



Tender: IndianOil/FPO/2010
Date: 26th November, 2010

Indian Oil Corporation Limited

Open Tender Enquiry

for the

**Engagement of an Advertising Agency for
Managing/Undertaking the campaign for the
“Further Public Offer of IOCL Shares”**

(Last Date for submission of Tender: 09.12.2010, 15:00(IST))

Registered Office: G9, Ali Yavar Jung Marg,
Bandra East, Mumbai 400051

Invitation to Bid for IndianOil – FPO Campaign

IndianOil **invites bids from eligible Advertising Agencies for managing/undertaking the campaign for its Further Public Offer** in the domestic market and offer for sale of its shares held by Government of India. Prospective bidders are requested to carefully study this Request for Proposal and respond accordingly.

Indian Oil Corporation Limited, **a Maharatna public sector undertaking, hereinafter referred to as 'Company or IOCL or IndianOil'**, is operating under the administrative control of the Ministry of Petroleum & Natural Gas, Government of India.

IOCL is primarily engaged in the business of refining, transportation and marketing of petroleum products and petrochemicals with a n installed refining capacity of 51.2 0 million metric tonnes, pipeline network of over 1 0,541 kilometres, marketing infrastructure of over 35,000 selling points and petrochemical facilities at its Panipat & Gujarat Refineries. IOCL is also engaged in exploration & production of crude oil and the marketing of natural gas. For more information on IndianOil kindly visit our website www.iocl.com.

The existing paid up capital of IOCL is Rs.2427.95 crore comprising 2,42,79,52,482 shares of face value of Rs.10 each. Presently, the Government of India is holding **78.92%** of the paid up equity capital of IOCL and the balance is held by institutions/FIIs/public etc. The shares of IOCL are listed on the BSE and NSE in India.

The Government of India has approved fresh equity issue of 10% of existing paid up capital by IOCL and alongwith this, the Government of India also intends to disinvest 10% of the pre-issue equity capital of IOCL through a Further Public Offer (FPO) in the domestic market, hereinafter referred as "Further Public Offer of IOCL Shares". A part of the Public Offering will be reserved for employees of IOCL. The above public offering is however subject to the approval of the Cabinet Committee of Economic Affairs (CCEA) and subject to receipt of all applicable regulatory and statutory approvals.

IOCL invites bids only from reputed Advertising Agencies with experience and expertise of handling such campaigns for equity public offerings in domestic capital markets and fulfilling all the eligibility criteria to act as Advertising Agency hereinafter referred as "Agency" for "Further Public Offer of IOCL Shares".

1. Scope of Work:

The detailed scope of work is enclosed as Annexure A and summarized hereunder:

- 1.1 To develop a **“Corporate/Issue Campaign Plan” for Multimedia release (Print/Electronic Media/Others)** and release of advertisements accordingly for “Further Public Offer of IOCL Shares”. The Agency will be required to finalise the rates after negotiation with media for release of advertisements.
- 1.2 Formulate and undertake a **public relations campaign** for “Further Public Offer of IOCL Shares”
- 1.3 Formulate and undertake **statutory/issue related advertisements** for the FPO
- 1.4 To organize **domestic Road Shows** for Press, Analysts, Investors and Brokers for attracting investment for “Further Public Offer of IOCL Shares”
- 1.5 Design, print and **produce collaterals/below the line activities** for “Further Public Offer of IOCL Shares”

2. Sharing of cost between IOCL and the Book Running Lead Managers (BRLMs):

2.1 Cost to be borne by IOCL:

a) Corporate advertisements : (as per the approved media plan)

- Designing, developing and publication of advertisements for the print media
- Composing, producing and airing Radio jingles
- Conceptualizing, designing, developing and airing TV Commercials.
- Conceptualizing, designing and placement of advertisements for Multiplex/Internet/Portals
- Conceptualizing, designing, preparations and cost of display of select outdoor hoardings and signage.

b) Statutory/issue related advertisements: (as per the approved media plan)

Publication/telecast/broadcast etc of statutory/issue related advertisements through the Print, TV, Radio, hoardings and other media.

- c) The travel and accommodation expenses** related to IOCL, MoP&G and other Government officials.

2.2 Cost to be borne by the BRLMs

- For **planning organizing and conducting** domestic road shows; facilitating communication about the growth potential of the Company and articulating the key marketing themes and positioning of the Company.
- For **preparing, designing and developing** the statutory advertisements for publication/broadcast/Display. (Note: The cost of the preparation will be borne by the BRLMs and the cost of publication/broadcast/Display will be borne by the Company.)

3. **Eligibility:**

To be eligible for this transaction, the Advertising Agency should have the following qualifications:-

- 3.1 Fully Accredited Advertising Agency with INS
- 3.2 Must have had the experience of handling at least **one equity public offering by an Indian issuer in domestic market (IPO/FPO) of size of more than Rs.1000 crore during the period 01.4.2007 to 30.09.2010.**

4. **Instructions to Bidders on submission of Proposal:**

The Proposal to be submitted, containing 3 envelopes as indicated below:

a) **Envelope 1 (Unsealed)** containing the following:

- **Earnest Money Deposit** (Refundable) of Rs. 1,00,000 /- (Rupees One Lakh only) - by way of a demand draft drawn in favour of Indian Oil Corporation Ltd., payable at Delhi. The EMD of the successful tenderer will be converted into a non-interest bearing Security Deposit which will be refunded only after the final payments made after completion of all the jobs related to the FPO. However, the EMD of the successful tenderer will be forfeited if it fails to accept the letter of intent/ order for this job.
- **Authority letter** authorizing the authorized signatory of the bidder to sign the proposal and other documents.
- **Copy of attested documents** satisfying the criteria/format mentioned in para 3 above.
- **Undertakings** duly signed by the authorized signatory of the bidder as per para 11.

b) **Envelope 2 (Sealed)** containing clear prints/hard copies of the entire Technical Bid presentation as per format/details given in para 7. Envelopes should be marked as **“IOCL FPO Ad Agency Technical Bid”** in bold letters.

c) **Envelope 3 (Sealed)** containing the **Financial Bid**, to be opened only after the Technical Bid presentation mentioned in para 7, and of only those parties who qualify in the technical bid. Please note that bids with conditionality clauses will be summarily rejected. The envelope should be marked as **“IOCL FPO Ad Agency Financial Bid”** in bold letters.

5. The proposal (**all the three envelopes mentioned above at 4 a), b) & c), put in a single sealed envelope**) marked **“IOCL FPO Ad Agency Final Bid”** must be submitted **not later than 15:00 hrs on 9th December 2010** to General Manager(CC), Indian Oil Corporation Limited, Plot no. 3 079/3, J. B. Tito Marg, Sadiq Nagar, New Delhi, 11 0049. 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 summarily rejected.

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

7. **Format of the Technical Bid Presentation:**

The Technical Bid Presentation should be structured as per the following format. The weightage given for each of the criteria is given in the brackets.

7.1 Profile and Network of the organization **(weightage for evaluation 10%)**

7.2 Experience of handling IPO/FPO by Indian issuer in domestic market of size of more than Rs.1000 crore during the period 01.4.2007 to 30.09.2010. A detailed list along with documents authenticating the same to be submitted **(weightage for evaluation 30%)**.

7.3 Capability/experience of organizing conferences for the press, analysts and brokers during the domestic road show and press conference for IPOs/FPOs**(weightage for evaluation 20%)**.

7.4 Past innovations/competence in engaging in positive PR including organizing interviews, panel discussions etc on business news channels with company officials, BRLMs and other experts **(weightage for evaluation 10%)**.

7.5 Comprehensive Thematic/Strategic/Creative Plan for the campaign of "Further Public Offer of IOCL Shares" **(weightage for evaluation 30%)**.

8. **Procedure for selection of Advertising Agency:**

8.1 Qualified interested Advertising Agency will make the Technical Bid presentation for the "**Further Public Offer of IOCL Shares**" as per the format mentioned in para 7 above before an empowered Committee comprising of officers from the Government of India and IOCL, hereinafter termed as "**IOCL FPO Committee**" at Indian Oil Corporation Limited, Plot No. 3079/3, J.B. Tito Marg, Sadiq Nagar, New Delhi. **The schedule of the Technical Bid Presentation will be communicated to the Agencies and details hosted on www.iocl.com and www.indianoiltenders.com.**

8.2 The "IOCL FPO Committee" will evaluate the applicants on the criteria mentioned in paragraph 7 above and based on their proposal and presentation, shortlist them for the purpose of opening of their Financial Bids. **The parties scoring 70 marks out of 100 only will be technically short listed and the "IOCL FPO Committee" will open the Financial Bids of only those technically short listed applicants.** If the number of short listed bidders after the technical bid stage is less than two, then the "IOCL FPO Committee" reserves the right to relax the marks to short list two bidders, if required. **The date and time of opening of the Financial Bids would be announced at the time of the Technical Bid presentations.** The applicants, if they so desire, may be present at the time of opening of the financial bids.

8.3 The technically short listed bidder quoting the lowest fee (L1) in the Financial Bid shall be appointed as Advertising Agency for "Further Public Offer of IOCL Shares".

9. Requirements for Financial Bids:

The bid should include the following costs:-

Advertising Agency fees for the works to be done for the two parties namely IOCL and the BRLMs **separately**, commensurate with the work given by each as stated at 2-1 & 2,2 above:

- 9.1 Negotiated rates for release of Corporate ads as per media plan given in Annexure 1A & 1B
- 9.2 Negotiated rates for release of mandatory/statutory ads and issue related advertisements as per media plan given in Annexure 2 & 3
- 9.3 Negotiated rates for Corporate/Issue related ads on TV as per plan given in Annexure 4A & 4B
- 9.4 Negotiated rates for Corporate/Issue related ads on Radio (jingles) as per plan given in Annexure 5A & 5B
- 9.5 Negotiated rates for Web Adverts on the Internet/Blogs/Sites as per plan given in Annexure 6
- 9.6 Negotiated rates for screening advertisements in multiplex in Annexure 7
- 9.7 Negotiated rates for hoardings as per plan given in Annexure 8
- 9.8 Cost of Organizing Road Shows as given in Annexure 9
- 9.9 Cost of the Collaterals as per the specifications and plan given in Annexure 10

The summary of costs to be summed up as per Annexure 11

10. Terms and Conditions:

- 10.1 The bid quoted should be unconditional and **inclusive of all expenditure and all applicable taxes, cess, duties etc.** The different taxes should be indicated separately while raising the bills for payment of fee.
- 10.2 It may be noted that the Bidders cannot prescribe any time limit for the validity of all the rates quoted in the financial bid. **However, the price offered/quoted by the agency for the Media will be valid for Six months from the date of the submission of RFP.**
- 10.3 Agency shall mean the bidder whose bid will be accepted by IOCL for the award of various works and include successful agency's legal representative, successors and premised assigns.
- 10.4 The Agency team shall look after all logistics and project management and report progress on a day-to-day basis
- 10.5 The agency should be effectively ready to handle any crisis which is likely to develop before, during and after the issue.
- 10.6 All kinds of dues, liabilities and insurance for its personnel and related people shall be taken care by the agency.
- 10.7 The bid amount shall be paid in Indian Rupees after the successful completion of the entire transaction.

- 10.8 The Company reserves the right to call off the transaction at any stage, without assigning any reasons thereof.**
- 10.9 In the event of FPO being called off, the agency will be entitled to payments limited to the actual job(s) done as per rates quoted.**
- 10.10 The Agency shall ensure that all advertisements prepared and released in connection with the issue will conform to the SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2009 and the instructions given by the Lead merchant banker from time to time.
- 10.11 This Agreement and any dispute arising under this Agreement shall be governed by the Laws of India.
- 10.12 For any further clarification, please contact GM(CC) at sethis@iocl.co.in (01126260140) or CM(CC) at tripathisanjay@iocl.co.in (01126260142)**
- 10.13

Settlements of Disputes / Arbitration

- a. All questions, disputes or differences of any kind whatsoever arising out of or relating to the contract shall be referred by the parties to this contract for decision within 45 days from occurrence of difference or dispute to a Sole Arbitrator who shall be the Chairman of IOCL or any officer of IOCL nominated by the Chairman on his behalf. In the event of such an Arbitrator to whom the matter is originally referred, is transferred or vacates his office by resignation or otherwise or refuses to act or is incapable of acting for any reasons whatsoever, the Chairman shall appoint an other person to act as Arbitrator in his place in accordance with the terms of this contract. Such persons shall be entitled to proceed from that stage at which it was left by his predecessor.

There shall be no objection to any such appointment that the Arbitrator appointed is an officer of IOCL or that he had any occasion to deal with the matter to which this contract relates or that in the course of his duty as such officer has expressed views on all or any of the matters in dispute or difference. No person other than the Chairman or his nominee can act as an Arbitrator. The venue of arbitration shall be corporate office of IOCL at New-Delhi or any other place as decided by the Arbitrator.

11. Undertakings

The bidders are to be furnished following undertakings along with the proposal:

Undertaking I

“We certify that there has been no conviction by a Court of Law or indictment/adverse order by any regulatory authority for a grave offence against us or any of our sister concern. It is further certified that there is no investigation pending against us or our sister concern or the CEO / Directors / Managers / Employees of our concern or of our sister concern. It is certified that no conflict of interest exists as on date and if in future such a conflict of interest arise, we will intimate the Government and Company of the same immediately.”

*Signature of the Authorised Signatory
Name, Company Seal*

Undertaking II

We hereby undertake that we have examined/perused the bid document completely and have submitted the bid without any deviation. We understand the scope of work is indicative only and not exhaustive in any manner and the final scope of work and specification will be decided by IOCL at their discretion.

We hereby undertake that we comply with the scope of work and tender terms and conditions completely without any deviations of any manner. We undertake to be the single point of contact for IOCL and shall be solely responsible for all activities and work.

We hereby undertake that we do understand our bid should be as per the tender document and IOCL has got the sole discretion for considering or disqualifying our bid and we shall not have any claim of any sort on the same.

We hereby declare that our company has not been banned or disqualified by any Government or any government agencies for PSUs for any period during the last five years.

*Signature of the Authorised Signatory
Name, Company Seal*

Annexure A

Detailed Scope of Work under various head for the Advertising Agency to the FPO of IOCL: Corporate Campaigns, Public Offer / Issue, Brokers/ Analysts/ Employees/ Press Meet etc.

S I . N o .	Headi ng	Description	Timelines
1	Advertisement Plan	<p>Conceptualizing, St rategizing, d esigning, Formulating a nd presenting t o IOCL and Book Ru nning L ead M anagers the ov erall advertisement campaign for t he FPO in line with enclosed media plan including pre-issue image-building c ampaign, sta tutory advertisements, issu e-related advertisements, alo ng with the timing, frequency, si ze and publi cation details such as positioning etc.</p> <p>Production/Artwork o f TVCs, Radio Commercials, Print, Multi plex and Outdoor Ads and si gnages as w ell as p ublicity material, wherever required.</p> <p>Releasing the ap proved a dvertisements in the specified m edia as per th e ap proved schedule/media plan</p>	<p>All t imelines and materials to be within statutory p rocedures, including Fast Track Issue as declared b y SEBI and cleared b y legal counsel / BRLMs.</p> <p>Agency to be in a position to c omplete initiation of the execution plan in ti me fo r completion w ithin timeframes</p>
2	Publicity campaign	<p>Developing a nd u nderstanding of the Company's business and launching a Corporate PR Campaign in the Media.</p> <p>Conceptualizing, Arr anging and Dr afting Interviews, Featur ed Articles, Talk Sh ows, Press Conferences, Press Releases etc.</p> <p>The Agency shall c omply with th e PR PI an as t e n d e r e d and f u r t h e r w i l l b e r e q u i r e d t o formulate a p ublic r elations p lan for t he Company i n th e pre-SEBI filing, Post-SEBI Filing, Issue-Period and Post-Issue Period.</p> <p>The Agency will be required to arrange select media inte ractions / emp loyee awa reness</p>	<p>All tim elines and materials to b e within statutory p rocedures as declared by SEBI and cleared by legal co unsel / BRLMs.</p> <p>Agency t o be in a position to c omplete initiation of the execution plan in time fo r completion w ithin timeframe issued in the work order</p>

		<p>initiatives (Select IOC locations spread over at least 10 cities) / campaigns / teach-ins and ensure enough and proper coverage for “Further Public Offer of IOCL Shares” in various mass communication media.</p> <p>The Agency will be required to arrange select site visits for media personnel etc.</p> <p>The Agency will be required to conceptualize, design and draft all communications to the media such as press releases etc.</p> <p>The Agency shall produce and submit a daily written report to IOCL / BRLMs from the date of award with the details of daily news coverage of the company in the media and also the BRLMs during book-building period.</p>	
3	<p>Statutory/ issue related advertisements</p>	<p>Coordinating with BRLMs for conceptualization, designing and preparation of the statutory advertisements relating to Book Building as per the regulatory requirements.</p> <p>Conceptualizing, Designing and preparation of other FPO related advertisements such as Bid Advertisement, price indicative advertisements, offer opening, offer closing, price discovery advertisement and Basis of allotment etc.</p> <p>The Agency shall be responsible for Conceptualizing, Designing and preparation of final artworks for all advertisements and their timely release. Release of above advertisement as per the IOC L approved Plan.</p> <p>Production/Artwork of TVCs, Radio Commercials, Print and Outdoor Ads and signages as well as publicity material, wherever required.</p> <p>Releasing the advertisements approved by lawyers / BRLMs and Company in the specified media as per the approved schedule/media plan within statutory procedures as declared by SEBI</p>	<p>Agency to be in a position to complete initiation of the execution plan in time for completion within timeframe issued in the work order</p>

4	Organizing Domestic Road Shows	<p>The Agency will be required to organize road shows for the Press, Analysts and Brokers in India in co-ordination with BRLMs.</p> <p>The Agency has to make all the required arrangements for successful conduct of the domestic road shows.</p> <p>The agency has to book the venue at the hotels as decided by IOCL for successful conduct of Brokers'/Analysts'/Press Conference which shall invariably include all logistics like Decoration, Press Compendium, Banners, Backdrops, Corporate Film, Audio-Visual Equipments and 4 2" LCD Displays, Aids etc, Photocopy/Internet / E-mail facilities/Conference facilities etc.</p> <p>The agency should arrange successful coverage of the events in the Print and Electronic media (TV, Radio, Internet (blog, banner etc).</p> <p>Conceptualizing, Designing and Drafting of communications to invitees (journalists, brokers, analysts etc) for various Road Shows in consultation with BRLMs and IOCL, as per prevalent SEBI Regulations.</p> <p>Ensuring wide and active participation by leading brokers, media personnel and analysts in the meets and conferences.</p> <p>Detailed and Extensive Photo and Video coverage of the roadshows to be submitted to IOCL (both edited and unedited).</p> <p>In case the hotel specified in the bid document is not available on the particular day for holding conference, the conference should be held at a hotel of equal status as mentioned in the bid documents in consultation and approval of IOCL on prior production of original non-availability certificate issued by the hotel under its authorized signatory signatures and seal.</p>	<p>Agency to be in a position to complete initiation of the execution plan in time for completion within timeframe issued in the release order</p>
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5	Collaterals	<p>The Agency will be required to print and supply the following collaterals for conferences:</p> <ol style="list-style-type: none"> a. Print invitation cards, Folders/Brochures, format for press releases and sending invitation to all concerned. b. Procurement of writing pads, pens, mementos c. Arrangement of photographers, videographers etc for all press meets and Brokers, Analyst conferences including the domestic road shows etc. d. Preparation of Banners, Backdrops, Corporate Film, Multimedia presentation, standees and signages, TVCs, Jingles as per Annexure 1 to 10. 	<p>Agency to be in a position to complete initiation of the execution plan in time for completion within timeframe issued in the release order</p>
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