



## **REQUEST FOR PROPOSAL**

### **SELECTION OF INTERNATIONAL LEGAL COUNSEL TO THE COMPANY FOR PROPOSED INITIAL PUBLIC OFFERING OF SBI LIFE INSURANCE CO. LTD.**

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**Request for Proposal (“RFP”) for acting as International Legal Counsel (“ILC”) to the Company in the proposed Initial Public Offering (“IPO”) of SBI Life Insurance Company Limited (“SBI Life” or “Company”)**

**1. About the Company**

SBI Life Insurance Company Limited is a joint venture between State Bank of India (“SBI”) and BNP Paribas Cardif. SBI owns 70.1% of the total capital and BNP Paribas Cardif holds 26%, while Value Line Pte. Ltd. (an affiliate of KKR Asian Fund II L.P.) and MacRitchie Investments Pte. Ltd. (an indirect wholly owned subsidiary of Temasek Holdings Pvt. Ltd.) hold 1.95% each. SBI Life’s mission is to emerge as the leading company offering a comprehensive range of Life Insurance and Pension products at competitive prices, ensuring high standards of customer service and world-class operating efficiency.

SBI Life has an authorized capital of Rs 2,000 crore and a paid up capital of Rs. 1,000 crore. The Company collected a total Gross Written Premium (GWP) of Rs.15,825 crore, comprising Rs. 7,107 crore New Business Premium and Rs. 8,719 crore Renewal Premium in FY16. The Company continues to maintain one of the lowest Operating Expense to GWP Ratio at 9.21%, amongst private sector life insurance companies.

The Company has established a unique multi-distribution model encompassing vibrant Bancassurance, Retail Agency, Institutional Alliances and Corporate Solutions distribution channels. SBI Life has maintained a fundamentally strong position by deriving significant synergies from its major shareholders. The Company extensively leverages the State Bank Group relationship as a platform for cross-selling insurance products along with SBI’s numerous banking product packages such as housing loans and personal loans. SBI’s access to over 500 million customers across the country provides a vibrant base for insurance penetration across every region and economic strata in the country, thus ensuring true financial inclusion. Agency channel, comprising of the most productive force of over 92,000 Insurance Advisors, offers door-to-door insurance solutions to customers. BNP Paribas Cardif, brings in strong operational and risk management expertise, thereby assisting SBI Life in building robust systems and procedures.

With over a decade of specialized experience in the insurance sector, the Company has a robust network of branches spread across the country which helps its customers to avail the services seamlessly.

## **2. Proposal**

- 2.1 SBI Life, The Company intends to tap capital markets via IPO through Offer for Sale of 10% of the equity (Issue). However, the Offer for Sale may vary based on various factors including but not limited to the decision of the shareholders and management discretion etc.
- 2.2 SBI Life requires the services of a reputed International Law Firm with experience and expertise in Public Offerings in capital markets to act as 'International Legal Counsel' to the Company and assist the Company in the process and wishes to invite proposals from interested law firms through this RFP.
- 2.3 Proposals are hereby invited from reputed experienced international law firms that will act as the international legal counsel to the Company with similar experience and expertise in public offerings.
- 2.4 Legal counsel must have an extensive relevant experience and expertise in handling public offerings (including SEC Rule 144A transactions) and fulfilling eligibility criteria to assist and advise the Company in the entire IPO process. Legal counsel should have relevant experience as counsels to the issuer with drafting responsibility for the customary sections of the offer document and preparing international wraps together with requisite experience and capacity to issue 10b-5, or to issue any other opinion required for capital market transactions as is customary or mandatory.
- 2.5 The scope of work of the International Legal Counsel to the Company is as detailed in **Annexure I.**

## **3. Eligibility Criteria**

- 3.1 Bidders should be a reputed international law firm having expertise and experience handling public offering transactions (including IPO), particularly for companies in Banking, Financial services and Insurance (BFSI) sector.
- 3.2 Bidders should have office with all requisite operational infrastructure, manpower and with experienced partner to handle IPO.
- 3.3 Bidders should have handled atleast one domestic (India) IPO as an international legal counsel of issue size of INR 1,500crore or more during the period starting from April 1, 2012 to March 31, 2017.
- 3.4 The bidding Legal Counsels should not have been prohibited by any regulatory authority in offering such services and should not have ever been black listed/ debarred by any authority in the past.
- 3.5 The bidding legal counsel should give an undertaking that no action has been initiated against them by SEBI/CVC/RBI or any other government/ statutory agency with regard to any financial irregularities etc.
- 3.6 The selected legal counsel would be required to sign the non-disclosure agreement with

the Company. Failure to sign the same would make their appointment null and void.

- 3.7 The interested Bidders should not have any conflict of interest in any manner whatsoever with the Company which is prejudicial to its interests, and the decision of the Selection Committee of the Company regarding the same shall be final and binding.
- 3.8 The interested Bidders should not be representing any natural person, company, corporation, partnership, proprietorship, Hindu undivided family, trust, or any other entity that may be treated as a person under applicable law, in any legal proceedings against the Company which in the sole discretion of the Selection Committee of the Company is prejudicial to its interests, and the decision of the Selection Committee of the Company regarding the same shall be final and binding.

#### 4. **Proposal format**

- 4.1 The Proposals are to be submitted in detail as indicated in the following sections. The weightage for evaluation of the Legal Counsels in respect of each criterion has been indicated against each section. The technical evaluation will be done on the weightage of 100.

Section	Description	Weightage
A	<b>Experience and Capabilities in handling public offering</b>	30%
	i) Profile of the law firm.	
	ii) Capability, capacity and previous experience of the law firm and the partner in handling such transactions.	
	iii) Details of domestic (India)/international public offering as Legal Counsel to Issuer/Company/ Underwriters in the area of Banking, Financial Services and Insurance sector.	
	iv) Details of domestic (India)/ international public offering handled as Legal Counsel to the Issuer/ Company/ Underwriters.	
	v) Details of Domestic (India) Initial Public Offerings managed as international legal counsel, in respect of issue size of <b>Rs 1,500 crore</b> or more, are to be furnished in the format given in <b>Annexure-II</b> .	
	vi) Demonstrate ability to work with and in coordination with BRLMs and other intermediaries as a part of team.	
B	<b>Infrastructure and Manpower</b>	25%
	i) Details of infrastructural facilities like office, manpower, etc. abroad working on the deals.	
	ii) Detailed profile of the core and support teams (with CVs of team member(s) proposed to be assigned for the deal detailing qualification, list of IPOs handled and relevant experience).	

Section	Description	Weightage
C	<b>Understanding of Regulatory Framework</b>	25%
	i) Demonstrate understanding of the regulatory and disclosure requirements for Indian IPOs, including through knowledge about guidelines, rules, regulations i.e. SEBI, Companies Act, Insurance Laws, FDI, etc. ii) Indicate your expertise and experience in handling the relevant international regulatory requirements required to be complied with for Indian IPOs.	
D	<b>Strategy for IPO</b>	20%
	i) Indicate intended approach to/suggested plan for the proposed transaction including the sequencing of the transaction.	
	ii) Demonstrate ability to deliver in accordance with the timetable requirement and the ability to commit key personnel for the entire duration of the IPO work.	
	iii) Indicate strength in organizing data room and the due diligence required for the IPO.	
	iv) Demonstrate the ability of preparing a quality document to be filed with SEBI (preparation of DRHP/ RHP) and other regulatory authorities, or the agreements that are required to be entered into in the course of the IPO.	

## 5. **Undertaking - To be furnished along with the Proposal**

“We hereby undertake and declare that we fulfill the eligibility criteria prescribed in the Request for Proposal of SBI Life Insurance Company Limited dated 24 April 2017 for selection of the international legal counsel to the Company for its Initial Public Offer and also confirm that there has been no conviction by any Court of Law or indictment/ adverse order by a regulatory or governmental authority for any 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 our CEO, Directors/ Managers/ Employees or of our sister concern(s). It is certified that no conflict of interest exists as on date except as disclosed explicitly and if during the tenure of our engagement for the proposed transaction such a conflict of interest arises we will intimate the same to the Company and we shall not take up work in relation to any such assignment without obtaining prior approval of the Company and granting of such approval shall be the sole discretion of Company and shall be binding on us.

Further we hereby undertake that the decision taken by the Selection Committee of SBI Life Insurance Company Limited regarding the qualified Bidder shall be binding upon us.”

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

## **6. Submission of Proposal**

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

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

6.1.1 A letter authorizing the person (containing the designated email ID, Telephone number and communication address) to sign the proposal and other documents on behalf of the Bidder;

6.1.2 Undertaking/ Declaration as per paragraph 5 above;

### **6.2 Envelope 2 (sealed) containing the technical bid as per Proposal Format as mentioned in paragraph 4 above, to be opened in presence of the Bidders. The Technical Bids will be opened as per time and date mentioned in Time Frame (Refer paragraph 8). The Bidders are also required to send their technical bid through soft copy to the Company after the opening of the Bids.**

### **6.3 Envelope 3 (sealed) 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 which shall be sent on the designated email id of the bidders.**

The proposal (all three envelopes) can be submitted latest by 17:00 hours on May 5<sup>th</sup>, 2017 to Mr. Sangramjit Sarangi, Chief Financial Officer, SBI Life Insurance Co. Ltd. at 5<sup>th</sup> Floor, Natraj, M.V. Road & Western Express Highway Junction, Andheri (E), Mumbai - 400069 in hard copies in original, duly signed by the authorized officer of the Legal Counsels. The sealed Bid envelopes should be delivered at SBI Life Office between 10:00 hours to 17:00 hours on Monday to Friday, working days only (Bidders to check SBI Life's holiday list with respect to the same).

No Proposal will be entertained after the appointed time and date. The Company will not be responsible for any postal/ courier delay. The Proposals received after the appointed time and date will be rejected.

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

## **7. Evaluation process**

### **7.1 The Selection Committee of the Company would evaluate the Bidders on the criteria mentioned in Proposal Format based on their proposals received and credentials presented. Please note Proposal has to be submitted strictly in format as per paragraph 4.**

### **7.2 The Selection Committee will evaluate the applicants on the criteria mentioned in**

paragraph 4 above and based on their proposal, short-list them for considering their financial bids. The Selection Committee will open the Financial Bid of only short listed applicants.

- 7.3 The marks scored by shortlisted Bidders in the technical evaluation will then be given a weightage of 70. Similarly, the financial bids of the Bidders will be given a weightage of 30. The combined score of technical and financial Bids will determine the H1 (bidder scoring highest point/ marks), H2, H3, and so on. The Company will select H1 as Legal Counsel who agree to undertake the assignment. The Company will use waterfall criteria for the next Legal Counsel in case any shortlisted Legal Counsel does not accept the appointment.

## **8. Time Frame**

Following is an indicative timeframe for the overall selection process. The Company 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 relevant Bidders during the process.

RFP Notification	April 24 <sup>th</sup> , 2017
Last Date of RFP Submission	May 5 <sup>th</sup> , 2017
Technical Bid Opening	May 8 <sup>th</sup> , 2017

## **9. Requirements for Financial Bid**

- 9.1 The Bidder is required to quote a lump sum fee gross of taxes applicable as per law by the Bidder. The Fee quoted by the bidder shall remain Fixed till successful completion of transaction. The Bidder has to furnish an unconditional acceptance to Terms and Conditions of the Request for Proposal.
- 9.2 The fee quoted should be unconditional and inclusive of all taxes/duties and other expenditure. No separate out of pocket expenses will be payable. It may be noted that the Bidders cannot prescribe any time limit for validity of the financial bid. It is however, clarified that all statutory expenses, against valid receipts, will be paid by the Company.

## **10. Miscellaneous**

- 10.1 Purpose: The RFP is not a recommendation, offer or invitation to enter into a contract, agreement or 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 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.

- 10.2 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.
- 10.3 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 Legal Counsel, not limited to those selection criteria set out in this RFP and the Bidders shall be bound with the same.
- 10.4 Disqualification: Any form of canvassing/lobbying/exercise of influence/ cartelization etc. by the Bidder will result in disqualification of such Bidder. The Selection Committee shall reserve the right to reject the bid, in its sole and absolute discretion if it is of the opinion that the financial bid is predatory priced. In case it is found at any point of time, even before the appointment of the selected Bidder as Legal Counsel or even after the appointment as Legal Counsel , 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 any material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith or if the selected Bidder is already appointed as the Legal Counsel, his appointment shall, notwithstanding anything to the contrary contained in this RFP and/or any other agreement between the Company and the selected Bidder/ Legal Counsel, be liable to be terminated, by a communication in writing by the Company to the Selected Bidder/ Legal Counsel without the Company being liable in any manner whatsoever to the Selected Bidder/ Legal Counsel. 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 under law or equity. Immediately on termination of the appointment, the selected Bidder/ Legal Counsel will deliver to the Company all documents or other materials furnished by the Company to the Selected Bidder/ Legal Counsel together with all copies thereof, including computer disks/ drives or any other electronic media in its possession. If any information could not be physically returned to the Company, all such documents or other materials together with all copies thereof in the possession of the Selected Bidder/ Legal Counsel, will be destroyed with any such destruction confirmed by the Selected Bidder/ Legal Counsel in writing to the Company.
- 10.5 Confidentiality: 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 the Company shall be subject to the terms and conditions set out in this RFP and any other agreement/ contract to be executed by the Company.
- 10.6 No representation or warranty by the Company: 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.

**10.7 Company's Discretion:**

10.7.1 The Company shall be under no obligation to act upon the advice rendered by the Legal Counsels for the appointment of other Legal Counsels and other intermediaries. The appointment made by the Company shall be final and binding on all the Bidders.

10.7.2 In case, if there is substantial change in the composition of the team of the appointed/selected Legal Counsel handling the IPO of the Company which can significantly affect its execution, the Company reserves its right to terminate the agreement without any cost to Company and the decision of the Company will be final and binding.

**For SBI Life Insurance Company Limited**

**Chief Financial Officer**

## **Annexure I**

### **SCOPE OF SERVICES FOR INTERNATIONAL LEGAL COUNSEL FOR THE COMPANY**

1. Drafting of the chapters on Business, Risk Factors, Industry and Management Discussion & Analysis to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (together referred to as "Offer Documents").
2. Attending organizational, due diligence and drafting sessions with the Company, its representatives and its accountants and the BRLMs to the Issue.
3. Conducting customary due diligence in relation to the Issuer Company.
4. Interacting with the Company along with BRLMs to the Issue and the domestic legal counsels to explain and agree upon the due diligence information and documentation requirements.
5. Drafting overseas publicity restriction guidelines applicable to the Offering and advising on publicity issues.
6. Drafting pre-deal research report guidelines applicable to the Offering and review of the research reports, if any, of the BRLMs.
7. Providing legal clearance on all issue material and publicity material viz. Offer Documents, research reports, abridged prospectus, public notices, Bid cum Application Forms, Confirmation of Allocation Notes, press releases, corporate and issue advertisements, etc.
8. Review of responses to comments/ queries of SEBI, BSE and NSE, including investor complaints/ queries, etc.
9. Providing legal clearance on any investor grievances, complaints, legal notices, etc. received in relation to the Issue.
10. Drafting of the international wrap/ selling restrictions in the jurisdictions where the international marketing shall be done and filling of necessary documents in other jurisdictions.
11. Providing written advice relating to international publicity related restrictions and internet restrictions.
12. Review of all Agreements relating to the Issue including Issue Agreement, Syndicate Agreement, Escrow agreement, Underwriting Agreement and Share Escrow Agreement.
13. Conducting bring down due diligence calls with the Issuer/ BRLMs/ domestic legal counsels at various stages of the transaction.
14. Providing closing checklist prior to closing of the transaction.
15. Providing no registration opinion and closing opinion [Rule 10b (5) of the U.S. Securities Act].

16. Extending closing opinion for the Offer for Sale.
17. Opining on Passive Foreign Investment Company (PFIC)/ Office of Foreign Assets Control (OFAC) related issues.
18. Advising underwriters on P-Note related matters.
19. Providing advice in relation to the Issue pertaining to international regulations including the U.S. Securities Act.
20. Providing any other advice as may be required in relation to the Issue.
21. Any other matter incidental to the above.

## **Annexure II**

### **List of International Legal Counsel to the Companies for Indian IPOs**

<b>Particulars</b>	<b>No. of Issues*</b>	<b>Amount (Rs. crore)</b>
April 1, 2012 to March 31, 2013		
April 1, 2013 to March 31, 2014		
April 1, 2014 to March 31, 2015		
April 1, 2015 to March 31, 2016		
April 1, 2016 to March 31, 2017		

*\* Please provide Issue-wise details also for each year*