

# **REQUEST FOR PROPOSAL FOR SELECTION OF LEGAL ADVISOR(S) FOR PROPOSED DISVESTMENT OF ENTIRE STAKE OF PUNJAB NATIONAL BANK IN CANARA HSBC OBC LIFE INSURANCE CO. LTD. (CHOICE)**

## **Punjab National Bank**

Law Division Head Office,  
Plot No. 4 Sector 10 Dwarka,  
New Delhi 110075  
**Phone: 011-** 28072022 / 28044222 /  
8130322077  
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This document is meant for the exclusive purpose of Bidding as per the Specification, Terms, Condition and Scope indicated herein, and it shall not be transferred, reproduced or otherwise used for purposes other than for which it is specifically issued.

**RFP Details:**

S. No.	ITEM	DATE/REMARKS
1.	RFP REFERENCE No.:	PNB/ LD/DIS/CHOICE-2021./001
2.	NAME OF DIVISION	LAW DIVISION
	PURPOSE	Selection of Law Firms/Legal Advisor to advise the Bank in divestment of entire stake of bank in Canara HSBC OBC Life Insurance Co. Ltd. (CHOICE)
3.	RFP APPLICATION FEE	<b>Rs.10,000/- + 18% GST (Non-refundable)</b> should be submitted online only in favour of Punjab National Bank before last date of bid submission in the following account: <b>IFSC Code : PUNB0513600</b> <b>Bank &amp; Branch : Punjab National Bank, Dwarka, Sector-10, New Delhi -110075</b> <b>Account No.:1988002100183423 (16 digits)</b>
4.	DATE OF ISSUE OF RFP	14 <sup>th</sup> September 2021
5.	LAST DATE & TIME FOR RECEIPT OF QUERIES/ CLARIFICATION RELATED TO RFP	21 <sup>st</sup> September 2021
6.	PRE BID MEETING	24 <sup>th</sup> September 2021
7.	LAST DATE FOR HASH SUBMISSION	04 <sup>th</sup> October 2021
8.	LAST DATE AND TIME FOR ONLINE BID SUBMISSION/ BID REENCRYPTION	05 <sup>th</sup> October 2021
9.	TIME FOR SUBMISSION OF TECHNICAL BID AND SUPPORTING DOCUMENT (HARD COPY)	05 <sup>th</sup> October 2021
10.	DATE OF OPENING OF TECHNICAL BID	11 <sup>th</sup> October 2021
11.	PRESENTATION	Bank at its sole discretion may invite shortlisted bidders, on the basis of Technical Bid, for presentation.
12.	DATE OF OPENING OF FINANCIAL/ COMMERCIAL BID	22 <sup>th</sup> October 2021
13.	WEBSITE FOR DOWNLOADING RFP	<a href="https://www.pnbindia.in/Tender.aspx">https://www.pnbindia.in/Tender.aspx</a>
14.	ADDRESS OF COMMUNICATION AND SUBMISSION OF TECHNICAL BIDS (PHYSICAL FORM/OFFLINE MODE) AND OPENING OF BIDS	The Dy. General Manager Law Division Head Office, Plot No. 4 Sector 10 Dwarka, New Delhi 110075 <b>Phone: 011-28072022 / 28044222 / 8130322077</b> <b>Email: <a href="mailto:law@pnb.co.in">law@pnb.co.in</a></b> <b><a href="mailto:ashok.mishra2@pnb.co.in">ashok.mishra2@pnb.co.in</a></b>

**Note:-**

1. Technical Bids should be submitted in physical form as well as through online mode and financial /commercial bid will be online only.
2. Bidders, who have not registered earlier with e-procurement site i.e. <https://etender.pnbnnet.in/login>, would have to register with our e-procurement site. Bidders to ensure to get themselves registered timely, at least two working days before the Hash submission date, to avoid last moment issues.

**Request for Proposal (“RFP”) for acting as Legal Advisor(s) (“LA”) in the proposed divestment of entire stake of bank in Canara HSBC OBC Life Insurance Co. Ltd. (CHOICE)****DISCLAIMER**

The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement. The purpose of this RFP is to provide information to the potential Bidders, who qualify to submit the response to this RFP, to assist them in responding to this RFP. Although this RFP has been prepared with due and sufficient care to provide all the required information to the potential Bidders, however, in the event any further/additional information is required by any potential bidders, such bidder(s) on its own cost & endeavour may approach the Bank for clarification which may be considered by the Bank. The Bank reserves the right to provide such additional information at its sole discretion.

In order to respond to the RFP, if required, and with the prior permission of the Bank, each Bidder may conduct its own study and analysis/assessment and seek its own professional, technical, financial and legal advice, as may be necessary.

The Bank reserves the right of discretion to change, modify, add to or alter any or all of the provisions of this RFP and/or the bidding process prior to deadline for submission of Bids, without assigning any reason whatsoever. Notification of amendments will be made available on the Bank's website at ([www.pnbindia.in](http://www.pnbindia.in)) as well as e-tender site (<https://etender.pnbnnet.in/login>) and will be binding on all Bidders. No separate communication will be issued in this regard.

The Bank, at its discretion, may extend the deadline for a reasonable period as decided by the Bank for the submission of Bids.

The Bank in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP and/or annul the RFP. The Bank reserves the right to reject any or all the request of proposals received in response to this RFP document at any stage without assigning any reason whatsoever. The decision of the Bank shall be final, conclusive and binding on all parties.

**Definitions:**

- a. PNB / BANK means **Punjab National Bank**, a banking company constituted under the provisions of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 having its Head Office at Plot No. 4 Sector 10 Dwarka, New Delhi 110075 (herein after called "**PNB**" / BANK which expression shall unless it be repugnant to be context thereof include its successor and assigns)
- b. Bidder means the, entity, body corporate or firm or lawful combination of any/all of these, who is/are submitting its bid / proposal in response to this RFP for providing services to Bank.
- c. "Personnel/Professional" means full time staff on the pay roll of the Bidder.
- d. "Proposal"/"Bid" means the Technical bid / proposal and the Financial bid / proposal in Response to this RFP submitted by a Bidder.
- e. "RFP" means this "Request for Proposal" prepared, floated, issued and uploaded by the Bank for the selection of Legal Advisor including any subsequent clarification, amendment, modifications, corrigendum issued by the Bank thereto.
- f. "Engagement Letter / Agreement" means the contract to be signed between the Bank and the selected bidder in accordance with a format approved/ provided by the Bank and all the attached documents and the appendices, thereto.
- g. "Day" means calendar day.
- h. "Parties"-Party or Parties means Bank or bidder / proposer /Selected proposer/or both as the case maybe.
- i. Job / task" means the work to be performed by the Bidder pursuant to the contract.
- j. Law Firm means an association / firm / partnership firm (registered / unregistered), LLP or Other form of constitution permissible under the law of India consisting of lawyers, Solicitors, attorneys and other related staff / members.
- k. Bid means application along with its annexure submitted by the bidders in response to this RFP with application fee.
- l. All others terms used in this RFP and not defined but defined in SEBI Act and relevant Regulations shall have the same meaning.
- m. "Legal Advisor" (hereinafter referred to as LA for sake of brevity) means an association / firm / partnership firm (registered / unregistered), LLP or other form of constitution permissible under the law of India consisting of lawyers, solicitors, attorneys and other related staff / members.

**1. Introduction**

Punjab National Bank (BANK) a Public Sector Bank, constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 commenced its operations on April 12, 1895 to undertake Banking activities. The Bank enjoys strong fundamentals, large franchise value and good brand image.

The issued, subscribed and paid up equity capital of the Bank as on 31.03.2021 was Rs.2095.54 Crores with Government of India's shareholding of 76.90% and public holding (including institutional investors) of 23.10%. The shares of the Bank are listed on the NSE and BSE and are actively traded in both these Exchanges.

## 2. PROPOSAL

**2.1** The Bank intends to divest its entire stake in Canara HSBC OBC Life Insurance Co. Ltd. (CHOICE) which is at present 23% of total shareholding of CHOICE. The Bank intends to initiate the work relating to appointment of Legal Advisor(s) ("LA") and other intermediaries to prepare the requisite documents and to undertake various activities in relation to the divestment process including all the pre and post divestment formalities.

**2.2** The Bank wishes to invite proposals from interested Law Firms/LA, with experience and expertise in divestment process of public sector undertaking and reputed private sector companies at national level to act as Legal Advisors and assist the Bank in the process.

**2.3** In view of the foregoing, Bank invites proposals from reputed Law Firms/LA, with experience and expertise in handling divestment process of public sector undertaking and reputed private sector companies at national level and fulfilling eligibility criteria to assist and advise the Bank in the divestment process. The Law Firm/LA should have experience and expertise in divestment process of public sector undertaking and reputed private sector and should have a full-fledged office situated in Delhi/NCR (here in after referred to as "**the Law Firm/Legal Advisor(s)/ Bidders/LA**") to act as Legal Advisor(s) in the proposed divestment of stake of Bank in CHOICE through this RFP Document.

**2.4** Bank will select one or more Law Firms/LA with requisite experience and other qualifications as may be decided by the Bank, who together will be engaged as Legal Advisor (s). If the Bank selects more than one LA, the LAs, in consultation and prior approval of the Bank, will form a syndicate as required under the applicable law, guidelines & regulations. The Bank will have the option of appointing additional syndicate member(s) / Advisor(s) / Co-Manager (s) if considered necessary.

**2.5** The bidder(s) shall deposit Rs. 10,000.00 (Rupees Ten Thousand only) with of PUNJAB NATIONAL BANK payable at NEW DELHI, as non-refundable fee for RFP, and proof of such be submitted along with the technical bid.

Bidders submitting the proposals should note that they should have the relevant experience of advising and expertise in Mergers & Acquisitions/takeovers/strategic divestment to act as Legal Advisor in facilitating/assisting Bank in process of DIVESTMENT and transfer of its share/stake in CHOICE, till completion of the transactions, and post divestment process, unless called off by Bank or to issue any other opinion required in the process of divestment as is customary or mandatory.

## 3. ELIGIBILITY CRITERIA

**3.1** Bidders should have advised, handled and successfully completed at least one domestic divestment/strategic sale of shares of the size of **Rs 500 crore (Rupees Five Hundred Crore)** or more in BFSI (Banking Financial Service & Insurance) sector during the period from 1st April, 2017 to 31st March 2021. The Senior/Managing Partner/Associate of the Law Firm/LA should be registered with Bar Council of India

as an advocate under the meaning of Advocate Act, 1961 with minimum of 5 years standing.

**3.2** The bidding Law Firm/LA should be a reputed professional firm having experience of at least 5 years in providing advisory services for divestment or share sale activities or stakes (here in after referred to as “**the Law Firm/Legal Advisor(s)/ Bidders/LA**”) to act as Legal Advisor(s) in the proposed divestment of the Bank’s stake in CHOICE through this RFP Document.

**3.3** The bidding Law Firm/LA 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 blacklisted/debarred penalized by Central Government or State Government or SEBI or RBI or by any other Regulatory or authority in the past or is pending.

**3.3** The bidding law firm/LA or any of its partner should not be in the Caution List of IBA/Bar Council/other financial/market regulators.

**3.4** The bidding Law Firm/LA should give an undertaking that no action has been initiated by any Government/Statutory agency /Regulatory authority with regard to any financial irregularities.

**3.5** The selected Law Firm/LA under this RFP would be required to sign the Integrity Pact (IP) and Engagement Agreement with the Bank. Failure to sign the same would make their selection null and void.

**3.6 Consortium of law firms/Legal Advisors shall not be eligible for participation in this RFP.**

**3.7** All the interested Bidders fulfilling eligibility criteria mentioned above as a part of the proposal are advised to furnish the undertaking and declarations as given in the **Annexure**. The undertaking should be to the effect that there is no conviction by a Court of Law or indictment/adverse order or blacklisting by a regulatory or Governmental Authority or PSB/PSU against them or any of their partners/associates. It should certify that there is no investigation pending against them or partners/associates or the Managing Partners. The Undertaking should further certify that no conflict of interest exists as on date except as disclosed explicitly. Further, it shall also be declared by the bidders that none of their family members are working in the Bank in Scale V and above, except as per the information provided by them in their Undertaking.

Please note that the engagement of LA is contingent upon the decision of the Bank to go for divestment of Bank’s stake in CHOICE. In case Bank decides, for whatsoever reasons at its sole discretion, to defer / postpone / cancel / abandon the divestment process, the RFP for LA would also be accordingly, at Bank’s sole discretion, stand deferred / postponed / cancelled / abandoned without further notice to the Bidders and in such eventuality no cost, compensation, reimbursement and fee etc. shall be payable to the Bidders.

The interested bidder(s) fulfilling eligibility criteria mentioned above are advised to furnish all relevant supporting certificate(s)/documents along with the technical bid in both hard copy and online mode.

## **4 .Evaluation Matrix**

### **4.1 Experience and capability in handling Divestment Process in BFSI space in India:** (Weightage for evaluation 50/100)

- (i) Constitution of the organization
- (ii) Capability, capacity and previous experience of the Firm and expertise in handling such assignments in the BFSI space in India.
- (iii) Details of domestic divestment processes handled.
- (iv) Demonstrate ability to work with Public Sector Banks and in coordination with BRLMs and other intermediaries as a part of team.

### **4.2 Infrastructure & Manpower:** (Weightage for evaluation 10/100)

- (i) Details of infrastructural facilities like office, manpower etc.
- (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.

### **4.3 Understanding of the Regulatory framework:** (Weightage for evaluation 10/100)

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

### **4.4 Indicative Timeline :** ( Weightage for evaluation 10/100)

- (i) The transactions are proposed to be completed by 31.03.2023. Demonstrate ability to deliver in accordance with tight timetable requirements and the ability to commit key personnel for the entire duration of the transaction.

### **4.5 Strategy for the Public/Private Offerings –Presentation:** (Weightage for evaluation 20/100)

- i. Indicate intended approach to the proposed transactions including the sequencing of the transaction.
- ii. Indicate strength in organizing the Data Room and the due diligence required for the divestment process.
- iii. Demonstrate capability of preparing quality document to be filed with regulatory authorities in successful divestment/sale of stake/shares.

### **Award of Marks Criteria**

<b>Parameter</b>	<b>Marks Allotted</b>	
<b>Experience and capability in handling divestment in BFSI space in India</b>	Marks (50)	
Single divestment/stake sale Size handled (Max. Marks):	Sub-Total 30 (Out of 50)	
More than Rs. 2500 Crore	30	
More than Rs 1500 Crore and upto Rs.2500 Crore	27	
More than Rs 500 Crore and upto Rs 1500 Crore	24	
Number of divestment process handled in BFSI during the period 01.04.2017 to 31.03.2021 (Max. Marks):	Sub-Total 10 (Out of 50)	
More than 5	10	
More than 3 and upto 5	8	
More than 1 and upto 3	5	
Constitution	Sub-Total 10 (Out of 50)	
Partnership Firm under Indian Partnership Act, 1932 /LLP under LLP Act, 2008	10	
Other	5	
<b>Manpower &amp; Infrastructure</b>	Marks (10)	
More than 100 Advocates	10	
More than 50 and upto 100	8	
More than 10 and upto 50	6	
Less than 10	4	
<b>Understanding of the Regulatory framework</b>	Marks (10)	
Total assignments handled (Divestment/stake sale)-Any domain		
More than 10	10	
Less than 10	5	
<b>Indicative Timeline</b>	Marks (10)	
Committing more than 10 key personnel	10	
Committing less than 10 key personnel	5	
<b>Strategy for the divestment/stake sale -Presentation</b>	Marks 20	
<b>Presentation</b>	20	
<b>Grand total</b>	100 MARKS	



## 5. PROCESS OF SELECTION

In the First Stage, the technical bids will be opened and evaluated first. Marks would be awarded to the Technical Bids as detailed in the Evaluation Matrix above. Only those bidders who qualify the technical bid stage shall be short-listed for Second Stage. In the event of the specified date of bid opening being declared a holiday for Bank, the bids shall be opened at the specified time and place on next working day.

### 1<sup>st</sup> STAGE

- i) Technical bids shall be opened and eligibility of the bidders as prescribed in this RFP, will be evaluated first. Technical bids of only eligible bidders will be evaluated and marks will be awarded only to the eligible bidders.
- ii) The Bidder who fulfil the eligibility criteria will be called to make a presentation (15 minutes approx.), or alternatively through Video Conferencing, at the sole discretion of the Bank regarding their roadmap & modalities to complete the transaction and key highlights before an Appraisal Committee at Punjab National Bank, Corporate Office, Plot No. 4, Sector 10, Dwarka, New Delhi 110075. The Date and time schedule will be emailed to the respective eligible bidder(s) separately at e-mail ID provided by the bidder(s), soon after the opening of Technical Bids. Order of presentation will be in alphabetical order of the name of the bidder(s). During presentation, four sets of hard copies of the presentation should be submitted to the Bank. Only the Team Leader of the Bidder's team shall make the presentation.
- iii) Technical bid shall be evaluated based on credentials of bidder (s), expertise / experience in divestment/stake sale process, proposed methodology for the work and capacity of the bidder(s) and marks awarded as detailed in the Evaluation Matrix above.

**Bidder(s) scoring minimum 70% marks as per Evaluation Matrix above would be considered as technically qualified.**

### 2<sup>nd</sup> STAGE

#### **Evaluation of Commercial Bids**

On a given date, bidders, who have qualified technical bid stage, will be called for opening of financial bids. The final selection of the bidder shall be done based on L1 (bidder whose financial/commercial bid is the lowest amongst all the bidders). In case bids of two or more bidders appearing "Prima facie" lowest i.e. quoting the same figure before or after the arithmetical check etc., an opportunity shall be given to both the bidders for making a revised offer of bid on the basis of a percentage reduction in the total value in sealed covers, which shall be opened by the Tender Opening Committee on a fixed date in the presence of those two bidders. In the event of the bidders not agreeing to revise their bid or for any reasons, it is not possible to resolve the "TIE", Bank shall exercise its sole discretion and without conferring any right on any other bidder, shall accept the bid of the bidder who is considered to be better of the two bidders.

At the sole discretion and determination of the Bank, the Bank may add any other relevant criteria for evaluating the Bids received in response to this RFP. The decision of the Bank on the matter of selection of Law Firms/LA shall be final & binding on all the concerned parties.

In case of backing out/ refusal / inability / any infirmity / delay in execution of the contract, due to any reason whatsoever by the successful bidder (L1), there should be re-bidding and fresh financial bids shall be called for and then final selection of the bidder shall be done based on L1 (bidder whose financial/commercial bid is the lowest amongst the bidders).

## **6. Scope of Work for the Legal Advisor(s)**

PNB requires the services of a reputed Law Firm with experience and expertise in Mergers & Acquisitions/takeovers/strategic sale/ divestment to act as Legal Advisor in facilitating/assisting PNB in process of divestment in CHOICE, till completion of the transactions, and post transaction process unless called off by PNB.

The eligible Law Firms, as per eligibility conditions prescribed in 'Eligibility Criteria' may submit proposals as per the guidelines mentioned hereunder for selection of the Law Firm for performing the indicative scope of work mentioned below.

### **SCOPE OF WORK**

1. Advise on the regulatory norms and assist in securing approval and exemptions, wherever necessary, from all applicable regulatory agencies including SEBI, Stock Exchanges, RBI and IRDAI.
2. Review of Preliminary Information Memorandum (PIM) and Confidential Information Memorandum (CIM) and any other disclosures in the information memoranda which may needed to be vetted legally;
3. Review of RFP document(s);
4. Drafting of transaction related documents including Confidentiality Agreement(s)/Commercial Agreement/ Share Purchase Agreement(s)/ Shareholders Agreement(s)/Distribution Agreement/Technical and Service Level Agreement/ Articles of Association (AoA) of any entity including CHOICE and any other relevant agreement/ documents related to the divestment process.
5. To carry out requisite amendments/amendments in Subscription & Shareholder Agreement (SSA), Article of Association (AoA) and other agreements e.g. Confidentiality Agreement(s)/Share Purchase Agreement(s)/Shareholders Agreement(s)/ Distribution Agreement/ Technical and Service Level Agreement of any entity including CHOICE and any other relevant agreement/ documents related to the divestment process.
6. Drafting / amendments of any other ancillary agreement(s)/documents of any entity including CHOICE as may be required to complete the divestment process;
7. Advise and assist in arrangements for the due-diligence exercise and data room (e-data and/or physical) preparation;
8. Advise on the structure of the transaction(s) including, as may be required, regulatory compliances with RBI guidelines, SEBI guidelines, Stock Exchange Listing guidelines, Companies Act, Income Tax Act, CVC guidelines & any other relevant laws and dispute resolutions thereof;

9. Assistance as may be required, in negotiations with the potential Strategic Partner(s)/investor/purchaser, including advising in legal matters during and on the divestment process;
10. Assist, together with other Adviser(s) and merchant bankers, as the merchant bankers may consider appropriate, in obtaining necessary regulatory approvals in connection with the Transaction from SEBI, Stock Exchanges, RBI, IRDAI or any other regulatory authority.
11. In connection with the Divestment, assisting, together with the merchant bankers and other Adviser(s), the Bank in preparing and coordinating the filing of reports, certificates and other information as may be required by SEBI, the Stock Exchanges and any other regulatory authorities.
12. Interacting with the Bank along with the merchant bankers to explain and agree upon the due diligence information and documentation requirement.
13. Drafting, vetting and finalizing of the consent letters taken from all intermediaries.
14. Reviewing vetting and finalizing, all other relevant legal and other documents.
15. Giving advice, consulting, holding discussions with the merchant bankers during the Transaction process including pricing, marketing of the offer, and settlement. Advise on structuring the transaction in conformity with the applicable laws, especially the extant regulatory and statutory framework including under the Banking Regulation Act, 1949, Companies Act, 2013, SEBI Act, 1992 and the Securities Contract (Regulations) Act, 1956, SEBI ICDR Regulations, SEBI Listing (Obligations & Disclosure Requirements) Regulations 2015, Foreign Exchange Management Act, 1999, FDI norms and other applicable statutes, Rules, Regulations, Guidelines issued, or the guidelines or directions issued by the Stock Exchanges or otherwise
16. Providing all other legal advice and written opinions, including comprehensive advice on research publication and dissemination, statutory and corporate advertisement in connection with the Transaction as may be required.
17. Guide, facilitate and advise the Bank on the regulatory norms and assisting in securing approval and exemptions, wherever necessary, from various regulatory agencies and others and completion of regulatory requirements.
18. Providing legal clearance on all issue and documents pertaining to divestment process.
19. Interacting with the Auditors of the Bank/CHOICE and negotiating the finalization of the comfort letter and other standard certificates and undertaking to be provided by the Auditors at different stages of the Transaction.
20. Advise on the (i) regulatory norms, disclosure and disclaimer requirements and generally assist in securing the requisite statutory and regulatory approvals and/ or exemptions and/ or clarifications, as may be deemed necessary from SEBI, Stock Exchanges, RBI, and other regulatory and statutory authorities, (ii) filing of returns or notices with stock exchanges, SEBI or any other statutory and/ or regulatory authorities and assist in completing all the requirements and formalities;
21. Drafting/Vetting all board resolutions and Shareholder Resolutions required to be passed by the Bank/CHOICE, if any.
22. Analysis of legal, tax and process risks and providing solutions as required.
23. Coordinating and communicating with other parties involved in the divestment process, including the officers and other management personnel of the Bank, the auditors and legal counsel(s) to the merchant bankers.
24. Providing advice on the duties and actions of the Bank, including drafting of any applications, letters, certificates etc in connection with the divestment process.

25. Assisting with respect to Closure of Divestment process. Advise and assist on completion of all post transaction related activities and formalities as required to be performed by the Bank as laid down in the applicable laws and regulations, etc. **till the expiry of one year from the closure of divestment process.**
26. Carry out any other duties which are customary for divestment process, and which may be agreed from time to time, including any duties which the Bank may reasonably request for assistance with regard to the divestment process.
27. Facilitate closure of the transaction;
28. Assist in any issues that may arise in connection with the transaction;
29. Law Firm would have to work in close coordination with the Transaction Advisor(s) and other intermediaries appointed for the transaction by Bank.

The Scope of Work mentioned above are indicative, illustrative and non-restrictive in nature. There may be some services relevant but not expressly captured in the aforesaid Scope of Work, which upon being brought to the notice of the Legal Advisor by Bank will also form an integral and mandatory part of the Scope of Work and will be eventually governed by the terms and conditions of Engagement Agreement when the same is signed between BANK and Legal Advisor(s).

## **7. COST OF BIDDING**

The Bidder shall bear all the costs associated with the preparation and submission of its bid.

## **8. BIDDING DOCUMENT**

The Bidder is expected to follow all instructions, forms, terms and conditions in the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every aspect shall be at the Bidder's risk and may result in the rejection of its bid without any further reference to the bidder.

## **9. SUBMISSION OF BID/PROPOSAL:**

### **A. Technical Bid:-**

(i) The Technical Bid shall be submitted to Bank online and well as by tendering a sealed envelope containing following:

- Proof of payment of RFP fee in prescribed mode.
- RFP document along with annexure duly signed by Authorized representative of bidder at the left bottom of every page in following form -

"Terms and conditions mentioned in RFP is acceptable .....  
(Sign & seal of law firm/LA)"

- Duly executed undertaking mentioned in Annex-I and Integrity Pact as prescribed in Annex-II.

- All relevant documents in support of their eligibility.
-

- Detailed proposal highlighting the credentials in divestment/stake sale.
- Experience in divestment/stake sale in BFSI Sector in India.
- Proposed methodology for the work
- Details of the total present strength & Infrastructure along with the manpower proposed and their profiles to be dedicated for the transaction.
- Authority letter/Board Resolution authorizing the person of the bidder to sign the proposal and other documents viz Registration certificate of the firm; PAN Card; GST Registration(if any) etc.
- Other relevant Documents in support of their claims as per Evaluation Matrix.

(ii) The hard copy of technical bid/proposal, duly signed by the authorized officer, shall be submitted in a sealed envelope bearing signature across the seal and should be submitted in hard copies, in addition to submission through online mode, in original by hand or via registered post or Courier to the **“Dy. General Manager, Law Division, 3rd Floor, East Wing, Punjab National Bank, Head Office, Plot No. 4 Sector 10 Dwarka, New Delhi 110075”** duly signed by of the bidder(s).

The sealed cover must contain the office address, email address and contact details of its executive/authorized representative and also on the top of envelope containing the technical bid documents the following description be made –

**“Technical Bid in response to RPF dated 14<sup>th</sup> September 2021 for appointment of Legal Advisor”**

No Bid will be accepted/entertained after the appointed time and date. The Bank will not be responsible for any postal/courier delay. The Bids received after the appointed time and date will be rejected. **The bidders are requested to intimate the dispatch of the Bid via email to [law@pnb.co.in](mailto:law@pnb.co.in).**

## **B. Financial/Commercial Bid**

i. Bidders are required to strictly submit financial/commercial bid in electronic form using the e-procurement system at <https://etender.pnbnet.in/> to the Bank by using their digital certificates of class II and above (both encryption and signing). All the interested bidders should register themselves in the e-procurement system <https://etender.pnbnet.in/> for submitting the bids online, if they have not done earlier. Financial/Commercial Bids received after stipulated time for closing of the bid in the e-procurement system, will be summarily rejected without assigning any reason.

ii. Incomplete bids, conditional bids, bids not conforming to the terms and conditions are liable to be rejected by the Bank.

iii. Please note that **HASH SUBMISSION** is a mandatory activity, failing which bidder will not be able to submit the bid. For details you may visit our e-Procurement Site <https://etender.pnbnet.in/login> .

iv. Bidders are advised to go through Bidders Manual available on <https://etender.pnbnet.in> for registration and submission of tenders. If approval of registration is pending at Bank's end, Bidders should immediately contact Bank.

v. Bidders are advised to go through Bidders Manual for Browser settings and Java settings required for participation in the bid. Follow each & every step mentioned in Bidder Manual.

vi. Bidders should submit bids well before time rather than waiting for last moment to avoid any technical glitches or networking issues etc. at their end.

vii. Bidders are requested to use a reliable internet connection (data cable/ broad band) to safeguard themselves. Bank is not responsible for telephone line glitch, internet response issues, hardware hangs etc., at bidder's end.

**Viii .The fee quoted by the Bidder should be inclusive of all applicable taxes (but excluding GST), charges, out of pocket expenses, etc. All rules related to GST are to be followed especially those regarding raising of invoice quoting GSTIN of the Bank as well as of the LA etc. Bidders to note that the Bank may go for the stake sale exercise in any number of tranches till the 31.03.2023, for which lump sum fee shall be paid by the Bank.**

**The fee shall be paid as per the following milestones:**

1. **5 %** at the time of kick off meeting for initiating the process with appointed Legal Advisor(s).

2. Next **35%** at the time of signing of share Transfer related Agreement.

3. Next **35%** at the time of entire Share Transfer.

4. Remaining **25%** at the completion of divestment process in its entirety.

If the Bank decides not to go further at any stage, only the fees for the completed milestones as above shall be payable.

All bills would be raised in INR and payable in INR only

ix. Bidders to note that no drop dead fee would be payable i.e. No fee would be payable, if the divestment process does not start for any reason whatsoever.

## **10. MODIFICATION AND/OR WITHDRAWAL OF BIDS**

Bids once submitted will be treated as final and no further correspondence will be entertained on this. No bid will be modified after the deadline for submission of bids. No bidder shall be allowed to withdraw the bid, if bidder happens to be successful bidder.

**10.1.** In case any Bidder makes any unsolicited communication in any manner, after Bid/Proposals have been opened, the Bid / Proposal submitted by the particular Bidder

shall be summarily rejected, irrespective of the circumstances for such unsolicited communication.

**10.2.** Further, if the RFP has to be closed because of such rejection, and the RFP has to be re-tendered, then such Bidder, at the option of BANK, shall be disqualified and will not be allowed to bid in the re-tender process. In case of all disputes relating to the RFP and the matters arising and connected with the RFP, the Bidder shall make representation to BANK and the decision of BANK on any or all issues/ grievances raised by the Bidder shall be final, conclusive and binding and shall not be questioned or challenged by the disputing Bidder(s).

**10.3.** In case any Bidder or any other person approaches external judicial authority like any Court or Forum or Tribunal and if the Bidder or any other person loses the case after adjudication for reason whatsoever or on merit or the Bidder or any other person opt for not to pursue the matter further and withdraw the matter before decision by such judicial body, the Bidder or any other person who initiated legal proceeding shall reimburse all the expenses incurred by BANK in litigation including traveling and associated costs to attend the matter, expenses incurred in obtaining legal advice, advocate fees to represent BANK in the matter, irrespective of the decision or decree or judgment or order of such judicial authority

**10.4.** It is clarified that any condition put forth by the Bidders, non-conforming the Bid requirements shall not be entertained at all and such Bid shall be rejected forthwith. The decision of BANK in this regard shall be final, conclusive and binding and shall not be questioned/ challenged by the Bidders.

**10.5.** It may be noted by the Bidders that Bank at its sole discretion may temporarily or otherwise waive any minor informality or infirmity or non-conformity or irregularity in a Bid, which does not constitute a material deviation.

**10.6.** Decision as to any arithmetical error manifest or otherwise in response to RFP shall be decided at the sole discretion of Bank and shall be binding on the Bidder. Any decision of Bank in this regard shall be final, conclusive and binding on the Bidder and shall not be questioned/ challenged by the Bidder.

**10.7.** Bank reserves the right to alter/re-issue /re-commence/cancel the entire Bid process in case of any anomaly, irregularity or discrepancy or for any other reasons or otherwise without thereby incurring any liability whatsoever to the affected Bidders or any obligation to inform the affected Bidders of the grounds for the Bank's action. BANK shall not be bound to give any reasons or explain the rationale for its actions/decisions to annul or abandon or cancel the bid process. BANK further reserves the right to alter/re-issue/re- commence the Bid or circulate new RFP altogether on the subject matter or any activity or part thereof concerning thereto. Any decision of BANK in this regard shall be final, conclusive and binding on the Bidder(s) and shall not be questioned/ challenged by the Bidder.

**10.8.** Engagement/ selection of any bidder may be cancelled by the Bank at its discretion including, but not limited to, under any of the following circumstances:

- The selected Bidder commits a breach of any of the terms and conditions of the tender/contract.

- The selected Bidder becomes insolvent or goes into liquidation voluntarily or any application has been filed against the selected bidder under the provisions of IBC, 2016 or otherwise.
- The progress regarding execution of the contract, made by the selected Bidder is found to be unsatisfactory.
- If the selected Bidder fails to execute/ complete the due performance of the assigned work in accordance with the agreed terms and conditions.
- In case Bank decides, due to any reasons whatsoever in its sole discretion, to call off, postpone, defer, cancel the issuance of IPO/ QIP etc.

## **11. AWARD**

The shortlisted bidder will be issued a letter of award by the Bank and such successful bidder shall execute engagement letter/agreement with the Bank within 3 days of issuance of letter of award by the Bank. The Selected bidder shall also sign an Integrity Pact as per the Performa (Annex-II).

## **12. PAYMENT TERMS**

The payment to successful bidder shall be made on milestone basis as detailed above in the RFP within 30 days of completion of each milestones of the divestment process. In case of termination of engagement/unsatisfactory service, Bank reserves the right to withhold/deduct payment to be made to the successful bidder.

## **13. DISQUALIFICATION OF BIDDER /TERMINATION OF ENGAGEMENT**

(i) In case, it is found during the course of the transaction or at any time before issuance of the letter of award or after execution of engagement letter and during the period of subsistence or after the period thereof, that one or more terms and conditions laid down in this request for proposal has not been met by the bidder or the bidder has made material misrepresentation or has given any materially incorrect or false information, the bidder shall be disqualified forthwith if not yet engaged, and if engaged then the engagement shall be terminated, by a communication in writing by the Bank to the successful bidder without the Bank being liable in any manner whatsoever. This action will be without prejudice to any right or remedy that may be available to the Bank under the bidding document or otherwise available under the law. In addition to this, Bank may also black-list such bidder. However, terminating the engagement, a show cause notice stating why its engagement should not be terminated would be issued giving it an opportunity to explain its position.

(ii) Further, during the tenure of engagement of the Law Firm(s)/LA, in case BANK at any time considers that the services of Law Firm(s)/LA are in any manner deficient and/or are not being performed to the satisfaction of the Bank in terms of scope of work as set out herein or in the engagement letter or in any agreement that may be executed with them in connection with the Transaction, BANK shall have the right to terminate the engagement of such Law Firm(s)/LA without assigning any reason for the same.

## **14. ACCOUNTABILITY**

The Law Firm(s)/LA shall be accountable with respect to the following:



**I.** All the responsibilities indicated in Scope of works and any other activities that the Law Firm(s)/LA may perform in connection with the proposed divestment process of Punjab National Bank's stake sale in CHOICE.

**II.** In case of any/all disputes relating to the RFP and the matters arising in connection with the RFP, the bidder shall make representation to the BANK and the decision of the BANK on any or all points raised by the bidder(s) shall be final and binding on the bidder(s).

**III** The Law Firm(s)/LA engaged shall be the principal employer of the employees, agents, contractors, subcontractors etc. engaged by it and shall be vicariously liable for all the acts, deeds or things, whether the same is within the scope of work or outside the scope of work, vested under the engagement letter to be issued for this RFP. No right of any employment shall accrue or arise, by virtue of engagement of employees, agents, contractors, subcontractors etc. by the appointed Law Firm(s)/LA, for transaction under the engagement letter to be issued for this RFP.

**IV** All remuneration, claims, wages, dues etc. of such employees, agents, contractors, subcontractors etc. of the selected bidders(s) shall be paid by the selected bidder(s) alone and the BANK shall not have any direct or indirect liability or obligation, to pay any charges, claims or wages of any of the law Firm's/LA employee, agents, contractors, and subcontractors.

**V.** The selected bidder(s) agrees to hold the BANK, its successors, Assignees and Administrators fully indemnified and harmless against loss or liability of whatsoever nature caused to the BANK, claims actions or proceedings, if any, that may arise from the failure of the successful bidder to perform its duties and/or the action of its employees, agents, contractors, subcontractors etc. The written demand by the BANK as to the loss/damages shall be final, conclusive and binding on the selected bidders(s) and the selected bidder(s) shall be liable to pay on demand without any contestation/demur the actual amount of such loss/damages caused to the Bank subject to an upper limit equivalent to the total payment of this project. Further, in case of any default in acceptance or performance of the agreement, Bank shall have all rights to blacklist and debar the bidder/s from participating in future processes and lodging complaint against the bidder/s before concerned authorities including IBA and claiming damages.

## **15. NO LEGAL RELATIONSHIP**

No binding legal relationship will exist between any of the Bidder(s) and the Bank until execution of engagement letter with the successful Bidder.

## **16. EVALUATION OF OFFER**

Each Bidder acknowledges and accepts that the Bank may, in its absolute discretion, apply any additional criteria it deems appropriate in the selection of the LA, not limited to those selection criteria set out in this RFP.

## **17. CONFIDENTIALITY**

The information subsequently provided to Bidder(s) whether verbally or in writing by or on behalf of Bank shall be subject to the terms and conditions set out in this RFP and in engagement letter/agreement/contract to be executed by the Bank and shall be kept confidential by the bidders.

## **18. NO REPRESENTATION OR WARRANTY BY THE BANK**

The Bank makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations on any claim the potential bidder(s) may make in case of failure to understand the terms and requirements of this RFP and responds to the RFP. The Bank may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP and specify additional requirements or cancel this RFP at any time without assigning any reason there of and without any notice, at its sole discretion. It is the Bidder(s) responsibility to examine this RFP; examine all other information available on reasonable inquiry relevant to the risks, contingencies and circumstances affecting its response to the RFP; and satisfy itself as to the completeness, correctness and sufficiency of all the information contained in its response to the RFP.

## **19. BANK'S DISCRETION**

- I. The Bank may at its sole discretion select and engage such number of LA as it deem fit with requisite experience, who together will form a team and be called LA.
- II. The Bank shall be under no obligation to act upon the advice rendered by the LA for the engagement of other intermediaries. The engagement made by the Bank shall be final and binding on all the Bidder(s).

## **20. AMENDMENT OF RFP DOCUMENTS**

At any time prior to the last date and time for submission of bids, the Bank may, for any reason, modify the RFP Documents through amendments at the sole discretion of the Bank. All amendments/corrigendum shall be uploaded on the Bank's websites (<https://www.pnbindia.in/Tender.aspx>) and will be binding on all those who are interested in bidding. In order to provide prospective Bidders a reasonable time to take the amendment, if any, into account in preparing their bid, the Bank may, at its discretion, extend the deadline for submission of bids.

## **21. RIGHT TO ACCEPT OR REJECT ANY BID OR ALL BIDS**

BANK reserves the right to accept or reject any bid and annul the bidding process or even reject all bids at any time prior to issuance of award letter, without thereby incurring any liability to the affected bidder or bidders or without any obligation to inform the affected bidder or bidders about the grounds for the BANK's action.

## **22. CONTACTING THE BANK**

Any effort by a bidder to influence the Bank in evaluation of the Bank's bid, bid comparison or award decision may result in the rejection of the Bidders' bid. Bank's decision will be final and without prejudice and will be binding on all parties.

## **23. ASSIGNMENT**

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The successful bidder shall not assign, in whole or in part, its obligations to perform under this RFP/engagement letter, except with the Bank's prior written consent, after being declared as L1 bidder.

**24.** The tenure of Advisor so appointed will be till the expiry of one year from the successful divestment of stake of Bank in CHOICE so as to enable it to assist Bank to perform all the formalities required to be performed by Bank after divestment. Successful divestment means final transfer of total share from Bank to purchaser. Bank may sell its stake under divestment process in multiple parts and to more than one purchaser. Engagement of Advisor under this RFP will be for complete divestment process and for subsequent period as mentioned above.

## **25. GOVERNING LAW AND DISPUTES**

All disputes or differences whatsoever arising between the parties out of or in relation to the construction, meaning and operation or effect of these Tender Documents or breach thereof shall be settled amicably. If, however, the parties are not able to solve them amicably, the same shall be settled by arbitration through Sole Arbitrator appointed by the Bank and in accordance with the applicable Indian Laws, and the award made in pursuance thereof shall be binding on the parties. The Arbitrator shall give a reasoned award. Any appeal will be subject to the exclusive jurisdiction of courts at Delhi. The bidder shall continue work during the arbitration proceedings unless otherwise directed in writing by the Bank or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrator or the umpire, as the case may be, obtained. The venue of the arbitration shall be Delhi and the language of Arbitration shall be English.

The Contract with the selected bidder shall be governed in accordance with the Laws of India for the time being in force and will be subject to the exclusive jurisdiction of Courts at New Delhi (with the exclusion of all other Courts).

## **DETAILS OF THE INDEPENDENT EXTERNAL MONITORS**

The Integrity Pact envisages a panel of Independent External Monitors (IEMs) to review independently and objectively, whether and to what extent parties have complied with their obligation under the pact. The IEM has right to access to all the project documentation. Shri Raj Kumar Singh shall be acting as IEMs for this Contract/Tender. However, Bank at its sole discretion reserves the right to change/name another IEM, which shall be notified later.

Name & address of IEMs

1. Shri Raj Kumar Singh, (I.R.S. Retd.)  
Email: [mrrajksingh@gmail.com](mailto:mrrajksingh@gmail.com)  
Mob: 8141488880
2. Dr Sarat Kumar Acharya  
Email: [sarat777@rediffmail.com](mailto:sarat777@rediffmail.com)  
Mob: 9442118060

## **26. DISCLAIMER**

The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement. The purpose of this RFP is to provide information to the potential Bidders, who may qualify to submit the response to this RFP, to assist them in responding to this RFP. Though this RFP has been prepared with sufficient care to provide all required information to the potential Bidders, potential Bidders however may need more information than what has been provided herein. In such cases, the potential Bidder is solely responsible to seek the information required from the Bank. The Bank reserves the right to provide such additional information at its sole discretion. In order to respond to the RFP, if required, and with the prior permission of the Bank, each Bidder may conduct its own study and analysis / assessment and seek its own professional, technical, financial and legal advice, as may be necessary.

### **FOR ANY FURTHER CLARIFICATION PLEASE CONTACT:**

Shri. Ashok Kumar Mishra,  
Dy. General Manager  
Law Division Head Office,  
Plot No. 4 Sector 10 Dwarka,  
New Delhi 110075  
**Phone: 011-** 28072022 / 28044222 / 8130322077  
**Email:** [law@pnb.co.in](mailto:law@pnb.co.in)  
[ashok.mishra2@pnb.co.in](mailto:ashok.mishra2@pnb.co.in)

**Dated – 14.09.2021**

**Place – New Delhi**

**UNDERTAKING FROM THE BIDDER**

To  
The Dy. General Manager  
Law Division  
Punjab National Bank  
New Delhi

Sir,

**REG.: PROPOSAL/BID FOR ENGAGEMENT OF LA TO ADVISE PUNJAB NATIONAL BANK IN DIVESTMENT OF ENTIRE STAKE OF PUNJAB NATIONAL BANK IN CANARA HSBC OBC LIFE INSURANCE CO. LTD. (CHOICE)**

We submit our Bid Documents herewith.

We understand that:

- You are not bound to accept the lowest or any bid received by you, and you may reject all or any bid.
- If our Bid for the above job is accepted, we undertake to enter into and execute engagement letter/agreement at our cost, when called upon by the Bank to do so. Till such a formal engagement letter/agreement is prepared and executed, this bid shall constitute a binding contract between us and bank.
- If our bid is accepted, we are responsible for the due performance of the work.
- You may accept or entrust the entire work to one Bidder or divide the work to more than one bidder without assigning any reason or giving any explanation whatsoever.
- We agree that we shall not, without the consent of Punjab National Bank while being engaged by the Bank as Legal Advisor, accept a written or a verbal mandate for any divestment of stake of any other Indian Bank in any entity.
- Further we hereby undertake that the decision taken by the Selection Committee of Punjab National Bank regarding the qualified Bidder shall be binding upon us.
- We hereby undertake that we will have no claim against Punjab National Bank whatsoever in case of discontinuation of the process of divestment.
- If we do not accept or perform the contract after our selection as successful bidder, Bank shall have all rights to blacklist and debar us from participating in future processes and lodging complaint against us before concerned authorities including IBA and claiming damages.

- If at any point of time, our above undertaking is found to be incorrect, the Bank shall have full right and discretion to reject/terminate our bid/contract/engagement at any point of time without any prior notice without prejudice to any other right available to Bank against the bidder/ bidders in law or in equity.
- None of the family members of the partners of the bidders and advocates of the bidder firm are employed in the Bank except for those mentioned below :

Name of Bank Official and Designation	Name of relative in bidder firm	Relationship

- All documents and information provided by us are our sole responsibility and in case anything is found to be false/incorrect, we shall be solely liable for the same.

Yours faithfully

Signature of Authorized Signatory

Name of Signatory:

Designation:

Seal:

Date:

Place:

**PERFORMA FOR INTEGRITY PACT**

To  
The Dy. General Manager  
Law Division  
Punjab National Bank  
New Delhi

**Subject: Submission of Tender for the work.....**

Dear Sir,

I/We acknowledge that Punjab National Bank is committed to follow the principle of transparency equity and competitiveness as enumerated in the Integrity Agreement enclosed with the tender/bid document.

I/We agree that the Request for Proposal (RFP) is an invitation to offer made on the condition that I/We will sign the enclosed integrity Agreement, which is an integral part of tender documents, failing which I/We will stand disqualified from the tendering process. I/We acknowledge that THE MAKING OF THE BID SHALL BE REGARDED AS AN UNCONDITIONAL AND ABSOLUTE ACCEPTANCE of this condition of the RFP.

I/We confirm acceptance and compliance with the Integrity Agreement in letter and spirit and further agree that execution of the said Integrity Agreement shall be separate and distinct from the main contract, which will come into existence when tender/bid is finally accepted by Punjab National Bank. I/We acknowledge and accept the duration of the Integrity Agreement, which shall be in the line with Article 6 of the enclosed Integrity Agreement.

I/We acknowledge that in the event of my/our failure to sign and accept the Integrity Agreement, while submitting the tender/bid, Punjab National Bank shall have unqualified, absolute and unfettered right to disqualify the tenderer/bidder and reject the tender/bid in accordance with terms and conditions of the tender/bid.

Yours faithfully

(Duly authorized signatory of the Bidder)

To be signed by the bidder and same signatory competent / authorized to sign the relevant contract

Stamped

## INTEGRITY AGREEMENT

This Integrity Agreement is made at ..... on this .....day of..... 2021.

BETWEEN

**Punjab National Bank**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (Act no V of 1970) and having its Head Office at Plot no. 4, Sector 10, Dwarka, New Delhi 110075, hereinafter referred to as "The Principal", which expression shall mean and include unless the context otherwise requires, successors in office and assigns of the First Part.

AND

M/s. \_\_\_\_\_ having its registered office at \_\_\_\_\_ hereinafter referred to as "The Bidder/Contractor", expression shall mean and include unless the context otherwise requires, successors and permitted assigns of the Second part.

Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for..... The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness/transparency in its relations with its Bidder(s) and/or Contractor(s). In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

### Section 1- Commitments of the Principal

(1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

a. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.

b. The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.

c. The Principal will exclude from the process all known prejudiced person.

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.



## **Section 2- Commitments of the Bidder(s) / Contractor(s)**

(1) The Bidder(s)/Contractor(s) commit themselves to take all measures necessary to prevent corruption during any stage of bid process/contract. The Bidder(s)/Contractor(s) commit themselves to observe the following principles during participation in the tender process and during the contract execution.

a. The Bidder(s)/Contractor(s) will not, directly or through any other person or firm, offer promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or the other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

c. The Bidder(s)/ Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans., technical proposal and business details, including information contained or transmitted electronically.

d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any, similarly the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only.

e. The Bidder(s)/Contractor(s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, or any other intermediaries in connection with the award of the contract.

f. Bidder(s)/Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.

(2). The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

## **Section-3 Disqualification from tender process and exclusion from future contracts.**

If the Bidder(s)/Contractor(s) before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the

Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the "Guidelines on Banning of business dealings".

#### **Section 4- Compensation for Damages**

(1). If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to earnest Money Deposit/Bid Security. (2). If the Principal has terminated the contract according to Section 3, or the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the contract value or the amount equivalent to Performance Bank Guarantee.

#### **Section 5- Previous transgression**

(1) The Bidder declares that no previous transgression occurred in the last three years immediate before signing of this integrity pact with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprises or central/state government department in India that could justify his exclusion from the tender process.

(2). If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in "Guidelines on Banning of business dealing".

#### **Section 6- Equal treatment of all Bidders/Contractors/Subcontractors**

(1) In case of Sub-contracting, the Principal Contractor shall take the responsibility of the adoption of integrity Pact by the Sub-contractor. (2) The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors. (3) The Principal will disqualify from the tender process all the Bidders who do not sign this Pact or violate its provisions.

#### **Section 7- Criminal charges against violating Bidder(s)/Contractor(s)/ Subcontractor(s)**

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Sub contractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

#### **Section 8- Independent External Monitor**

(1) The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under the agreement.

2) The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all Contract documents, whenever required. It will be obligatory for him/her

to treat the information and documents of the Bidders/Contractors as confidential. He/she reports to the Managing Director and CEO, Punjab National Bank.

(3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all project documentation of the Principal including that provided by the Bidder(s)/ Contractor(s). The Bidder(s)/Contractor(s) will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractor.

(4) The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality. The Monitor has also signed declarations on „Non-Disclosure of Confidential Information“ and of „Absence of Conflict of Interest“. In case of any conflict of interest arising at a later date, the IEM shall inform MD & CEO, Punjab National Bank and recuse himself/herself from that case.

(5) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and Contractor. The parties offer to the Monitor the option to participate in such meetings.

6) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

(7) The Monitor will submit a written report to the MD & CEO, Punjab National Bank within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.

(8) If the Monitor has reported to the MD& CEO, Punjab National Bank , a substantiated suspicion of an offence under relevant IPC/PC Act, and the MD & CEO, PNB has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.

(9) The word “Monitor” would include both singular and plural.

## **Section 9- Pact Duration**

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion future business dealings. If any claim is made/lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged determined by MD & CEO, PNB.

## Section 10- Other provisions

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the "Place of award of work".
- (2) The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of to the extant law in force relating to any civil or criminal proceedings.
- (3) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (4) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (5) Should one or several provisions of this agreement turn out to be valid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (6) Issues like warranty/Guarantee etc. shall be outside the purview of IEMs.
- (7) In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in the Integrity Pact will prevail.

(For & On behalf of the Principal)  
(Office Seal)

(For & On behalf of Bidder/Contractor)  
(Office Seal)

**Place**.....

**Date**.....

**Witness 1:** (Name & Address)

**Witness 2:** (Name & Address)

**AFFIDAVIT OF BIDDER**  
**(To be executed in a non-judicial stamp paper of Rs 100)**

We, the undersigned ("**Bidder**") are submitting our bid in respect of the Request for Proposal No [ ], Dated [ ] ("**Bid**") issued by the Punjab National bank, ("**Bank**") in relation to [ ] and in this connection we hereby solemnly affirm, declare and undertake as follows:

1. Details of the Bidder as disclosed in **Appendix-A** enclosed herewith are true and correct as on date.
2. There has been no conviction by any court of law or indictment/adverse order by any statutory or regulatory authority for a Grave Offence against us or any of our Indian Sister Concern(s) or any of our promoters or directors or that of our Indian Sister Concern(s) during the last ten years.
3. No enquiry/investigations for any Grave Offence is pending against us or any of our Indian Sister Concern(s) or any of our or our Indian Sister Concern's directors, managers and/or other Senior Managerial Personnel by any regulatory authority and/or government agency.
4. The details of enquiry/investigations for non-Grave Offenses pending against us/our Indian Sister Concern(s)/ our or our Indian Sister Concern's directors, managers and/or other Senior Managerial Personnel by any regulatory authority and/or government agency are disclosed in **Appendix-B** enclosed herewith.
5. There are no Conflict of Interest with respect to the Proposed Transaction as on date.
6. During the tenure of our engagement for the Proposed Transaction, we shall keep the Bank informed, without delay, of any situations, circumstances, relationships, possible source or potential areas of Conflict of Interest in the format enclosed as **Appendix-C** herewith and we shall not take up work in relation to any such assignment without obtaining prior approval of the Bank and granting of such approval shall be the sole discretion of Bank and shall be binding on us.
7. We ourselves and/or for/with or in association with or on behalf of or through any other Entity, shall not take up any advisory or consulting assignment or render any services on a similar transaction or any other transaction which could have a direct Conflict of Interest, in any manner or capacity to a Competitor of the Bank during the term of our engagement in respect of the Proposed Transaction without prior written approval of the Bank and granting of such approval shall be the sole discretion of Bank and shall be binding on us.
8. We have put in place a robust mechanism to resolve any Conflict of Interest situations and circumstances that may arise or result while conducting our business or rendering of services and where-so-ever any Conflict of Interest or potential for Conflict of Interest may arise, we shall take reasonable steps to resolve the same forthwith in a fair and equitable manner. During the term of our engagement we shall ensure to and continue to exercise adequate due diligence for identifying and removing any areas, source, situations and circumstances of conflict and mitigating the effects of such conflicts to the satisfaction of the Bank, in case any such Conflict of interest (or apparent conflict of interest) arises or results in relation to the Proposed Transaction.

9. We have laid down an internal code of conduct for governing our internal procedures and operations and have prescribed the standards of appropriate conduct for our employees and officers for carrying out their duties and responsibilities with a view to appropriately ensuring proper maintenance of professional excellence and standards with integrity, confidentiality, objectivity and have made provisions for identification, avoidance and resolution of conflict of interests and for disclosure of shareholdings and interests, etc., in terms of applicable laws.

10. We understand that:

In cases where existing Conflict of Interest (or apparent conflict of interest) is disclosed by us, the Bank would be entitled to initiate appropriate actions to eliminate or address or mitigate or neutralize the conflict through or by restricting or modifying the work to be performed by us in respect of the Proposed Transaction. Bank may also terminate our engagement:

i. for the Proposed Transaction, in whole or in part, if such termination is absolutely necessary in view of the Bank to avoid the appearance of a Conflict of Interest.

ii. The Bank would be entitled to terminate our appointment if any of the affirmation/declaration/undertaking given by us is found to be false or misleading in any manner or not adhered or fulfilled or complied by us.

iii. If at any time after our appointment as an Advisor, either we or any of our Indian Sister Concern(s) or the respective promoters/directors is convicted by a court of law in India or any indictment/adverse order is passed by a regulatory authority in India for a Grave Offence, we shall stand disqualified from continuing as Advisor to the Bank and shall be bound to inform them without any delay and shall voluntarily withdraw from the Proposed Transaction failing which the Bank may terminate our appointment after giving an opportunity of being heard.

#### **Definitions:**

Unless otherwise defined in this Affidavit, the following capitalized terms used herein shall have the meaning as set out below:

1. **Advisor** means the Bidder and includes bidder(s) who have been selected for the Proposed Transaction by the Bank in terms of the Bid.

2. **Conflict of Interest:** Conflict of interest in relation to the Proposed Transaction shall without limitation is deemed to exist or have arisen if:

i. The Advisor whether itself and/or for/with or in association with/or on behalf of or through any other Entity is engaged in any activity or business which would or may be reasonably expected to directly or indirectly, materially adversely affect the interest of the Bank or any such activity/association would or may impair his ability to render fair, impartial, technically sound and objective assistance or advice, or unbiased services or may result in it giving an unfair competitive advantage to any other person.

ii. The Advisor whether itself and/or for/with or in association with/or on behalf of or through any other Entity is engaged in advising and/or have taken up engagement for advising/consulting any other Entity whether under a formal engagement or otherwise in relation to any transaction/matter ("**Third Party Transaction**") which would or may be

reasonably expected to directly or indirectly, materially adversely affect the interest of the Bank.

iii. The Advisor has any business or financial interests in any other Entity that would impair, or give the appearance of impairing, impartial decisions in relation to Proposed Transaction, in offering any advice recommendations or in providing technical assistance or other services to the Bank as part of Advisor's engagement obligations/duties.

iv. In relation to a DIVESTMENT by the Bank, the Advisors has taken up engagement with buyer/potential buyer of such current strategic sale or their Sister Concerns.

v. Any other situation, possible source or potential areas of interests which may impair Advisor's ability to render fair, impartial, technically sound, and objective assistance or advice, or unbiased services on in conflict of their professional duties towards Bank in respect of the Proposed Transaction or result in it being given an unfair competitive advantage to any other person.

3. **Bank** means Punjab National bank and its subsidiaries/Joint Venture, Special Purpose Vehicle (SPV) or any other entity created during process of strategic DIVESTMENT.

4. **Competitor** of the Bank means an Entity that is engaged in the business substantially similar to the business of the Bank. Business of an Entity shall be deemed to be substantially similar to the business of the Bank if turnover or profit of such Entity from the business activity(ies) in which the Bank is engaged, exceeds 33% of its total turnover or profit (in any of the last three years).

5. **Consortium of Bidders** means a group of bidders bidding together. In case of consortium, the lead member of the consortium needs to be specified. The responsibility and liability of successful discharge of the obligations will be jointly and severally applicable on all members.

6. **Entity** shall mean and include an individual, proprietorship, HUF, an association of person/body of Individuals, a partnership firm, limited liability partnership, company or any other persons.

7. **Grave Offence** means offences of such nature that it materially affects the reputation, business or operations adversely or outrages the moral sense of the community and such other offences which may be considered by the Bank as grave on case to case basis after considering the facts and relevant legal principles.

8. **Proposed Transaction** means the transaction to be undertaken by the Bank as described in bid no. [●], issued by the Bank.

9. **Senior Managerial Personnel** means managing director, company secretary, chief executive officer, chief financial officer or persons having equivalent positions and all such other employees of the Entity who are members of its core management team and comprising all members of management one level below the executive directors and include the functional heads but excluding Board of Directors.

10. **Sister Concern** in relation to the Advisor, means any Entity in which the Advisor has a significant influence or which has "significant influence" over the Advisor and includes a group and a joint venture company. Significant influence" means holding of at least twenty percent or more of total voting rights or the power to participate in and influence the

management, financial or operating policy decisions of that Entity, or of business decisions under an agreement or has twenty percent profit sharing in such Entity.

**Appendix A, B and C** hereto shall constitute and shall be deemed to form an integral part of this document.



**BIDDER DETAILS****Name of the Bidder:****Addresses of Bidder:****Registered Office:****Corporate Office:****Tel/Email:****Constitution of the Bidder**

Company/Partnership/ LLP/ Others (If selected others, please provide the nature of constitution)

**SEBI registration no, if registered with SEBI****Details of registration with other professional statutory bodies**

**DETAILS OF PENDING ENQUIRY/INVESTIGATIONS**

S. No.	Name of the Sister Concern(s)/concerned person(s) against whom the enquiry/investigation has been initiated	Relationship with the bidder	Name of the investigating agency	Nature of pending enquiry/investigation and law under which the enquiry has been initiated	Brief facts/interim orders /other relevant information in respect of the pending enquiry/investigation

**Appendix-C****DETAILS OF PRESENT/POTENTIAL CONFLICTS/FACTS OR INTERESTS THAT MAY BE DEEMED AS POTENTIAL CONFLICT OF INTEREST**

S. No.	Name of the Entity, in which interests Conflicts exit/may arise	Relationship of the Bidder with the Entity	Nature/ reason of conflict/potential conflict	Duration of the subsistence of conflict, if any	Such other information as may be relevant and material in deciding whether there is a conflict/potential conflict of interest

**Confidentiality Undertaking**

It is certified that the documents/data/information pertaining to Punjab National Bank., which will be provided to [Name of the bidder] for counsel or otherwise related to it shall be treated as strictly confidential and will not be disclosed or handed over by [Name of the bidder] to any outside agency/person without prior written permission of the Bank.

It is further certified that the valuation reports and other relevant documents, which are to be submitted by [Name of the bidder] to the Bank will not be disclosed to any other agency/ person without prior permission of the Bank and will be treated as strictly confidential.

(Seal with signatures of authorized signatory of the Bidder)

**FORMAT OF UNCONDITIONAL BID ON THE LETTERHEAD OF THE BIDDER**

To,  
The Dy. General Manager  
Law Division  
Punjab National Bank  
New Delhi

Dear Sir,

This is to certify that the fee quoted by us for engagement as Legal Advisor for for proposed DIVESTMENT of entire stake of Punjab National Bank in Canara HSBC OBC Life Insurance Co. Ltd. (CHOICE) is in accordance with the terms and conditions laid down in the RFP of the Bank..... on the subject and is unconditional.

(Seal with signatures of authorized signatory of the Bidder)

**TENDER ACCEPTANCE LETTER**

(To be given on Company Letter Head)

Date:

To,

The Dy. General Manager  
Law Division  
Punjab National Bank  
New Delhi

Sub: Acceptance of Terms & Conditions of Tender.

RFP/Tender Reference No: \_\_\_\_\_

Name of Tender / Work: -

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

1. I / We have downloaded / obtained the tender document(s) for the above mentioned 'Tender/Work' from the web site(s) namely: as per your advertisement, given in the above-mentioned website(s).

2. I / We hereby certify that I/we have read the entire terms and conditions of the tender documents from Page No. \_\_\_\_\_ to \_\_\_\_\_ (including all documents like annexure(s), schedule(s), etc .), which form part of the contract agreement and I / we shall abide hereby by the terms/conditions/clauses contained therein.

3. The corrigendum(s) issued from time to time by your organization too has also been taken into consideration while submitting this acceptance letter.

4. I / We hereby unconditionally accept the tender conditions of above mentioned tender document(s) / corrigendum(s) in its totality / entirety.

5. I / We do hereby declare that our Firm has not been blacklisted/ debarred by any Govt. Department/Public sector undertaking.

6. I / We certify that all information furnished by our Firm is true & correct and if the information is found to be incorrect/untrue or found violated, then your organization shall without giving any notice or reason therefore or summarily reject the bid or terminate the contract, without prejudice to any other rights or remedy including the Bank pursuing other legal remedies available to it under law.

Yours Faithfully,

(Seal with signatures of authorized signatory of the Bidder)

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