLMs will be borne by the Bank. Additionally, just to reiterate and clarify, the fees quoted will be excluding of GST and the GST will be borne by the Bank. Is that understanding right ?	will be borne by the bidding Merchant Banker. Allahabad Bank shall not pay any expenses other than those mentioned in Annexure II.
15.	<p>Clause 10- Last line talks about “BRLM(s) shall be fully liable to Allahabad Bank for all costs, risk and consequences arising therein.”</p> <p>We as Merchant Bankers are service providers and as a market practice across the Industry, cost, charges, expenses, lawyers’ fees and indemnity provided by the Merchant Bankers for any wrong actions of the Merchant Bankers are limited to fees received by the Merchant Bankers. We would request if you could kindly consider an overriding clause for across the RFP to limit any cost, charges, expenses, lawyers’ fees and indemnity to be given by the BRLM limited to the fees earned by the said Merchant Banker.</p>	The Bank does not deem fit to modify/amend the said clause.
16.	Clause 12.2- Procedure for Selection of Merchant Banker (s)- “The fee quoted by L-1 would be shared by all the merchant bankers appointed for a particular issuance.” Kindly clarify the method in which the fees will be shared by the merchant bankers (equally/ proportionally). Also clarify the same in case of different type of issuance viz QIP, FPO and Rights Issue and would the same method of sharing be followed for each tranche of fund raising.	The fee quoted by L-1 would be shared by all the merchant bankers equally for a particular tranche of equity issue. In case of any dispute, the Bank’s decision will be final and binding on all the Merchant Bankers.
17.	Clause 12.6- “The Left Lead Book Runner i.e. the BRLM chosen by the Bank to lead in the transaction, will be decided by Bank at its discretion.” Kindly confirm the methodology to be followed by the Bank for identifying the Left Lead Merchant Baker and also clarify if the selected BRLM as Left Lead will have the option to refuse the position of the Left Lead.	The left Lead Book Runner will be selected by the Bank at its discretion. However, the Bank may consult the selected Merchant Banker (s) in the process.
18.	Clause 17 - Termination: The clause pertains to rights of the Bank and the events for termination by the Bank. However, it does not include similar events/rights of termination by the Merchant Bankers. Request you to please clarify for the same.	The Bank does not deem fit to modify/amend the said clause.
19.	Annexure I - “We do agree to submit all the requisite documents as required by the Bank”.	The documents prescribed under

	Kindly clarify which documents does this pertain to?	Clause 5 of the RFP and any clarification thereof. Further, any document pertaining to a particular tranche of the issue, if selected for.
20.	Annexure I - "We are agreeable to finalize the agreements in mutual consultation with the Bank at the appropriate time." Trust this refers to the standard agreements customary to an equity capital market transaction like FPO/QIP/Rights Issue.	YES. It refers to the agreements customary to an equity capital market transaction like FPO/QIP/Rights Issue.
21.	Annexure II - While the Bank has clarified the fees as mentioned in Clause 12.8, 12.9 and 12.10 that will be borne by it. Kindly provide clarity if the following expenses will also be borne by the Bank: <ul style="list-style-type: none"> i. Selling commission, brokerage, processing charges etc ii. Printing Fees (especially from FPO & Rights Issue perspective) iii. Publication of Ads costs (especially from FPO and Rights Issue perspective) iv. Registrar and Post Issue related work Costs (especially from FPO and Rights Issue perspective) v. Retail Roadshow Expenses (especially from FPO and Rights Issue perspective) vi. Clause 12.10 mentions – All regulatory fees including listing fee, depository fee etc shall be borne by the Bank – Trust this includes all costs and fees charged by SEBI, Stock Exchanges as applicable for a particular type of fund raising assignment. 	Allahabad Bank shall not pay any expenses other than those mentioned in Annexure II of the RFP.
22.	Annexure II - "Single quote for QIP/FPO/ Rights Issue (As applicable)". Given the different nature of transaction and the related scope of work, trust differentiated fees can be quoted based on the Issue type. Further, trust whenever the Bank will seek the fee quote, they will mention the Issue Type which it intends the quote for?	Financial Bids will be invited separately for each tranche of QIP/FPO/Rights Issue and the fee quoted will be applicable for that particular tranche only.
23.	Annexure III and Annexure V – "QIP Pulled out Pre/Post Road Roadshows". Given the	Merchant Bankers will have to provide

	confidential nature of fund raising by Listed Companies, if the Issue does not go through, it would not be possible for us to highlight to the Bank details about the same. However, for the IPOs for which DRHPs had been filed and were withdrawn later we will surely provide such details. Trust the Bank would agree to the said approach.	updates and progress of the particular Tranche of the QIP Issue as and when necessitated /requested by the Bank from the selected Merchant Bankers.
24.	Annexure VI - Details of the Team- Trust "Bidder Division" refers to Investment Banking Division of the Bidder. Further the table requires to list details of Sales (Members) and Research (Members) and information about them. Trust details like No. of Issues handled and Amount in Crs would not be applicable in case of Sales and Research team.	The information pertaining to Sales (Members) and Research (Members) associated with equity issuances are to be provided.
25.	Annexure VII - Statement showing details of public offerings mobilised. Kindly confirm the period for which this information is to be provided.	Statement showing details of public offerings mobilized during the period between 01.04.2014 to 31.03.2019 have to be provided.
26.	Annexure VIII - Research Report Details - <ul style="list-style-type: none"> • Sectors – Given the detailed nature of this disclosure, kindly confirm if the information can be provided for a period for last 3 years. • "No of Research Publication"-Trust this refers to the number of companies covered under each sector? • "Date of publication of last report"-Since multiple reports of various companies covered under each sector are released, trust this refers to the latest report released for any company in that particular sector? • "Target Price": Since target price are listed for various companies covered under each sector. Please confirm if could mention "Not Applicable" in case of "sector" disclosures. 	<p>Current information only has to be provided.</p> <p>Current information only has to be provided.</p> <p>Latest report date is to be provided.</p> <p>Company wise target price as covered in Research Reports to be disclosed.</p>
27.	Annexure IX-states "We hereby solemnly undertake and declare that there has been no conviction by a Court of Law or	

	<p>indictment/adverse order or blacklisting by SEBI or RBI or any regulatory or Governmental Authority or PSB/PSU 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) including before any Court/Forum /or (any Body constituted) relating to any offence or wrong doing.</p> <ul style="list-style-type: none"> • Trust disclosures on sister concerns includes the Bidder and all the companies/entities below and controlled by the Bidding entity. • The line that <i>“there has been no conviction by a Court of Law or indictment/adverse order or blacklisting by SEBI or RBI or any regulatory or Governmental Authority or PSB/PSU against us or any of our sister concern(s)”</i>. Trust this disclosure is required for a grave offence. • The line that <i>“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) including before any Court/Forum /or (any Body constituted) relating to any offence or wrong doing.”</i> The words <i>“any offence or wrong doing”</i> will have wide connotations and given the detailed nature of this undertaking, it would be difficult to get this confirmation from such a wide coverage entities/ persons. Request if you could please consider to replace the said words with <i>“grave offence”</i>. 	<p>It includes all entities owned or controlled by the bidder or its Parent Company/ entity.</p> <p>This pertains to conviction (s) in the matters of issuances of the capital market instruments/ securities or for any other financial irregularities.</p> <p>Details about pending investigation pertaining to issuances of the capital market instruments/ securities or for any other financial irregularities as on the date of undertaking are to be disclosed.</p>
28.	<p>Further, Annexure IX states – <i>“We agree that we shall not, without the consent of Allahabad Bank while being engaged by the Bank as BRLM, accept a written or a verbal mandate for any offering of equity of any other Indian Bank.”</i> – Trust this consent by the Bank would in each case shall not be unreasonably withheld or delayed,</p>	<p>The Selected bidder (After completion of Financial/ Commercial Bidding process) for a particular tranche can bid for another Indian Bank only after obtaining No Objection from Allahabad Bank.</p>

		<p>It is further clarified that the current RFP process is for empanelment of Merchant Bankers for said issuances and the selection of Merchant Banker for a particular tranche of equity issue will depend on the outcome of financial bidding process which will called by the Bank from the empanelled MBs only as and when called for by the Bank.</p> <p>Thus, the period of mandate will be from the date of selection and acceptance of the same by the Merchant Banker (s) for a particular tranche till its closure.</p>
29.	<p>Further Note to Annexure IX states that “The content of the undertaking should not be changed. Clarification, if any, is to be provided separately”. In the event there are any such cases which may be against the Bidding party or its sister concerns and outstanding as on date, kindly confirm is we can add the words “except as stated in Annexure [•]” in the undertaking and enclose relevant disclosure as an Annexure if there are any details which are required to be provided for the mentioned point.</p>	<p>The Bank does not deem fit to modify/amend the clause. Clarification, if any, may be provided separately.</p>
30.	<p>3 (viii)- Assist in the preparation of marketing materials and presentations for marketing the Offering, including corporate advertisements, if any, issue advertisements, brochures, information memoranda, etc.</p> <p>Query- Kindly clarify if the expenses for such advertisements will be borne by the Bank or BRLMs.</p>	<p>Allahabad Bank shall not pay any expenses other than those mentioned in Annexure II of the RFP.</p>

31.	<p>3 (xii)-Coordinate the task of printing and distribution of stationery required for the QIP/ FPO/ Rights Issue.</p> <p>Query- Who will be bearing the cost of printing and distribution of stationery, the Bank or BRLMs.</p>	<p>Allahabad Bank shall not pay any expenses other than those mentioned in Annexure II of the RFP.</p>
32.	<p>4.4-The bidding Merchant Bankers should give an undertaking that no action has been initiated by SEBI/CVC/RBI or any other Government/Statutory agency with regard to any financial Irregularities.</p> <p>Query- Kindly clarify if the confirmation can be provided for the past 3 or 5 years?</p>	<p>Details of actions initiated and pending on the date of undertaking need to be provided.</p>
33.	<p>4.6-The Undertaking should further certify that no conflict of interest exists as on date except as disclosed explicitly. Details in this regard, if any should also be provided in format as per 'Annexure IV B'.</p> <p>Query- If we are mandated with any other bank, can we participate in the issue, or if we get mandated with Allahabad Bank, can we bid in other bank QIPs.</p>	<p>The Selected bidder for a particular tranche can bid for another Indian Bank only after receipt of No Objection Certificate from Allahabad Bank.</p> <p>It is further clarified that the current RFP process is for empanelment of Merchant Bankers for said issuances and the selection of Merchant Banker for a particular tranche of equity issue will depend on the outcome of financial bidding process which</p>

		<p>will be called by the Bank from the empanelled MBs only as and when required.</p> <p>Thus, the period of mandate will be from the date of selection and acceptance of the same by the Merchant Banker (s) for a particular tranche till its closure.</p>
34.	<p>7 – Section A -Mobilization commitment (₹ in crore).</p> <p>Query- Kindly clarify if the requirement here is same as Annexure VII? Or is this hard underwriting?</p> <p>Also, please confirm, if we can provide a clarification statement alongwith the commitment.</p> <p>Also we suggest, if mobilization commitment for the process is to be given, then it should be submitted with Financial Bid.</p>	<p>Mobilization commitment on firm allotment basis will be criteria for awarding score in technical evaluation.</p> <p>Mobilization commitment is required to be submitted with the Technical bid.</p> <p>NO. It is to be submitted with technical bid only as provided in the RFP.</p>
35.	<p>Annexure VI -Statement showing information about the team Part: B and C</p> <p>Query- Kindly Clarify: In Annexure VI, bidders needs to add the details of sales and research members and information about them. Trust details like number of issues handled and amount in Cr. will not be applicable in case of sales and research team.</p>	<p>The information pertaining to Sales (Members) and Research (Members) associated with equity issuances are to be provided.</p>
	<p>Annexure X - Integrity Pact</p> <p>Query- Please confirm if this is to be submitted on letterhead of the bidder or on non-judicial</p>	<p>The duly executed Integrity Pact is to be</p>

	stamp paper.	submitted on Non-Judicial Stamp Paper of ₹100.
36.	ANNEXURE-VIII- Statement Showing Research Reports Detail Query- Please confirm, if we can take for the last 3 years (April 1, 2016 to March 31, 2019).	Current information has to be provided. Additional information can also be provided if the Bidders so desires.

Sd/-
(Sanjay Aggarwal)
General Manager (F&A) and CFO