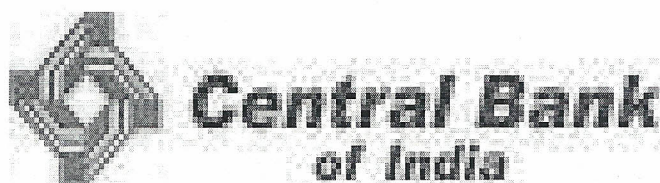


**Engagement of Merchant Banker for Managing the premature buyback
of Outstanding Upper Tier II Bonds & Innovative Perpetual Debt
Instrument (IPDI)**

REQUEST FOR PROPOSAL



Chandermukhi
Nariman Point, Mumbai-400021

Last Date of Submission: 28.08.2018 up-to 1600 hours (IST)
Date of Bid Opening: 29.08.2018, 1600 Hours (IST)

August 09, 2018
RFP Ref No: CO/ITB/2018-19/381



1. Background

a) Central Bank of India is a leading Public Sector Bank of India. Established in 1911, Central Bank of India had a business of over Rs 4.72 lac Crores as on 31 Mar 2018. The Govt. of India's Shareholding in Central Bank of India is 86.40% as on 31.03.2018. The Bank is engaged in all types of Fund based and Non-Fund based Financing besides all banking and associated activities

b) Bank has decided to premature buy back of outstanding Upper Tier II bonds and 9.40% IPDI bonds from investors. Details as under

ISIN No.	Series	Issue Date	Date of Redemption	Amount Rs. in Cr.	Coupon Rate (%)
INE483A09179	Upper Tier II (Sr-I)	14.11.2008	14.11.2023	300.00	11.45% p.a.
INE483A09195	Upper Tier II (Sr-II)	17.02.2009	17.02.2024	285.00	9.40% p.a.
INE483A09203	Upper Tier II (Sr-III)	23.06.2009	23.06.2024	500.00	8.80% p.a.
INE483A09211	Upper Tier II (Sr-IV)	20.01.2010	20.01.2025	500.00	8.63% p.a.
INE483A09229	Upper Tier II (Sr-V)	11.06.2010	11.06.2025	1000.00	8.57% p.a.
INE483A08015	Upper Tier II (Sr-VI)	21.01.2011	21.01.2026	300.00	9.20% p.a.
INE483A09252	PDI SR.II	28.09.2012	Perpetual	139.10	9.40% p.a.

Bank has already requested RBI for issuance of necessary approval and is under process.

2. Objective

a) With a view to complete the buyback process, Central Bank of India ***proposes to engage the services of a reputed Category I Merchant Banker to manage the buyback process successfully and in a transparent manner.***

b) Central Bank of India will select a merchant banker from among those who respond to the Request for Proposal (RFP) under a 'One-Bid System' and as per the procedure detailed in the RFP to perform one or more or all the segments of the assignment as per the Details mentioned in the RFP. The title of the assignment shall be **"Managing the premature buyback of outstanding Upper Tier II Bonds & Innovative Perpetual Debt Instrument (IPDI)"**. Detailed scope and various segments of the assignment have been described.

However Bank intends to buyback IPDI outstanding of Rs. 139.10 Crores and to initiate the process of buyback of other Tier II bonds after the buyback of IPDI.

c) **The Premature Buyback transaction for IPDI is envisaged to be completed in all respects latest by 24th Sept 2018 or earlier and in case of Upper Tier II Bonds latest by 30th Oct. 2018 or earlier / as per Bank discretion .**

d) The appointment of the Merchant Banker would be subject to and as per the decision of appropriate authority appointed by the Bank.



3. Scope of Services:

Assisting Bank and coordinating various associated activities given hereunder but not limited to:

- a) Conduct full procedure of Reverse book-building for buyback.
- b) Preparation of Buyback document.
- c) Reaching to each individual investor and soliciting their tendering the bond in buyback before cut-off date.
- d) Assist bank in arriving cut off price for buyback: Cut off price will be based on uniform price method.
- e) Reaching all the investors in IPDI bond series in **First Tranche** (whose quoted price is above cut off) again to obtain their consent / refusal to tender at cut off price.
- f) Reaching all the investors of Upper Tier II bonds in **Second Tranche** (whose quoted price is above cut off) again to obtain their consent / refusal to tender at cut off price.
- g) Manage post cut off issues like extinguishing of bonds, payment to investors etc.

4. Bond Holders

a) As on 30.06.2018, total bond holders in each category are as follows:

SR	ISIN No.	ISIN Description	Face Value Rs. in Lacs	Total Holders	No of Units held	Amount Rs. in Crs.
1	INE483A09179	Upper Tier II (Series I)	10.00	1	3000	300.00
2	INE483A09195	Upper Tier II (Series II)	10.00	2	2850	285.00
3	INE483A09203	Upper Tier II (Series III)	10.00	129	5000	500.00
4	INE483A09211	Upper Tier II (Series IV)	10.00	5	5000	500.00
5	INE483A09229	Upper Tier II (Series V)	10.00	107	10000	1000.00
6	INE483A08015	Upper Tier II (Series VI)	10.00	1	3000	300.00
7	INE483A09252	PDI Series II	10.00	39	1391	139.10
	TOTAL			284	30241	3024.10

b) These investors primarily include banks, mutual funds and PF/Pension/Gratuity fund trusts.

5. Miscellaneous

a) The Merchant Banker will advise, assist and facilitate completion of any regulatory requirement including obtaining requisite approvals and clearances, coordinate and monitor the progress of the transaction until its completion, and assist and advise the Bank on any post-buyback matter pertaining to the transaction.

b) The Scope of Services of the Merchant Banker mentioned above is indicative only and is non-restrictive in nature.

c) The Successful Bidder shall enter into an Engagement Agreement with the Bank, which would include customary representations and warranties, force majeure provisions, scope of services, Audit, provisions as to indemnifications, etc.



6. Fees and Expenses

The Merchant Banker will be paid their fees after successful completion of the transaction only. **Fees to be quoted as paisa (not exceeding 50 paisa) per hundred of amount accepted in buy-back.** Reimbursement of out-of-expenses limited to traveling, boarding and lodging incurred by Merchant Banker in connection with performing their services for this deal, only in case of cancellation of the arrangement by Bank before completion of transaction / unsuccessful transaction will be made with cap of **Rs. 1.00 Lakh** (on submission of actual receipt)

7. Eligibility Criteria

Proposals are invited from reputed firms who directly meet the following ELIGIBILITY CRITERIA. :

- a) The firm shall be a SEBI registered Merchant Banker- Category I
- b) The firm should be in the first 25 ranks as per the list of arrangers on Prime database in last two years for debt private placement of Bond/NCD with tenor greater than 1 year, issuer type all.
- c) The firm should have managed at least one issuance of Bonds issue (Tier II /Tier I / Infra) of PSU bank in last 3 Financial years.
- d) The firm (either through its own name or through group entities) shall have empanelment with minimum 25 exempted provident fund trust. CA certificate (including name of trust where empanelled) shall be produced.
- e) Eligible firm shall furnish the following certificate as part of the proposal :

"We certify that there has been no conviction by a Court of Law or indictment / adverse order by a regulatory authority for a grave offence against us or any of our sister concern(s)/subsidiary. It is further certified that there is no investigation pending against us or our sister concern(s)/subsidiary or the CEO, Directors/Managers/Employees of our concern or of our sister concern(s)/subsidiary. It is certified that no conflict of interest exists as on date and if in future (till completion of transaction) such a conflict of interest arises we will intimate the same to the Central Bank of India and will not undertake any assignment which is in conflict of interest with Central Bank of India."

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

8. Submission of Proposal:

- A) The Proposals shall be submitted covering the details together with the necessary supporting documents as per RFP Document.





10. Requirements for Financial Bids

- a. The Bidder is required to quote a fee (in a sealed envelope) in **paisa (not exceeding 50 paisa) per hundred of amount accepted in buy-back.**
- b. All bills are to be raised in INR and will be payable in INR only after successful amount of buyback.
- c. The fee quoted should be unconditional and **inclusive of all applicable taxes.**
- d. The Bidders will be liable to pay taxes applicable as per law.
- e. Reimbursement of out-of-expenses limited to traveling, boarding and lodging incurred by Merchant Banker in connection with performing their services for this deal, only in case of cancellation of the arrangement by Bank before completion transaction / unsuccessful transaction will be made with cap of Rs. 1.00 Lakh (on submission of actual receipt). This limit is for each Merchant Banker in case Bank decides to engage more than one Merchant Banker.

11. Rejection of Bid

The bid is liable to be rejected if,

- a) It is not in conformity with the instructions mentioned in this tender document.
- b) It does not contain the fee in financial bid
- c) It is not properly/ duly signed.
- d) It is received through e-mail, fax or telegram.
- e) It is received after expiry of the due date and time.
- f) It is incomplete including non-furnishing of the required documents.
- g) It is evasive or contains incorrect information.
- h) If there is canvassing of any kind

12. Validity

The bidder shall keep the bid valid for a period of six weeks from the date of opening of financial bid. However, no upward revision in the fees will be considered.

13. In case any bidder makes any unsolicited communication in any manner, after proposals have been opened, the proposal submitted by the particular bidder shall be summarily rejected, irrespective of the circumstances for such unsolicited communication.

14. Further, if the RFP has to be closed because of such rejection, and the RFP has to be re-tendered, then the particular bidder, at the option of the Bank, shall not be allowed to bid in the retender.

15. In case of all disputes relating to the RFP and the matters arose and connected with the RFP, the bidder shall make representation to the MD & CEO of the Bank and the decision of the MD & CEO of the Bank on any or all points raised by the bidder shall be final and binding on the bidder.

16. In case any bidder or any other person approaches external judicial bodies like any Court or Forum or Tribunal and if the bidder or any other person losses 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 the Bank in litigation including traveling and associated costs to attend the matter, expenses incurred in obtaining legal counseling, advocate fees to represent the Company in the matter, irrespective of the decision or decree or judgment or order of such judicial bodies with respect to cost.

For Central Bank of India


B K Singal
General Manager

 Date: 09.08.2018

Place: Mumbai

