

# REQUEST FOR PROPOSAL



## SELECTION OF BOOK RUNNING LEAD MANAGERS IN PROPOSED INSTITUTIONAL PLACEMENT PROGRAMME (IPP) / QUALIFIED INSTITUTIONAL PLACEMENT (QIP)

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*This document is meant for the exclusive purpose of Bidding as per the Specification Terms ,  
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## 1. DEFINITIONS

- 1.1. **'Bid'** shall mean an offer made to MRPL in response to the RFP document. This includes the technical submission and financial quote. Bid may be interchangeably referred to as 'Offer' or 'Proposal'.
- 1.2. **'Bidder'** shall mean a vendor submitting the Proposal in response to the RFP for acting as Book Running Lead Manager (BRLM) in the proposed Institutional Placement Programme / Qualified Institutional Placement of the Company.
- 1.3. **'MRPL' or the 'Company' or the 'Issuer'** means 'Mangalore Refinery and Petrochemicals Limited', which term shall include its successors and assigns.
- 1.4. **'RFP' or 'RFP document' or 'Tender'** means the Request for Proposal document including all appendices, annexures and addendum, if any.
- 1.5. **'Appointed Date and Time'** means 01/03/2018 to 15/03/2018 from 1000 hours to 1600hours.



**Request for Proposal ("RFP") for acting as Book Running Lead Manager ("BRLM") in the proposed Institutional Placement Programme ("IPP") / Qualified Institutional Placement (QIP) of Mangalore Refinery and Petrochemicals Limited**

**2. ABOUT THE COMPANY**

2.1. Mangalore Refinery and Petrochemicals Limited is a Company incorporated under the provisions of the Companies Act 1956, having its registered office at Mudapadav, P.O., Kuthethoor, Via- Katipalla, Mangalore-575030.

Incorporated on 7<sup>th</sup> March 1988, MRPL is a schedule 'A' Miniratna, Central Public Sector Enterprise (CPSE) under the Ministry of Petroleum & Natural Gas and is a subsidiary of Oil and Natural Gas Corporation Limited(ONGC). It currently operates a refinery located at Mangalore, with a nameplate capacity of 15 MMTPA. The Company is involved in the production of liquid or gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum, and manufacture of other petroleum products, such as bitumen. Its products include pet coke, liquefied petroleum gas, fuel gas, mixed xylene, high speed diesel (HSD), vacuum gas oil (VGO) and automatic transmission fluid (ATF). It also operates retail outlets. It offers Petroleum and petrochemical products to consumers in various industries, such as mining, power, agriculture, fertilizers and paint.

MRPL also has a subsidiary, ONGC Mangalore Petrochemicals Limited(OMPL), in which MRPL holds 51% and balance 49% is held by ONGC. OMPL has set up an Aromatic complex with an annual capacity of 914 KTPA of Para-xylene and 283 KPTA of Benzene in Mangalore Special Economic Zone.

2.2. The paid-up capital of the Company as on 31st March, 2017 is Rs. 1752.6 Crore divided into 1,75,25,98,777 shares of Rs.10/- each. Presently, ONGC and HPCL hold 71.63% and 16.96% respectively of the paid-up equity capital of the Company and balance is held by the public. The equity shares of Company is listed at BSE and NSE.

**3. PROPOSAL**

- 3.1. To comply with the Minimum Public Shareholding (MPS) norms, MRPL is required to raise public shareholding from 11.41% to 25% via Institutional Placement Programme (IPP) / Qualified Institutional Placement (QIP), an allowable mode under MPS norms by fresh issue of shares. The Company intends to initiate the work relating to appointment of Book Running Lead Manager ("BRLM") and other intermediaries to prepare the requisite documents and to undertake other related activities in relation to the IPP/QIP.
- 3.2. The Company wishes to invite proposals from interested registered Category - I Merchant Bankers to whom this RFP is addressed (hereinafter referred to as "the Merchant Bankers/Bidders/Lead Managers/BRLM") to act as BRLM in the proposed IPP/QIP of the Company through this RFP Document.
- 3.3. Proposals are hereby invited from reputed Category - I Merchant Bankers registered as such with the SEBI, to whom this RFP is addressed, independently and not in consortium, having a valid certificate, with experience and expertise in handling capital market issues including Public Issues, Rights Issue, Qualified Institutional Placement ("QIP"), Offer for Sale ("OFS"), Institutional Placement Programme



("IPP") (herein after referred as "Public Offering") and fulfilling eligibility criteria to assist, advise the Company in execution of the IPP process.

- 3.4. The Company will select and appoint Merchant Bankers with requisite experience in Public Offering, who together will be designated as BRLMs. The BRLMs, in consultation with the Issuer, will form a syndicate as required under the applicable law, guidelines & regulations.
- 3.5 The Company will pay all the Regulatory fees involved in the proposed issue like Stock Exchange fees etc.

#### **4. SCOPE OF WORK**

During the term of the Engagement, the BRLMs' role will include the following:

- 4.1. Structure the "Institutional Placement Programme" / Qualified Institutional Placement in conformity with the prevailing framework and Guidelines / Regulations of SEBI, SEBI (ICDR) Regulations, the Stock Exchanges and Securities Contract (Regulation) Act, 1956, Securities Contract (Regulation) Rules 1957 , SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013 and the rules made under above statutes.
- 4.2. Undertake due diligence activities and prepare the Offer Document and complete all stipulated requirements & formalities of regulatory/ statutory authorities.
- 4.3. Undertake filing of the Offer Document with SEBI / Stock Exchanges / ROC.
- 4.4. Advise on the regulatory norms and assist in securing approval and exemptions, wherever necessary, from various regulatory agencies such as SEBI, Stock Exchanges, RBI, FIPB etc.
- 4.5. Conduct pre-market survey, road shows to generate interest amongst prospective investors. Arrange meetings with the key investors, facilitate communication about the growth potential of the Company and articulate the key marketing themes & positioning of the Company.
- 4.6. Undertake market research, assist in the pricing of the Issue, allocation of shares and provide after sale support, etc.
- 4.7. Undertake all responsibilities and perform all activities connected with the "Institutional Placement Programme" / "Qualified Institutional Placement".
- 4.8. Assist in selection of intermediaries to be appointed by the Company and coordinate the work of all intermediaries.
- 4.9. Prepare and approve the statutory advertisements for publication.
- 4.10. Organize road shows, both domestic and international.
- 4.11. Advise the Company on the timing and the modalities of the "IPP/QIP".
- 4.12. Ensure optimum return to the Company.
- 4.13. Shall enter into the requisite agreements i.e. Offer Agreement, Syndicate Agreement, Agreement with Registrar Advt. agency agreement, Escrow Agreement, Placement Agreement etc. as may be applicable.
- 4.14. Ensure completion of all post issue related activities as laid down in the SEBI Regulations.
- 4.15. Any other activities required for the purpose of issuing shares on IPP / QIP mode.
- 4.16. Render such other assistance as may be required in connection with the IPP / QIP.

#### **5. ELIGIBILITY CRITERIA**

- 5.1. Bidders should be a registered Category - I Merchant Banker holding valid certificate issued by SEBI and are qualified to undertake the IPP / QIP work. The certificate of registration with SEBI should remain valid till the completion of all activities relating to the IPP / QIP.



- 5.2. The bidding Merchant Bankers should not have been prohibited by any regulatory authority in offering such services and should not have been blacklisted / debarred by any authority in the past.
- 5.3. The bidding Merchant Bankers should give an undertaking that no action has been initiated by SEBI/CVC/RBI or any other government / statutory agency with regard to any financial irregularities.
- 5.4. The interested Bidders fulfilling eligibility criteria mentioned above are advised to furnish an undertaking and declarations as mentioned in Annexure II as a part of the proposal.

## **6. SUBMISSION OF PROPOSAL**

Proposals are required to be submitted as per the following directions:

### **6.1. Envelope 1 (unsealed) containing the following:**

- i) A letter authorizing the person to sign the proposal and other documents on behalf of the Bidder;
- ii) Certificate in format (Refer Annexure- I);
- iii) Certificate/ Declaration (Refer Annexure- II);
- iv) Copy of valid certificate of Category -1 Merchant Banker issued by SEBI, duly certified by the person authorized to sign the proposal.
- v) Integrity Pact (Refer Annexure -III)

**6.2. Envelope 2 (sealed) to be superscribed as "Technical Bid" containing the Technical Bid as per Proposal Format as mentioned in clause 7 hereunder, to be opened in the presence of the Bidders. The bidders are also required to send technical bid through soft copy to the Company after the opening of the bids.**

**6.3. Envelope 3 (sealed) to be superscribed as "Price Bid" containing the Financial Bid, to be opened only after the technical evaluation. The bids will be opened in presence of the Bidders at a pre notified date and time.**

The proposal (all three envelopes) shall be addressed to "Company Secretary", Mangalore Refinery and Petrochemicals Limited, 7<sup>TH</sup> Floor, Core 8, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi- 110003. The proposal can be submitted by dropping the proposal in the drop box kept at the above mentioned New Delhi address, between 1000 hours to 1600 hours from 01/03/2018 to 15/03/2018 (both days inclusive). The proposal should be submitted in hard copies in original, duly signed by the authorized officer of the Merchant Banker latest by 1600 Hours on 15/03/2018.

No proposal will be entertained after the appointed time and date i.e. 1600hrs on 15/03/2018.

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

6.5. Non Submission of all the three envelopes will liable to be rejected.

6.6. The bid shall be opened at MRPL New Delhi office at 1700 hrs on 15/03/2018.



## 7. PROPOSAL FORMAT

The proposals are to be submitted in detail as indicated in the following sections. The weightage for evaluation of the Merchant Bankers in respect of each criterion has been indicated against each section.

Section	Description	Weightage
A	<p><b>Experience and Capabilities in Public Issues as Merchant Banker(s)</b></p> <p>i) Profile of the organization with full particulars of the constitution, ownership and business activities of the prospective Merchant Banker(s)(Bidder)</p> <p>ii) Credentials - Experience of managing Capital Market issuances as merchant bankers or global coordinators</p> <p>iii) Unabridged Annual reports or audited financial accounts for the last three years of the Bidder submitting the proposal</p> <p>iv) Amount raised by way of IPO, FPO, Rights, OFS, QIP, IPP from 1/1/2015 to 31/12/2017 (to be furnished in the format given in <b>Annexure IV</b>)</p> <p>v) Details of all pending litigation and contingent liabilities, if any, should be indicated. Details of post-conviction and pending litigation against them/their directors etc., if any and areas of possible conflicts of interest(to be furnished in the format given in <b>Annexure V</b>)</p>	15%
B	<p><b>Sector Expertise and Research Capability</b></p> <p>i) Research strength within the country and globally</p> <p>ii) Number of companies under coverage in oil and gas space</p> <p>iii) Background of research team</p>	15%
C	<p><b>Experience and Understanding of MRPL</b></p> <p>i) Prior engagement with MRPL including advisory/fund raising</p> <p>ii) Understanding of the positioning and valuation of MRPL</p> <p>iii) SWOT Analysis of the Company</p>	15%
D	<p><b>Number of IPPs, QIPs, OFS issues handled from 01/01/2015 to 31/12/2017</b></p>	15%
E	<p><b>Deal team Qualification and Manpower Commitment to the deal</b></p> <p>i) Details of the core team that will be handling the proposed issue, their status in the organization, their background, qualification, experience and contact details. Separately similar details in respect of the supervisory team to be indicated</p> <p>ii) Quality of deal team and its ability to handle the issues that had arisen during the transactions</p>	10%



	iii) Details of other professionals who would provide back up support may also be indicated separately. An undertaking is also to be given that if during the process, any of the core team members is not available due to resignation, etc., another person of similar qualification and experience would be made available.	
F	<b>Marketing strategy</b> i) Optimal syndicate structure suggested to maximize quality and quantity of demand ii) Strategy of pre-marketing iii) Proposed road show venues and reasons for suggesting the same iv) Demand analysis and aspects influencing demand v) Strategy for marketing and identification of target investor groups vi) Indicative time schedule for launching the proposed issue with break-up of all activities to be undertaken by various agencies involved in the process	10%
G	<b>India Presence and Commitment</b> A brief note evidencing the Bidders presence in India in both qualitative and quantifiable terms with specific reference to research teams and details of available infrastructure may be furnished. The details shall include manpower deployed in the investment banking (equity segment), offices in India and other relevant information. The distribution network strength to elicit maximum retail participation should be indicated.	10%
H	<b>Equity Sales and Distribution Capacity</b> i) Indicate domestic and global distribution network	10%

## 8. PROCEDURE FOR SELECTION OF BRLMs

- 8.1. The marks scored by all the Bidders in the technical evaluation will then be given a weightage of 80. Similarly, the Financial Bids of the Bidders will be given a weightage of 20. The combined score of Technical and Financial Bids will determine the H1 (bidder scoring highest point / marks), H2 and H3. Company will select upto 3 (Three) BRLMs who agree to undertake the assignment. The Company will use waterfall for the next BRLM in case any shortlisted BRLM does not accept the appointment.
- 8.2. The bidder scoring the highest points / marks (H1) based on the above principles would be appointed for the transaction. The other evaluated BRLMs who are ranked as H2, H3 and so on in that order would be asked to accept the fees quoted by H1 and the parties who so accept the fees quoted by H1 will also be appointed till the required number of BRLMs are ascertained. The Company may consider selecting lesser number of Bidders for appointment as BRLMs.
- 8.3. The fee quoted by H1 would be shared equally by all the appointed BRLMs after reducing the left lead fee. However, if any selected BRLM has quoted a lower fee than the fee quoted by H1, in that





case the concerned BRLM will get a fee quoted by them (i.e. Lower fees) divided by the number of BRLMs appointed for the transaction, after reducing the left lead fee.

- 8.4. Left Lead will be decided on the Company's discretion and that BRLM has the right to refuse the position of the Left Lead.
- 8.5. The Company shall pay the Pre-Issue BRLM (Left Lead), a fixed fee of 10% of the total fee pool for Pre-Issue co-ordination work. This fee will be deducted from the total fee pool, and the balance fee will be distributed amongst the BRLM, in accordance with clause 8.3 above.
- 8.6. The Company shall pay an advance of ₹ 60 Lakh (Rupees Sixty Lakh) to the Left lead after signing of agreement. This fee will be deducted from the total fee the left lead is entitled to receive in the issue.
- 8.7. The selected Bidders will work as a team and be called Book Running Lead Managers.

#### **9. REQUIREMENTS OF FINANCIAL BID**

- 9.1. The fee quoted should be unconditional. The Bidder is required to quote a fee in percentage of the amount mobilized required to achieve increase in public shareholding by 10% or such other increased percentage as allowed by the Regulator/ SEBI. The bidders are required to submit financial bid in below format:

<b>Particulars (Financial bid)</b>	<b>To be Quoted in</b>
Fee for acting as Lead Managers to Public Issue as a %age of the amount mobilized & allotted by MRPL. Bid has to be quoted as an inclusive bid and MRPL shall not pay any other expense including out of pocket expenses or amount of whatsoever nature. (Bids in slab format shall be liable to be rejected).	As a %age of the amount mobilized and allotted by MRPL.

- 9.2. The fee quoted by the Bidder should be inclusive of all the applicable taxes, cess, duties, out of pocket expenses etc. The different taxes should be indicated separately while raising the bills for payment of fee.
- 9.3. All bills are to be raised in Indian Rupees and will be payable in Indian Rupees only after successful closure of the transaction, i.e. receipt of listing and trading permission.
- 9.4. The Bidders may quote a drop dead fee, if any, payable by the Company in case of calling off of the transaction by the Company after initiation of the process by the Bidder. The drop dead fee applicable at various stages of the transaction should be indicated. The lowest drop dead fee quoted by any of the finally selected Bidders would be treated as drop dead fee payable by the Company and be shared equally by all the Bidders. Drop dead fee will not be a criterion in determining the HI Bidder.
- 9.5. The Bidders will be liable to pay taxes applicable as per law.

#### **10. DISCLAIMERS**

The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or other Arrangement.



10.1. No legal relationship

No binding legal relationship will exist between any of the Bidders and the Company until execution of a contractual agreement with the successful Bidder.

10.2. Evaluation of Offer

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

10.3. Disqualification

Any form of canvassing / lobbying / exercise of influence/ cartelization etc. by the Bidder will result in disqualification of such Bidder.

In case it is found during the course of the transaction or at any time before award of the assignment or after its execution and during the period of subsistence or after the period thereof, that one or more of the 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 appointed as the Merchant Banker/ selling broker. Also if the Selected Bidder has already been appointed as the Merchant Banker/ selling broker, as the case may be, the same shall, notwithstanding anything to the contrary contained in this RFP, be liable to be terminated, by a communication in writing by the Company to the Selected Bidder without the Company being liable in any manner whatsoever to the Selected Bidder. This action will be without prejudice to any other right or remedy that may be available to the Company under the bidding documents, or otherwise. However, before terminating the assignment, a show cause notice stating why its appointment should not be terminated would be issued giving it an opportunity to explain its position.

The information contained in this document is confidential. The Bidder shall not share this information with any other party not connected with responding to this RFP. The information contained in this RFP or subsequently provided to Bidder(s) whether verbally or in writing by or on behalf of MRPL shall be subject to the terms and conditions set out in this RFP and any other agreement/ contract to be executed by the Company.

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. 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 Company.

**The bidder may seek clarification if any by email to [irc@mrpl.co.in](mailto:irc@mrpl.co.in) before 12/03/2018.**



The Company 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 Company, each Bidder may conduct their own study and analysis/assessment and seek its own professional, technical, financial and legal advice, as may be necessary.

The Company makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations on any claim the potential bidder may make in case of failure to understand the terms and requirements of this RFP and responds to the RFP. The Company 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 thereof and without any notice, at its sole discretion.

While due care has been taken in the preparation of this document, the Company will not be held responsible for any inaccuracy in the information provided herein. The Bidder must apply its own care and conduct its own investigation and analysis regarding any information contained in the RFP document and the meaning and impact of all such information contained in the RFP.

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.

#### 10.4. Company's Discretion

- 10.4.1. The Company may at its sole discretion will select and appoint up to 3 (Three) Merchant Bankers as it deem fit with requisite experience in capital market issues, who together will form a team and be called BRLMs. The BRLMs, in consultation with the Company, will form a syndicate as required under the SEBI Guidelines / Regulations.
- 10.4.2. The Company shall be under no obligation to act upon the advice rendered by the merchant bankers for the appointment of the BRLMs and other intermediaries. The appointment made by the Company shall be final and binding on all the Bidders.
- 10.4.3. In case, if there is substantial change in the composition of the Team handling the IPP/ QIP of the Company which can significantly affect its execution, the Company reserves its right to terminate the agreement without any cost to Company.



**Annexure- I**

**FORMAT OF CERTIFICATE**

This is to certify that the fee quoted by us for engagement as Book Running Lead Managers for raising of capital by Mangalore Refinery and Petrochemicals Limited through "Institutional Placement Programme" / "Qualified Institutional Placement" is in accordance with the terms and conditions laid down in the Request for Proposal displayed on the website of the MRPL and is unconditional.

Seal with signatures of authorized signatory of the BRLM



**Format of Undertaking and Declaration**

"We hereby undertake and declare that there has been no conviction by a Court of Law or indictment / adverse order by a regulatory or governmental authority for a grave offence against us or any of our sister concern(s). It is further certified that there is no investigation pending against us or our sister concern(s) or the CEO, Directors / Managers / Employees of our concern or of our sister concern(s). It is certified that no conflict of interest exists as on date except as disclosed explicitly and if in future such a conflict of interest arises we will intimate the same to the Company. Further we hereby undertake that the decision taken by MRPL regarding the qualified Bidder shall be binding upon us."

**Note: The undertaking should be signed by the authorized signatory of the Bidder. The content of the undertaking must not be changed. Clarification, if any, is to be provided separately.**

Seal with signatures of authorized signatory of the BRLM



## Annexure III

### INTEGRITY PACT

between

Mangalore Refinery and Petrochemicals Ltd (MRPL) hereinafter referred to as "The Principal",

and

M/s..... hereinafter referred to as "The Bidder/Contractor"

#### Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for procurement of products/ services vide tender No. .... dtd..... The Principal values full compliance with all relevant Laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organization "Transparency International" (TI). Following TI's national and International experience, the Principal will appoint an external independent Monitor 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:-

1. 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 him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
2. The Principal will, during the tender process treat all Bidders with equity and reason. The principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any bidder confidential/ additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.
3. The Principal will exclude from the process all known prejudiced persons.

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

For "The Principal"

For "The Bidder/Contractors" 14



## Section 2 - Commitments of the Bidder/Contractor

- (1) The Bidder/ Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
1. The Bidder / Contractor 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 immaterial 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.
  2. The Bidder/Contractor 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.
  3. The Bidder / Contractor will not commit any offence under the relevant Anti-corruption Laws of India; further the Bidder/Contractor 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 proposals and business details, including information contained or transmitted electronically.
  4. The Bidder/ Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder / Contractor 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, before contract award has committed a transgression through a violation of Section 2 or in any other form such as to put his reliability or credibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.

- (1) If the Bidder / Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the principal is entitled also to exclude the Bidder / Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.
- (2) A transgression is considered to have occurred if the Principal after due consideration of the available evidence, concludes that no reasonable doubt is possible.



- (3) The Bidder accepts and undertakes to respect and uphold the principal's absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
- (4) If the Bidder/ Contractor can prove that he has restored / recouped the damage caused by him and has installed a suitable corruption prevention system, the principal may revoke the exclusion prematurely.

#### **Section 4 – Compensation for Damages**

- (1) If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to Earnest Money Deposit / Bid Security.
- (2) If the Principal has terminated the contract according to Section 3, or if 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 equivalent to Security Deposit / Performance Bank Guarantee.
- (3) The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder / Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount of the liquidated damages, the Bidder/ Contractor shall compensate the principal only to the extent of the damage in the amount proved.

For "The Principal"

For "The Bidder/Contractor"

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

- (1) The Bidder declares that no previous transgressions occurred in the last 3 years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise 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 the contract, if already awarded, can be terminated for such reason.





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

- (1) The Bidder / Contractor undertakes to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors & Subcontractors
- (3) The Principal will disqualify from the tender process all bidders who do not sign this pact or violate its provisions.

**Section 7 - Criminal charges against violating Bidders / Contractors/ Subcontractors**

If the Principal obtains knowledge of conduct of a Bidder Contractor or Subcontractor, 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 this regard, the Principal will inform the Vigilance Office.

**Section 8 - External Independent Monitor / Monitors (three in number depending on the size of the contract)**

**(to be decided by the Chairperson of the Principal)**

- (1) The Principal appoints competent and credible external Independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.
- (3) The Contractor accepts that the Monitor has the right to access without restriction to all project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractor. The Monitor is under contractual obligation to treat the information and documents of the Bidder/ Contractor / Subcontractor with confidentiality.
- (4) 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 the Contractor. The parties offer to the Monitor the option to participate in such meetings.



- (5) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, 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. However the Independent External Monitor shall give an opportunity to the bidder / contractor to present their case before making its recommendation to the Principal.
- (6) The Monitor will submit a written report to the Chairperson of the Board of the Principal 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.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to/provided to Outside Expert Committee members/Chairman as prevailing with Principal.
- (8) If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit his information directly to the Central Vigilance Commissioner, Government of India.
- (9) The word "Monitor" would include both singular and plural.

For "The Principal"

For "The Bidder/Contractor"

### **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 respective contract, and for all other Bidders 6 months after the contract has been awarded.

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 Chairperson of the Principal.



**Section 10 - Other Provisions**

- (1) This agreement is subject to Indian Law, Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Mangalore. The Arbitration clause provided in the main tender document/ contract shall not be applicable for any issue / dispute arising under Integrity Pact.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side Agreements have not been made.
- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turnout to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

\_\_\_\_\_  
For "The Principal"

\_\_\_\_\_  
For "The Bidder/Contractor"

(Name & Signature with Seal)

Place: Mangalore

Witness 1

Date

Witness 2



**Annexure -IV**  
**DETAILS OF DOMESTIC PUBLIC OFFERINGS**

Domestic Equity Public Offerings	01 January 2015 to 31 December 2017	
	Type of Mandate	Value (₹ Cr)
Total		

**\*Please provide for all Issue types i.e. IPO, FPO, Rights, OFS, QIP, IPP**

Seal with signatures of authorized signatory of the BRLM



**A. PENDING LITIGATIONS AND CONTINGENT LIABILITIES**

SN	Statute	Financial Year	Amount (₹ Cr)	Forum where dispute is pending	Description

**B. CONFLICT OF INTEREST**

SN	Company	Type of Issue	Amount (₹ Cr)	Expected Issue Date	Description

Seal with signatures of authorized signatory of the BRLM.



