



INVITATION OF OFFER FOR SHORTLISTING OF NAME AS ARRANGER TO THE PROPOSED BOND ISSUE BY MTNL AND PAYMENT OF ARRANGER FEE

No. MTNLCO-41/1/2022-BKG MTNL CO

Date: 17.06.2023

MAHANAGAR TELEPHONE NIGAM LIMITED (MTNL) intends to issue Government of India Guaranteed, Unsecured, Rated, Listed, Redeemable, Non-Convertible, Taxable Bonds in the nature of Debentures on private placement basis for an amount upto Rs 6,661 Crores. Issue of bonds would be in one or multiple tranches. Tenure of the bonds is 10 years, which may however change at the sole discretion of MTNL and may vary for different tranches.

MTNL proposes to mobilize subscription to the bonds by appointing Arrangers through a bidding (Single stage) process. Appointment of Arranger will be initially as a **“Potential Arranger”** to the bonds issue and will be made on the basis of Lowest Arranger Fee rate discovered through this tender. Final shortlisting of Arrangers will be done based on the amount mobilized by the Potential Arranger (s) on the BSE’s Electronic Bidding Platform (EBP) and on terms and conditions as set out in this tender. This invitation of offer is only to shortlisted Companies/banks/firms and not intended for any other entity to which this invitation is not sent. For more details, visit (<https://eprocure.gov.in/eprocure/app>). The last date of submission of offer is **26.06.2023 (12:00 Hrs)**. For any clarification, number **9868130014/9013131005/9013139558** may be contacted.

The tender schedule period is as under:

1	Publishing date on CPP portal	19.06.2023 at 09.00 Hrs
2	Document download start date	19.06.2023 at 09.00 Hrs
3	Clarification Start Date	19.06.2023 at 09.00 Hrs
4	Clarification end Date	22.06.2023 upto 17.45 Hrs
5	Bids Submission start date	19.06.2023 at 09.00 Hrs
6	Bids submission end date	26.06.2023 upto 12.00 Hrs
7	Bids opening date	27.06.2023 at 12.00 Hrs
8	Bid Validity period upto	31.03.2024

FOR MAHANAGAR TELEPHONE NIGAM LIMITED



No. MTNLCO-41/1/2022-BKG MTNL CO

Date: 17.06.2023

1. MAHANAGAR TELEPHONE NIGAM LIMITED (MTNL) is a Govt of India's Public Sector Undertaking, providing telecom services in India. The Government of India holds 56.25% stake in equity capital of the company as on date.
2. MTNL intends to issue Government of India Guaranteed, Unsecured, Redeemable Non-Convertible, Taxable Bonds in the nature of Debentures on private placement basis for an amount upto Rs.6,661 crores.
3. Issue of bonds would be in one or multiple tranches. Tenure of the bonds is 10 years, which may however change at the sole discretion of MTNL and may vary for different tranches.
4. Major terms of the proposed bonds issue are tentatively decided as under:-

Issuer	MAHANAGAR TELEPHONE NIGAM LIMITED
Placement of NCD	Private Placement
Instrument Type	Government of India Guaranteed, Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Debentures
Put/Call option	None
Rating assigned to the Issue	Rating Agencies to be appointed and Rating of Bonds to be assigned shortly.
Aggregate Quantum	Aggregating to Rs 6,661 Cr. in F.Y. 2023-24 (in one or more tranches)
Tenor	10 years
Face Value	Rs 1 Lakh
Coupon payment	Half Yearly / Annual
Listing	BSE Ltd.
Option of Book building on EBP (fixed coupon bidding / yield based bidding/ spread bidding)	Fixed Coupon based closed bidding
Nature	New Issue
Type of Instrument	GOI guaranteed
Minimum actual allotment amount to be considered for payment of Arrangements fee	Rs. 150 Crore
Minimum actual allotment amount to be considered for inclusion of an Arranger name in Information Memorandum (IM)/ Private Placement Offer Letter (IM)/ Offer Document	Rs. 200 Crore

Note: - The above terms are tentative only and MTNL reserves the right to change the above terms without any prior notice to any Arranger or assigning any reason thereof.

5. MTNL proposes to mobilize subscription to the bonds by appointing Arrangers through this bidding process. Appointment of Arrangers would be initially as a **"Potential Arrangers"** to the bonds issue and will be made on the basis of Lowest Arranger fee (rate) discovered through this tender. Final shortlisting of Arrangers would be done based on the amount mobilized by the Potential Arrangers through EBP bidding on terms and conditions as set out in this tender. More details are given in **Annexure I**.
6. **This invitation of offer is only to the shortlisted Companies/banks/firms and not intended for any other entity to which this invitation is not sent.**
7. In case the shortlisted company / bank / firm is willing to participate in the tender for shortlisting as a Potential Arranger to the issue, it may submit its bid for Arranger fee through electronic mode on CPP Portal (**https://eprocure.gov.in/eprocure/app**). Last date of online submission of bids is **26.06.2023** on or before 12:00 Hrs. Instructions for online submission of bids are attached at **Annexure-II**.
8. **Online opening of Tender bids: on 27.06.2023 at 12.00 Noon.**
9. **Place of opening of Tender Bids:** MTNL has adopted e-tendering process which offers a unique facility for 'Public Online Tender Opening Event (TOE)'. MTNL's Tender opening Officers as well as authorized representatives of bidders can attend the Public Online Tender Opening Event (TOE) from the comfort of their offices.
10. Official copy of Tender document for online bid submission must be downloaded from the website– **https://eprocure.gov.in/eprocure/app** for online bid submission.

All decision in this regard shall be at the discretion of the MTNL and the MTNL may/may not assign any reason for acceptance and rejection of any or all the bids. Bids received after the scheduled time and date, mentioned above, shall not be entertained.

FOR MAHANAGAR TELEPHONE NIGAM LIMITED

Terms & Conditions governing Bids for shortlisting names of Arrangers for MTNL bonds issue and payment of Arranger fee

1. This invitation of offer is a limited tender and restricted to shortlisted Companies/banks/firms. This invitation of offer is non-transferable and not intended for any other entity to which this invitation is not sent.

2. Scope of Services for Prospective Arrangers:

- a) To undertake the marketing/placement of the proposed issue along with MAHANAGAR TELEPHONE NIGAM LIMITED.
- b) To undertake all necessary ancillary activities to the proposed bond issue for the successful mobilization, including but not limited to co-ordination with various agencies such as Registrar, Trustee, NSDL, CDSL, SEBI, etc. in connection with the proposed bond issue. No extra fees and / or expenses will be paid for this.

Besides the above, the Arranger will be required, inter-alia, to undertake tasks related to all aspects of the placement of the NCD Issue, including but not restricted to, as mentioned below:-

- ✓ Assist in all pre-post issue activities and prepare the Offer document and complete all stipulated requirements and formalities of regulatory/statutory authorities.
- ✓ Assist with preparation and review of transaction documents.
- ✓ Undertake filing of the Offer document with the relevant authorities and assisting in payment of any fees to these agencies.
- ✓ Advise on the regulatory norms and assist in securing approval and exemptions, wherever necessary, from various regulatory agencies including SEBI, Stock Exchanges and RBI.
- ✓ To ensure compliance with regulatory requirements in connections with the NCD Issue.
- ✓ Advise on structure, timing and transaction terms
- ✓ Formulation of an action plan for complying with various formalities relating to the issue.
- ✓ Finalizing allotment in co-ordination with the Registrars and Bankers to the Issue.
- ✓ Ensure completion of all pre-issue, Issue and post-issue related activities.
- ✓ Assist MTNL in making the following payments :
 - Listing fee to BSE (if any)

- Payments required to be made to Depository or the Depository Participants for transfer of Bonds to the beneficiaries' account
- Stamp duty
- Registration fee
- Any other payments/fee incidental to the issue
- ✓ Coordinate the marketing and electronic book building process
- ✓ Rendering such other assistance as may be required in connection with NCD Issue
- ✓ All other matters not specifically mentioned above but incidental to the proposed NCD Issue.

MTNL shall at its sole discretion, decide the allocation of the work amongst the prospective Arrangers.

3. Eligibility Criteria for selection as potential Arranger/Arranger

- a) **SEBI Registered Category-I Merchant Bankers or Broker registered with SEBI or Primary Dealers registered with Reserve Bank of India.** A certified true copy of a valid Registration Certificate in this regard should be submitted.
 - b) The minimum mobilization amount is Rs 200 Crore for potential arrangers to be eligible for giving the final arranger status and their names will be disclosed in the Information Memorandum (IM)/ Private Placement Offer Letter.
4. For participation in the Tender of MTNL, online bid submission on **CPP Portal (<https://eprocure.gov.in/eprocure/app>)** is mandatory and bidders are required to submit soft copy of their bids electronically on the CPP Portal in the prescribed proforma, using valid Digital Signature Certificate. Instructions for online bid submission are at **Annexure - II**.
 5. Bidders are required to submit online quote for Arranger fee in the prescribed format (Sample of format is enclosed as **Annexure - III**). Fee quoted by the bidder is linked to tenure of bond and is payable only when the bidder gets actual allotment of bonds of Rs 150 Crore or more through the BSE's EBP platform at a cut-off yield accepted by MTNL. Bidders are required to submit quotes for Arranger's fee per year of bond tenure and as a percentage of total amounts mobilized by allotment made through BSE-EBP system. More explanation on this is given in subsequent paragraphs.
 6. Fee quoted by bidders should be a positive figure and it should comply with Rule 173 of GFR 2017. If any bidder quotes NIL charges/consideration, the bid shall be treated as unresponsive and will not be considered.
 7. For the purpose of Arranger's fee payment, actual allotment by EBP system against **"client bid and/or proprietorship bid"** only through their own login Arranger's terminal would be considered. No fee is payable on direct participation by Qualified Institutional Buyers (QIBs) and non QIBs.

8. The quoted fee should be inclusive of all out-of-pocket expenses that may be incurred by the bidder in connection with execution of the assignment but excluding applicable taxes, which shall be paid by MTNL separately to the successful bidders raising proper GST compliant invoice.
9. Bidder(s) shall be selected as potential Arranger on the basis of L-1 fee i.e. bidder(s) with least cost with regard to the Arranger fee. The fee quoted by the L1 bidder(s) shall be offered to all the other bidders to match the L-1 bidder. All those bidders who match the L-1 fee shall be shortlisted as Potential Arrangers for the proposed bonds issue and shall be mapped on BSE's EBP Platform for participating in the bidding process. In case if any of the bidder(s) does not match the L-1 fee, such bidder(s) shall not be shortlisted as Potential Arranger(s) for mapping on the BSE-EBP.
10. Bidders responding to counter-offer of MTNL must satisfy themselves that they have the requisite mandate and taken proper authorization from their competent authorities before giving acceptance / non- acceptance of counter-offer.
11. The Bidders who have accepted counter-offer to match the L1 rate for Arranger fee discovered in the tender and have been mapped on BSE's EBP by MTNL are under obligation to participate in the final bidding invited by MTNL. Non participation by any bidder on EBP when the issue is opened, shall render them liable for debarment for participating as an arranger in the next bond issue by MTNL. Decision of MTNL in this regard shall be final and binding on the bidder.
12. Potential Arrangers getting actual allotment of Rs 200 Crore or more by the BSE's EBP system shall be assigned "**Arrangers to the Issue**" status in the Information Memorandum (IM)/ Placement Memorandum (PM)/ Private Placement Offer Letter. For calculation of actual allotment amount, clients bid + Proprietary bid made through Bidder's own terminal shall be taken into consideration.
13. For better clarity on how Arranger' fee would be calculated and principal MTNL would follow for assigning Arranger's status in Information Memorandum, an illustration has been given. For instance, if three Arrangers wish to quote a similar fee of 0.0008% for each year of bond tenure, which turns out to be L-1 rate, then calculation of Arranger's fee and disclosure of their names in Information Memorandum would be governed by following principle:-

a)	Name of Arranger	M/S ABC LTD.	M/S PQR LTD.	M/S XYZ LTD.
b)	Arranger Fee rate quoted on www.eprocure.gov.in per year of bond tenure	0.0008 (L1 rate) <i>[Note:-No percentage sign to be put under column 3 of the BOQ. Fee of 0.0008% may be quoted as 0.0008, without suffixing “%” sign in BOQ]</i>	0.0008 (L1 rate) <i>[Note:-No percentage sign to be put under column 3 of the BOQ. Fee of 0.0008% may be quoted as 0.0008, without suffixing “%” sign in BOQ]</i>	0.0008 (L1 rate) <i>[Note:-No percentage sign to be put under column 3 of the BOQ. Fee of 0.0008% may be quoted as 0.0008, without suffixing “%” sign in BOQ]</i>
c)	Tenure of bond (in years)	10 yrs	10 yrs	10 yrs
c)	Amount quoted by Potential Arranger on NSE /BSE-EBP	Rs.1,000 crores	Rs.1,000 crores	Rs.1,000 crores
d)	Actual allotment to Potential Arranger through EBP	Rs.150 crores	Rs.300 crores	Rs.30 crores
e)	Arranger Fee payable (in Rs.)	Rs. 1,20,000/-	Rs. 2,40,000/-	Nil
f)	Whether name of the Potential Arranger would be disclosed in Information Memorandum as an Arranger to issue.	No (As actual allotment is less than Rs. 200 crores)	Yes (As actual allotment is more than Rs. 200 crores)	No (As actual allotment is less than Rs.200 crores)

14. Bidders are required to keep their offer valid till 31.03.2024
15. Bidders are required to comply with all extant guidelines issued by SEBI / BSE / NSE / Other Regulatory Authority on the subject.
16. Conditional bid by any bidder is liable for rejection.
17. MTNL reserves the right to accept or reject any or all tenders without assigning any reason.
18. In case bid opening day is subsequently declared a holiday, Bid will be opened on next working day at pre-defined time.

Instructions for Online Bid Submission

The bidders are required to submit soft copies of their bids electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their bids in accordance with the requirements and submitting their bids online on the CPP Portal.

More information useful for submitting online bids on the CPP Portal may be obtained at:

<https://eprocure.gov.in/eprocure/app>

REGISTRATION

- 1) Bidders are required to enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://eprocure.gov.in/eprocure/app>) by clicking on the link “**Online bidder Enrollment**” on the CPP Portal which is free of charge.
- 2) As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the CPP Portal.
- 4) Upon enrolment, the bidders will be required to register their valid Digital Signature Certificate (Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India (e.g. Sify / nCode / eMudhra etc.), with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSC’s to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

SEARCHING FOR TENDER DOCUMENTS

- 1) There are various search options built in the CPP Portal, to facilitate bidders to search active tenders by several parameters. These parameters could include Tender ID, Organization Name, Location, Date, Value, etc. There is also an option of advanced search for tenders, wherein the bidders may combine a number of search parameters such as Organization Name, Form of Contract, Location, Date, Other keywords etc. to search for a tender published on the CPP Portal.
- 2) Once the bidders have selected the tenders they are interested in, they may download the required documents / tender schedules. These tenders can be moved to the respective ‘**My Tenders**’ folder. This would enable the CPP Portal to intimate the bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.

- 3) The bidder should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

PREPARATION OF BIDS

- 1) Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Bidders are expected to go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Any deviations from the submission of required documents these may lead to rejection of the bid.
- 3) Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS / RAR / DWF/JPG formats. Bid documents may be scanned with 100 dpi with black and white option which helps in reducing size of the scanned document.
- 4) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the bidders. Bidders can use **“My Space”** or **“Other Important Documents”** area available to them to upload such documents. These documents may be directly submitted from the **“My Space”** area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for bid submission process.

Note: *My Documents space is only a repository given to the Bidders to ease the uploading process. If Bidder has uploaded his Documents in My Documents space, this does not automatically ensure these Documents being part of Technical Bid, unless the same are directly submitted from **“MY SPACE”**.*

SUBMISSION OF BIDS

- 1) Bidder should log into the site well in advance for bid submission so that they can upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.
- 2) The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) Bidder has to select the payment option as **“offline”** to pay the tender fee as applicable and enter details of the instrument.
- 4) Bidders are requested to note that they should necessarily submit their financial bids in the format provided and no other format is acceptable. If the price bid has been given as a standard BOQ format with the tender document, then the same is to be downloaded and to be filled by all the bidders. Bidders are required to download the BOQ file, open it and complete the white coloured (unprotected) cells with their respective financial quotes and other details (such as name of the bidder). No other cells should be changed. Once the details

have been completed, the bidder should save it and submit it online, without changing the filename. If the BOQ file is found to be modified by the bidder, the bid will be rejected.

- 5) The server time (which is displayed on the bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.
- 6) All the documents being submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done. Any bid document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers/bid opener's public keys. Overall, the uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- 7) The uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- 8) Upon the successful and timely submission of bids (i.e. after Clicking **"Freeze Bid Submission"** in the portal), the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 9) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

ASSISTANCE TO BIDDERS

- 1) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender.
- 2) Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk.

0120-4200 462/4001 002/4001 005

International Bidders are requested to prefix +91 as country code

Email Support:

For any issues or Clarifications relating to the published tenders, bidders are requested to contact the respective Tender Inviting Authority **Technical – support-eproc@nic.in Policy Related – cphp-doe@nic.in For any technical related queries please call at NIC Help Desk Number (between Monday to Friday, 9 AM to 5 PM) CPPP-nic@nic.in +91 1124305265**

Tender Inviting Authority: DGM (BB & DM) MTNL CO

Name of work: INVITATION OF OFFER FOR SHORTLISTING OF NAME AS ARRANGER TO THE PROPOSED BOND ISSUE BY MTNL AND PAYMENT OF ARRANGER FEE

Contract No: MTNLCO-41/1/2022-BKG MTNL CO

Name of the Bidder/Bidding Firm/Company:				
PRICE SCHEDULE				
Sl. No.	Item Description	Bidder is required to quote fee under this column in percentage terms (%). Fee quoted should be as per year of bond tenure and as a percentage of the total amount of mobilization through BSE-EBP allotment and retained by MTNL (Fee quoted should be inclusive of all expenses including out of pocket expenses, but excluding applicable taxes) Value in percentage (PI do not enter % symbol)	Total Percentage	Percentage in Words
1	2	3	4	5
1	Arranger's Fee per year of bond tenure (Subject to a cap of 10 years of bond tenure) and as a percentage of total amount mobilized by allotment made through BSE-EBP system	0	0	0
	Total in figures			

(Consent letter on Company / bank / firm's Letter pad)

Date: _____

To

Vandana Jain
DGM (BB & DM)
MAHANAGAR TELEPHONE NIGAM LIMITED (MTNL)
MAHANAGAR DOORSANCHAR SADAN
5th Floor, Room No. 5512
9, C.G.O. COMPLEX, Lodhi Road,
NEW DELHI 110003

Sub: Consent for being shortlisted as Prospective Arranger for the proposed MTNL GOI Guaranteed Bonds aggregating upto Rs. 6,661 crores in one or more tranches on private placement basis.

Ref.: - [.....]

Dear Sir,

With reference to MTNL tender dt.[...../06/2023], we hereby convey our consent for being shortlisted as one of the prospective arrangers at a fee of% per year of bond tenure (subject to a maximum of 10 years) on actual amount retained by MTNL against any allotment of bonds to us made through BSE's EBP system for the Issue on the terms and conditions stipulated by MTNL. We also fully understand that Arranger's fee is payable by MTNL only when actual allotment of bonds made to our firm/company/bank is Rs.150 Crore or more in a single tranche and also arrangership in Information Memorandum (IM)/ Placement Memorandum (PM)/ Private Placement Offer Letter will be given when actual allotment of bonds is Rs 200 Crore or more in a single tranche.

Yours faithfully,

For and on behalf of

----- (name of the bidder) -----

(Authorised Signatory) Name:

Designation: