

**REQUEST FOR PROPOSAL**

**SELECTION OF  
REGISTRAR  
IN  
PROPOSED  
INITIAL PUBLIC OFFERING OF  
GENERAL INSURANCE CORPORATION OF INDIA (GIC Re)**

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Date: 1<sup>st</sup> August, 2017

**ENGAGEMENT OF REGISTRAR FOR FRESH ISSUE OF SHARES AND DISINVESTMENT IN GENERAL INSURANCE CORPORATION OF INDIA THROUGH INITIAL PUBLIC OFFERING IN THE DOMESTIC MARKET – REQUEST FOR PROPOSALS**

**1. Introduction**

- 1.1 The entire general insurance business in India was nationalised by General Insurance Business (Nationalisation) Act, 1972 (“GIBNA”). The Government of India (“GOI”), through Nationalisation took over the shares of 55 Indian insurance companies and the undertakings of 52 insurers carrying on general insurance business. General Insurance Corporation of India (hereinafter referred to as the “Company” or “GIC Re”) was formed in pursuance of Section 9(1) of GIBNA.
- 1.2 GIC Re was incorporated on November 22, 1972 under the Companies Act, 1956 as a private company limited by shares. GIC Re was formed for the purpose of superintending, controlling and carrying on the business of general insurance. As soon as GIC Re was formed, GOI transferred all the shares it held of the general insurance companies to GIC Re.
- 1.3 Simultaneously, the nationalised undertakings were transferred to Indian insurance companies. After a process of mergers among Indian insurance companies, four companies were left as fully owned subsidiary companies of GIC Re.
- National Insurance Company Limited.
  - The New India Assurance Company Limited.
  - The Oriental Insurance Company Limited.
  - United India Insurance Company Limited.
- 1.4 The next landmark happened on April 19, 2000, when the Insurance Regulatory and Development Authority Act, 1999 (“IRDAI”) came into force. This Act also introduced amendment to GIBNA and the Insurance Act, 1938. An amendment to GIBNA removed the exclusive privilege of GIC Re and its subsidiaries carrying on general insurance in India.
- 1.5 In November 2000, GIC Re was renotified as the Indian Reinsurer and through administrative instruction, its supervisory role over the four subsidiaries was ended. With the General Insurance Business (Nationalisation) Amendment Act 2002 (40 of 2002) coming into force from March 21, 2003, GIC Re ceased to be

a holding company of its subsidiaries. The ownership of the four erstwhile subsidiary companies and also of the General Insurance Corporation of India was vested with Government of India.

- 1.6 As the Indian reinsurer, GIC Re provides reinsurance support to the 54 direct general and life insurance companies, both public and private, in the Indian market. GIC Re has also emerged as an effective reinsurance solutions provider for international markets and has now become a leading global reinsurance company and very aptly called 'The Indian Reinsurer with a Global Footprint'. Internationally, GIC Re leads the reinsurance programmes of insurance companies in SAARC region, African countries and the Middle East.
- 1.7 To offer its international clientele an easy accessibility, efficient service and tailor made reinsurance solutions; GIC Re has opened branch offices in London, Dubai and Malaysia and a Representative office in Moscow. GIC Re is also present in the Latin American market with an 'Eventual Reinsurer' status in Brazil. It also reinsures life insurance risks in India. During 2015-16, international business contributed 45% to its revenue
- 1.8 The authorized and paid-up share capital of the Company are Rs. 1,000 crores and Rs. 430 crores, respectively, as at March 31, 2016. Presently, the entire share capital is held by the Government of India.
- 1.9 The net worth of the Company as on March 31, 2016 was Rs. 38,281 crores (inclusive of Fair value change Account). The Profit Before Tax and Profit After Tax of the Company for the year ended March 31, 2016 was Rs.2,957 crores and Rs.2,848 crores, respectively.

## 2. **Proposal**

- 2.1 GIC Re will be going for an Initial Public Offer of Equity Shares with face value of ₹ 5 each to the Public ("IPO") in the domestic market. The size of the IPO offer, its structure shall be decided by the Government of India/GIC Re in consultation with the selected BRLM's and Legal Advisors subject to Regulatory requirements.

## 3. **Scope of work of Registrar**

The scope of work of the Registrar for the IPO is given in Annexure I

## 4. **Eligibility Criteria**

- 4.1 To be eligible for the above transactions, the Registrar should have following qualifications:

- i. Should be Category I SEBI Registered Registrar, with validity covering at least next 6 months. (Please provide a copy of the certificate while submitting the proposal).
- ii. Clean Track Record: Should not have been debarred from SEBI in the past 3 Years (self-certified and submitted along with the proposal).
- iii. (a) Maintained at least 1,00,000 folios on 31.03.2017 OR  
(b) Handled a minimum number of 1000 application during the period 01/04/2016 to 31/03/2017 in any one transaction of IPOs, FPOs SME IPOs and Debt offers. **(Details to be furnished in envelope 1)**
- iv. Past track record of handling of IPO/FPO.
- v. Should have adequate financial net worth and profit record in all the past three years.
- vi. Having the functional work site at Mumbai.
- vii. Technology for Client/Investor servicing (dissemination of information on allotments/refunds through website, IVRS, Reports, Alerts, web access to data base to Company, etc.)
- viii. Technical infrastructure- Data base maintenance, Redundancy in capacity, scalability, DRS and BCP, data security, achieve and retrieval, communication, Voice data management, integrity and validation.
- ix. Dispatch arrangements- SELF GPC or through mailing agents.

## 5. **Proposal Format**

Interested firms are requested to submit their proposal in the format given below:

### **A. Experience and Capability in handling Initial/Further Public Offering: (Weighted for evaluation 25/100)**

- i. Profile of the Organisation
- ii. Capabilities, capacity and previous experience of the Firm and expertise in handling such assignments
- iii. Details of offerings handled
- iv. Demonstrate the ability to work with Government and GIC Re in coordination with BRLM's and other intermediaries as part of team

### **B. Infrastructure & Manpower (Weighted for evaluation 25/100)**

- i. Details of Infrastructure facilities like office, manpower etc.
- ii. Detailed profile of the core and support teams (CVs of each team member detailing qualification and relevant experience) that will be deployed on the assignment in the event of selection
- iii. Area of work site, storage facilities

**C. Understanding the Regulatory framework (Weighted for evaluation 20/100)**

- i. Demonstrate understanding of the legal, policy, regulatory and procedural issues in Public Offerings i.e. SEBI, Companies Act, FDI, IRDAI etc.
- ii. Indicate your expertise in handling the regulatory requirements including investors grievances redressal and coordinating with the stock exchanges/BRLMs/SEBI/IRDAI etc.

**D. Indicative Timeline (Weighted for evaluation 10/100)**

- i. The transaction is proposed to be completed in the current Year. Demonstrate ability to deliver in accordance with tight timetable requirements and ability to commit key personnel for the entire duration of the transaction

**E. Strategy for the Initial Public Offering (Weighted for evaluation 20/100)**

- i. Indicate intended approach to the proposed transaction including the sequencing of the transaction

**6. Submission of Proposal**

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

- a) **Envelope 1:** Containing the technical bid (with self-certification/supporting documents) as per format in paragraph 5, and eligibility as per para 4.1 to be opened in the presence of bidders on 11<sup>th</sup> August 2017 at 12.00 noon in the "Suraksha", 170, Jamshedji Tata Road, Churchgate, Mumbai - 400 020. The bidders are also required to send technical bid through soft copy to GIC Re after the opening the bids.
- b) **Envelope 2 (Sealed):** Containing the Financial Bid, to be opened only after the presentations and of only those parties who qualify in technical bid. The bids will be opened in the presence of bidders (who are technically qualified based on presentation) immediately after the presentations. Bids with conditionality will be summarily rejected.

6.2 The proposal (both envelopes) can be submitted latest by **12.00 noon** on **11<sup>th</sup> August 2017** to Smt. Suchita Gupta, Deputy General Manager & Company

Secretary, 3<sup>rd</sup> floor "Suraksha", 170, Jamshedji Tata Road, Churchgate, Mumbai - 400 020 in hard copies in original duly signed by the authorized officer of the Registrar. No proposal will be entertained after the appointed time and date. The Corporation will not be responsible for any postal/courier delay. The proposals received after the appointed time and date will be rejected.

- 6.3 The Corporation reserves the sole right to accept or reject any or all proposal thus received without assigning any reason thereof.

#### **6.4 PRE-BID MEETING**

General Insurance Corporation of India will hold a pre-bid meeting on a date; time to be intimated in advance at its office at "Suraksha", 170, J T Road, Churchgate, Mumbai 400020 to address any queries of the Bidders pertaining to the RFP. The Bidders are expected to use the platform to have all their queries answered. The Bidder is expected to submit all the queries before the dates mentioned in Time Frame. GIC Re will allow a maximum of two representatives from each bidder.

#### **TIME FRAME**

The following is the timeframe for the overall selection process. The Corporation reserves the right to revise/modify this timeframe at its absolute and sole discretion and without providing any notice/intimation or reasons thereof to any of the Bidders. Changes to the timeframe will be conveyed to the affected Bidders during the process.

RFP notification	1 <sup>st</sup> August 2017
Last date for submitting queries	4 <sup>th</sup> August 2017
Pre-Bid meeting date	7 <sup>th</sup> August 2017, 3.00 PM
Last date of RFP submission	11 <sup>th</sup> August 2017, 12.00 Noon
Presentation by Bidders	11 <sup>th</sup> August 2017, 03.00 PM

#### **7. Evaluation Process**

- a) Qualified interested firms will be required to make a presentation in respect of their proposal before Selection committee of the Corporation at a time and venue to be advised in due course.
- b) The schedule of presentation will be advised in due course.
- c) The selection committee will evaluate the applicants on the criterion mentioned in paragraph 5 above and based on their proposal and

presentation; short list them for considering their financial bids. The financial bids of the parties scoring minimum marks as decided by the Selection committee for Technical Evaluation will only be opened. The technically shortlisted party which quotes the lowest fee for transaction would be selected as Registrar to the IPO of the Corporation.

- d) In case of tie in the lowest financial bid, the marks awarded in the technical evaluation will decide the successful bidder i.e. the bidder who has got the highest mark in technical evaluation will be awarded the work.

## 8. Requirements of Financial Bids

(a) The bidders should submit the financial bid in the format attached as '**Annexure II**'. The lumpsum 'fee quoted' should not be less than Re. 1/- and should be in the multiple of Re. 1/- thereafter.

### **Note:**

- i. The fee quoted should be unconditional and inclusive of all expenditure included in the scope of work for the IPO/ FPO process and shall also include activities that are **incidental or are associated** in the defined scope. All taxes and levies as applicable from time to time shall be borne by the Bidder.
  - ii. All Postage charges on **activities associated with IPO/FPO shall be borne by the Registrar and shall be factored in the fee quoted.**
  - iii. The bidder cannot prescribe any time limit for validity of financial bid.
  - iv. The GIC Re reserves the right to call off the transaction at any stage without assigning any reasons thereof.
9. For any further clarification, contact Smt. Suchita Gupta, Deputy General Manager & Company Secretary, General Insurance Corporation of India, "Suraksha", 170, Jamshedji Tata Road, Churchgate, Mumbai - 400 020; Tel. No.: +91-22-22867307; E-mail: suchitag@gicofindia.com.

**SCOPE OF WORK OF REGISTRAR FOR IPO**

- i. Preparing Anchor CAN's post Anchor allocation in case issuer undertakes an Anchor issue.
- ii. Opening the escrow demat account and facilitating the transfer of the offer for sale shares of the selling shareholder in the demat escrow account prior to the opening of the issue.
- iii. Giving instruction to the depository to activate lock in for the pre offer capital (as per ICDR Regulations) and Anchor lock in.
- iv. Ensuring bid cum application forms from various locations are accepted by SCSB's from Brokers/Investors/Registered Intermediaries.
- v. Collection of the electronic bid data from Stock Exchanges after offer closure
- vi. Collection of aggregate data in relation to the total number of ASBA applications uploaded by self-certified Syndicate Banks (SCSB's) and total number of equity shares and the total amount blocked against the uploaded ASBA applications, from each SCSB.
- vii. Reconciliation of the compiled data collected from the Stock Exchanges with the data collected from SCSB's.
- viii. Matching the DP ID, Client ID and PAN specified in the reconciled data with the depository database.
- ix. Identifying bids of rejection in respect of which DP ID, Client ID and PAN in the reconciled/rectified data does not match with details in the depository's database as well as weeding out multiple applications.
- x. Keeping proper record of bids and monies received from bidders
- xi. Keeping accurately, at all times the electronic records related to the ASBA application received from all SCSB's/members of the syndicate/sub syndicate and taken from the online public offer system of the stock exchanges including particulars relating to the (a) Allocation and allotment of equity shares against valid applications (b) Public Offer Account (b) rejected/unsuccessful ASBA applications.
- xii. Deleting details of the Bids submitted by the ASBA Bidders which have been withdrawn after the Bid/Offer Closing date.
- xiii. Coordinating with the escrow collection bankers for submission of provisional and final certificate and SCSB's for submission of final certificates, after taking into account rectifications, if any.
- xiv. Coordinating with the concerned depository and ensure that number of Equity Shares allocated to each category of bidders is correct in all respect.
- xv. Providing correct data in time for determination and finalisation of the basis of allocation and allotment in coordination with the designated stock exchange.
- xvi. Post communication of the basis of allotment, preparation of list of allottees.
- xvii. Dispatch of allotment advice cum intimation, credit of shares to the allottees
- xviii. Carrying out and complying with the procedures for monitoring activities of the intermediaries.



- xix. Ensuring that proper grievance handling mechanism is in place at its office during the offer period and after closing of the offer, as per regulations.
- xx. Settling investor complaints and grievances in timely manner and maintain their records.
- xxi. Assisting the selling shareholder/GIC Re by providing necessary reports etc. and complying with the formalities of the designated Stock Exchange.
- xxii. Prepare the schedules in relation to listing application.
- xxiii. Arranging to obtain certificates from Auditors, Practicing Secretary with regard to securities under a "Lock in Period", if any, and also that allotment as having been made only as per the approved Basis of Allotment, by the Designated Stock Exchange.
- xxiv. Consolidating the list of Subscription received through Syndicate members and evaluating their performance. Prepare statement of selling commission payable, if any, and arrange for their dispatch.
- xxv. Finalizing various post IPO monitoring reports such as three day report and initial post issue report, final post issue monitoring report along with the relevant documents/certificates to be submitted to SEBI within the stipulated time in consultation with BRLMS's and the GIC Re.
- xxvi. Performing such other functions, duties, obligations and services as are required under applicable law (including the rules and regulations prescribed by SEBI) in respect of the offer, including, but not limited to, such functions, duties, obligations and services as may be more specifically set forth in agreement to be entered into in terms of the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended.

**FINANCIAL BID**

Lump Sum fee quoted:  
(Inclusive of taxes & levies) (In figure)  
(in words)

**Note:**

- i) The lumpsum 'fee quoted' should not be less than Re. 1/- and should be in the multiple of Re. 1/- thereafter
- ii) Fee quoted should be specified in words and figures. In case of discrepancy, fee quoted in words would be considered valid.
- iii) GIC Re shall not be liable to payment of any amount, other than 'fee quoted' in respect of any activity, defined in scope of work or activities/process incidental/ associated thereof.
- iv) Please refer to para 8 for requirements of financial bids.

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No. 5/3/2011-  
Policy Government  
of India Ministry of  
Finance  
Department of  
Disinvestment

Block 14, CGO  
Complex, Lodhi Road, New  
Delhi- 110003

Dated the 8<sup>th</sup> June, 2011

**OFFICE**  
**MEMORANDUM**

**Subject: Guidelines for qualification of Advisers for disinvestment process.**

In order to inspire public confidence in the selection of Advisers through competitive bidding, the Government had framed comprehensive and transparent guidelines defining the criteria for their selection. In addition to using a set of criteria like sector experience, knowledge, commitment etc., additional criteria for qualification/disqualification of the parties to act as Advisers to the Government for disinvestment transactions were prescribed by the Department of Disinvestment vide its O.M. No. 5/3/2011 – Policy dated 2.5.2011.

2. In supersession of the above-mentioned O.M. of this Department, the revised criteria for qualification/disqualification of the parties to act as Advisers for disinvestment transactions would be as under:

- (a) Any conviction by a Court of Law or indictment/adverse order by a regulatory authority for a grave offence against the Advising concern or its sister concern would constitute a disqualification. Grave offence would be defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of offence would be taken on a case-to-case basis after considering the facts of the case and relevant legal principles by the Government. Similarly, the decision in regard to the relationship between the sister concerns would be taken based on relevant facts and after examining whether the two concerns are substantially controlled by the same person/persons.
- (b) In case such a disqualification takes place, after the entity has already been appointed as Adviser, the party would be under an obligation to withdraw voluntarily from the disinvestment process, failing which the Government would have the liberty to terminate the appointment/contract.

- (c) Disqualification shall continue for a period that Government deems appropriate.
- (d) Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.
- (e) The disqualification criteria would come into effect immediately and would apply to all the Advisers already appointed by the Government for various disinvestment transactions, which have not yet been completed.
- (f) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.
- (g) Henceforth, these criteria will be prescribed in the advertisements seeking Expressions of Interest (EOI) from the interested parties to act as Adviser. Further, the interested parties shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against the CEO or any of its Directors/Managers/Employees, full details of such investigation including the name of the investigating agency, the charge/offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, similar undertaking will be obtained along with EOI. They would also have to give an undertaking that if they are disqualified as per the prescribed criteria, at any time before the transaction is completed, they would be required to inform the Government of the same and voluntarily withdraw from the assignment.
- (h) The interested parties would also be required to submit a list of or disclose any mandated transactions which are in the same line of business as that of the Company (being disinvested) in respect of any transaction of same nature as the transaction for which the Government and/or the Company (being disinvested) is proposing to select or have appointed the Adviser and confirm in writing that there exists no conflict of interest as on the date of submitting their proposal for appointment/ their appointment as Advisers in handling of the transaction and that, in future, if such a conflict of interest arises, the Adviser would immediately intimate the Government/Company (being disinvested) of the same.

The Government/Company (being disinvested) shall at its sole discretion after providing due and reasonable opportunity decide whether such future conflict of interest shall materially adversely affect the interest of the Government and the Company (being disinvested) in relation to the transaction and shall be entitled to grant the consent to the Adviser to continue as Adviser or terminate the appointment of the Adviser. For disinvestment purposes, conflict of interest is defined to include engaging in any activity or business by the

Adviser in association with any third Party, during the engagement, which would or may be reasonably expected to, directly or indirectly, materially adversely affect the interest of Government of India and/ or the Company (being disinvested) in relation to the transaction, and in respect of which the Adviser has or may obtain any proprietary or confidential information during the engagement, that, if known to any other client of the Adviser, could be used in any manner by such client to the material disadvantage of Government of India and/ or the Company (being disinvested) in the transaction.

- (i) The conflict of interest would be deemed to have arisen if any Adviser in respect of the transaction is appointed by a third party for advising or acting on behalf of or associated with any other person or entity (including any company, partnership, proprietary concern or individual or an HUF or association of persons or body of individuals) which is engaged in the same line of business as that of the Company (being disinvested), in respect of any transaction of same nature as the transaction for which the Government and/or the Company (being disinvested) is proposing to select or have appointed the Adviser. Further, the decision of the Government/Company (being divested) as to whether such other person or entity is engaged in the same line of business as that of the Company being disinvested, shall be final and binding on the Adviser.
- (j) The conflict of interest would also be deemed to have arisen if any Adviser firm/ concern has any professional or commercial relationship with any bidding firm/ concern for the same disinvestment transaction during the pendency of such transaction. In this context, both Adviser firm and bidding firm would mean the distinct and separate legal entities and would not include their sister concern, group concern or affiliates etc. The professional or commercial relationship is defined to include acting on behalf of the bidder or undertaking any assignment for the bidder of any nature, whether or not directly related to disinvestment transaction. (This clause is applicable in strategic sale only).
- (k) The interested parties would also be required to give information and disclose that as on the date of submitting their proposal for appointment/ their appointment as Advisers in respect of the transaction, they are advising or acting on behalf of or associated with any other person or entity (including any company, partnership, proprietary concern or individual or an HUF or association of persons or body of individuals) which is engaged in the same line of business as that of the Company (being disinvested), in respect of any transaction of same nature as the transaction for which the Government and/or the Company (being disinvested) is proposing to select or have appointed the Adviser.

In the event the Adviser fails to disclose that it is advising or acting on behalf of or associated with any other person or entity which is engaged in the same line of business as that of the Company (being disinvested), in respect of any transaction of same nature as the transaction for which the Government and/ or the Company (being disinvested) is proposing to select or have appointed the Adviser, at the time of giving the afore-mentioned undertaking, the Government/Company (being disinvested) shall be entitled to terminate their appointment. Before terminating the appointment, a show

cause notice stating why its appointment should not be terminated would be issued giving it an opportunity to explain its position.

- (l) For a period commencing from the date of appointment of the Adviser till the completion of the transaction, the Adviser shall keep the Company/ Government informed of any mandate/contract entered into to advise or act on behalf of or associate itself with, any other person or entity (including any company, partnership, proprietary concern or individual or an HUF or association of persons or body of individuals) which is engaged in the same line of business as that of the Company being disinvested, in respect of any transaction of same nature as the transaction in respect of which the Adviser has been appointed as the Adviser. Provided that, if six months or more have elapsed from the date of appointment as Adviser to the government disinvestment transaction, the Adviser would normally be permitted by the Government/Company (being disinvested), save for exigent circumstances. The decision of the Government/Company (being disinvested) in this regard shall be final and binding on the Adviser. Further, the decision of the Government/Company (being divested) as to whether such other person or entity is engaged in the same line of business as that of the Company being disinvested, shall be final and binding on the Adviser.
- (m) For the purpose of clauses (k) and (l) above, the 'nature' of transaction may include, but not be limited to, a capital market transaction which in turn could include, but not be limited to, a domestic offering of shares or any other security, whether by way of initial public offer or further public offer or qualified institutions placement or issue of IDRs or by any other manner, as well as the international offering of securities, whether by way of issue of ADRs, GDRs or FCCBs or by any other manner.
- (n) In the event the Adviser fails to obtain the prior written consent of the Government/Company (being disinvested) as aforesaid, the Government/ Company (being disinvested) shall be entitled to terminate the appointment of the Adviser. Before terminating the appointment, a show cause notice stating why its appointment should not be terminated would be issued to the Adviser giving it an opportunity to explain its position.

**(V.P. Gupta)**  
**Deputy Secretary to the Government of**  
**India**  
**Tel: 2436 8036**