

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF DISINVESTMENT**

**ENGAGEMENT OF BOOK RUNNING LEAD MANAGERS FOR DISINVESTMENT IN
COAL INDIA LIMITED THROUGH “INITIAL PUBLIC OFFER” IN THE DOMESTIC
MARKET – REQUEST FOR PROPOSALS**

1. Introduction

1.1 Coal India Limited, hereinafter referred to as 'company' or 'CIL', is a public sector undertaking under the administrative control of the Ministry of Coal. The company was incorporated under the Companies Act, 1956 on 21.10.1975. CIL was set up with the objective to produce and market the planned quantity of coal (and coal products) efficiently and economically with due regard to safety, conservation and quality. The paid up capital of the company as on 31.03.2010 is Rs.6316.36 crore divided into 631,63,64,400 shares of face value of Rs. 10 each. Presently, the Government of India (the Government) holds 100% of the paid up equity capital of the company.

1.2 CIL operates through 8 wholly owned subsidiaries namely:-

- i) Eastern Coalfields Limited (ECL)
- ii) Bharat Coking Coal Limited (BCCL)
- iii) Central Coalfields Limited (CCL),
- iv) Western Coalfields Limited (WCL),
- v) South Eastern Coalfields Limited (SECL).
- vi) Northern Coalfields Limited (NCL),
- vii) Mahanadi Coalfields Limited (MCL),
- viii) Central Mine Planning & Design Institute Limited (CMPDIL).

The companies at serial (i) to (vii) above are engaged in production and marketing of coal, besides implementing projects for augmenting coal production and/or beneficiation. CMPDIL is engaged in detailed drilling for proving of coal reserves in the country as well as projection of the proved reserves through its planning and design expertise. Since its formation in 1975, the aggregate coal production of CIL has grown from a level of 75 million tonnes to 403.73 million tonnes in 2008-09. The coal reserves, both proven and aggregate have also increased roughly threefold during this period due to exploration activities carried out by CMPDIL.

1.3 The total employee strength of CIL and its 8 subsidiaries as on 31.3.2010 is 3,99,977.

2. Government Proposal

2.1 In order to facilitate the listing of CIL, the Government is considering the disinvestment of 10% paid up equity share capital of CIL comprising of 63,16,36,440 shares out of its holding of 100% through "Initial Public Offer" in the domestic market. One percent (1%) of this public offering would be reserved for the employees of CIL and its 8 subsidiaries.

2.2 Proposals under the guidelines at para 4 hereunder are invited by 17.30 Hrs (IST) on 3rd May, 2010, from reputed Category I Merchant Bankers registered as such with SEBI having a valid certificate; either singly or as a consortium, with experience and expertise in public offerings in the capital market; to act as Book Running Lead Managers (BRLMs) and to assist and advise the Government in the process. The Certificate of Registration with SEBI should remain valid till the completion of all activities relating to "Initial Public Offer".

2.3 The appointment of the BRLMs would be subject to and after the decision of the Government on the proposal for listing of CIL.

3. Responsibilities of the Book Running-Lead Managers (BRLMs)

3.1 The Book Running Lead Managers will be required, inter alia, to undertake tasks related to all aspects of the "Initial Public Offer", including but not restricted to, as mentioned below: -

- (i) Advise the Government on the timing and the modalities of the "Initial Public Offer".
- (ii) Structure the "Initial Public Offer" in conformity with the prevailing framework and Guidelines/Regulations of SEBI and the Stock Exchanges, Securities Contract and Regulations Act, 1957 and Companies Act, 1956.
- (iii) Undertake due diligence activities and prepare the DRHP/RHP/Prospectus and complete all stipulated requirements and formalities of regulatory/statutory authorities.

- (iv) Undertake filing of the DRHP/RHP/Prospectus with SEBI/ROC.
- (v) Advise on the regulatory norms and assist in securing approval and exemptions, wherever necessary, from various regulatory agencies such as SEBI, Stock Exchanges and RBI.
- (vi) Ensure best return to the Government.
- (vii) Conduct pre-market survey, road shows and generate interest amongst prospective investors. Arrange meetings with the key investors and facilitate communication about the growth potential of the company and articulate the key marketing themes and positioning of the company.
- (viii) Undertake market research, pricing of the “Initial Public Offer”, allocation of shares and after sale support.
- (ix) Perform all other responsibilities connected with the “Initial Public Offer”.
- (x) Underwrite the “Initial Public Offer”.
- (xi) Assist in selection of intermediaries to be appointed by Government and coordinate the work of all intermediaries.
- (xii) Prepare and approve the statutory advertisements for publication. The cost of the preparation will be borne by the BRLMs and the cost of publication will be borne by the Government.
- (xiii) Organize road shows both domestic and international. All expenses in this regard will be borne by the BRLMs.
- (xiv) Undertake the task of printing and distribution of stationery required for the “Initial Public Offer” as illustrated in **Annexure-I**. The BRLMs will ensure that the stationery is printed in adequate quantity and delivered to the Centres /Parties well in advance. The appointed BRLMs will have to print a minimum of 1.5 crore (One crore fifty lac) Application Forms for all the categories taken together. Any deficiency noticed in this regard shall be viewed seriously by the

Government. All expenses in this respect will be borne by the BRLMs.

- (xv) The appointed BRLMs will also make the following payments:
 - i. Filing fee to SEBI;
 - ii. Payment to NSE/BSE for use of software for the book building;
 - iii. Payments required to be made to Depository or the Depository Participants for transfer of shares to the beneficiaries' account.
- (xvi) Ensure completion of all post issue related activities as laid down in the SEBI guidelines.
- (xvii) Rendering such other assistance as may be required in connection with IPO.

NOTE:

- (a) The appointment of Bankers to the Issue, Registrar to the Issue, Legal Advisers – Domestic and International, Auditors and Advertising Agency/Public Relation Agency will be made by the Government which will also bear the expenditure involved on account of these intermediaries.
- (b) The expenses related to the tour programme of only Government and Coal India Limited officials will be borne by the Government.
- (c) The Government will bear the expenses relating to the payment of brokerage to the brokers etc. to elicit wider participation of retail investors. The brokerage will be 0.35% for Retail and 0.15% for HNI. In the first instance the brokerage will be paid by the appointed BRLMs and on successful completion of the transaction the brokerage would be reimbursed on production of documentary proof of actual disbursement. The appointed BRLMs may pay additional brokerage over and above the brokerage indicated and payable by the Government. While quoting the fee, the additional brokerage, if any, may be indicated in the breakup of expenses mentioned in (d) below.

- (d) All merchant bankers are required to furnish a breakup of expenses on items like printing of stationery; advertisement agency/ public relation agency; fees payable to SEBI as filing fee, payment to NSE and BSE for use of software for the book building and payment required to be made to depositories or depository participants, for transfer of shares, additional brokerage etc. This may be provided along with the financial bid on a separate sheet being the annexure to the financial bid.
- (e) In case the Government decides to defer the Public Offering after the Application Forms have been printed, the Government would reimburse the actual cost of printing of Application Forms only and not the distribution cost. Further, in the event the filing fee is required to be paid again due to deferment of the offering, then Government will reimburse the initial filing fee paid by the BRLMs.

3.2 The Government will select and appoint upto **Six (6)** Merchant Bankers with requisite experience in Public Offerings, who together will form a team and be called Book Running Lead Managers. The BRLMs, in consultation with the Government, will form a syndicate as required under the SEBI Guidelines/Regulations. The Government will have the option of appointing additional syndicate member(s) if considered necessary.

4. Eligibility

4.1 Bidders should have handled at least one domestic equity issue of the size of Rs. 500 crore or more during the last three financial years (1.4.2007 – 31.3.2010).

4.2 The Government has prescribed guidelines for qualifications for Advisors for disinvestment process, enclosed at **Annexure-III**. The interested Bidders fulfilling eligibility criteria mentioned in paragraph 4.1 above are advised to go through the guidelines and if eligible, furnish the following certificate as a 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. 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 arises we will intimate the same to the Government of India.”

The certificate should signed by the authorized signatory of the Bidder.

Note: The content of the certificate must not be changed. Clarification, if any is to be provided separately.

5. Submission of Proposal:

5.1 Proposals have to be submitted as per the following directions:

(i) **Envelope 1 (unsealed)** containing the following:

- (a) non-refundable fee of **Rs. 1,00,000** (Rupees One lac only) by way of a demand draft drawn in favor of 'Pay and Accounts Officer, Ministry of Finance, Department of Disinvestment, New Delhi' payable at Delhi
- (b) Certificate, duly signed by the authorized signatory of the bidder as per para 4.2,
- (c) Certificate in format at Annexure-IV; and
- (d) Authority letter authorizing the person of the bidder to sign the proposal and other documents.
- (e) Copy of the valid certificate of Category I Merchant Banker issued by SEBI.

(ii) **Envelope 2 (Sealed)** containing the technical bid as per format in para 5.4, to be opened in the presence of the bidders on 3rd May, 2010 at 1800 hrs. in the Committee Room No. 515, Department of Disinvestment, Block 14, CGO Complex, New Delhi

(iii) **Envelope 3 (Sealed)** containing the Financial Bid, to be opened only after the presentations and of only those parties who qualify in the technical bid. The bids will be opened in the presence of the bidders immediately after the presentations. Please note that bids with conditionality will be summarily rejected.

5.2 The proposal (**all three envelopes**) can be submitted **by 1730 hours on 3rd May, 2010 to Ms. Preeti Nath, Director, Department of Disinvestment, Room No. 208, 2nd Floor, Block No. 11, CGO Complex, New Delhi-110003** in hard copies in original duly signed by the authorized officers of the BRLMs. No proposal will be entertained after the appointed time and date. The Department will not be responsible for any postal/ courier delay. The proposals received after the appointed time and date will be summarily rejected.

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

5.4 Proposal Format:

The Proposals are to be submitted in detail as indicated in the following Sections. The weightage for evaluation of the BRLMs in respect of each criterion has been indicated against each Section.

Section (A):

Experience and Capabilities in handling similar transactions as Advisers/Global Coordinators - (Weightage for evaluation 15/100)

(from 1.4.2007 to 31.3.2010)

- (i) Profile of the organization with full particulars of the constitution, ownership and business activities of the prospective Book Running Lead Manager (Bidder).

In case of consortium bids, the particulars of the coordinating firm having the principal responsibility for the mandate (Consortium Leader) as well as those of other partners may be furnished along with letters of acceptance from each partner. The responsibility of the consortium bidders shall be 'joint' and 'several'.

Note: Consortium will be treated as one party and in case of selection, only consortium leader's name will appear in the documents like RHP/Prospectus.

- (ii) Unabridged Annual Reports or audited financial accounts for the last three years of the firm submitting the Proposal and of each consortium partner, if applicable.
- (iii) Details of all pending litigation and contingent liabilities, if any should be indicated. Details of past conviction and pending litigation against sponsors/partners, Directors etc., if any, and areas of possible conflicts of interest may also be indicated. In case of consortia, similar details of each proposed partner will be required. However, the partners of one consortium are precluded from participating in the bid, as a partner to another consortium.
- (iv) Details of Domestic and International Equity Offerings managed as Book Running Lead Managers, in respect of issue size of Rs. 500 crore or more, are to be furnished in the format given in Annexure-II.
- (v) Equity sales and distribution capacity with demonstrable capability of selling Indian Issues in particular, Asian equity and global equity; along with distribution network may be furnished.

Section (B):

Past Performance with Department of Disinvestment (In offer for sale or fresh issue in conjunction with offer for sale with effect from 1.4.2009) –

(Weightage for evaluation 10/100)

- (i) The Merchant Banker would be evaluated on the number of applications and the issue amount procured by them for various issues handled by them for the Department of Disinvestment.
- (ii) The quality of deal team made available to the Department of Disinvestment and its ability to handle the issues that had arisen during the transactions.
- (iii) Understanding of the regulatory framework by the deal team and the time frame and quality of response to the queries of the Department.

Section (C):

Sector Expertise, Experience and Understanding of Coal India Ltd. - (Weightage for evaluation 20/100)

- (i) Indicate work done in the areas of expertise of CIL - like studies or research undertaken.
- (ii) Exhibit strength/expertise in the areas of expertise of CIL, if any.
- (iii) The Public Offerings handled in the last three financial years (from 1.4.2007 to 31.3.2010) in the area of mining.
- (iv) Research Reports done on the companies operating in areas of expertise of CIL.
- (v) SWOT analysis of the company.

Section (D):

Deal Team Qualification & Manpower Commitment to the Deal - (Weightage for evaluation 10/100)

Details of **core team** that will be handling the proposed issue, their status in the organization, their background, qualification, experience and present addresses, telephone numbers – office, residence, mobile, e-mail etc. – hands-on experience should be furnished. Separately, similar details in respect of the **supervisory team** may be indicated.

An undertaking may also be given that if during the process, any of the core team members is not available due to resignation etc. another person of the same qualification and experience would be made available with concurrence of the Government.

Details of other professionals who would provide back up support may also be indicated separately.

Section (E):

Marketing strategy & Post Issue Market Support - (Weightage for evaluation 15/100)

- (i) Optimal syndicate structure suggested to maximize quality and quantity of demand.
- (ii) Proposal on syndicate incentivisation.
- (iii) Strategy for pre-marketing.
- (iv) Proposed Road Show venues and reasons for suggesting the same and the level of BRLM representatives who will travel on the domestic and international road shows.
- (v) Demand analysis and aspects influencing demand.
- (vi) Strategy for marketing shares and identification of target investor groups.
- (vii) Commitment(s) which may act either as a constraint, or as a conflicting interest, to your involvement in the proposed “Initial Public Offer”.
- (viii) Strength in lending after market support, with specific reference to Indian issues managed in the past.
- (ix) Identification of key selling points for marketing the offering.
- (x) Details of the valuation methodology to be followed in determining the price of the “Initial Public Offer”.
- (xi) Underwriting capabilities including details of capital base of the Investment Bank available to support such underwriting, record of past underwriting commitments and experience. Details of the underwriting commitments (including hard underwriting) which could not be met.
- (xii) Indicate realistic time schedule for launching the proposed “Initial Public Offer” with break up of all activities to be undertaken by various agencies involved in the process.

Section (F):

Local presence and commitment to India and strength in drawing Retail Investor participation - (weightage for evaluation 15/100)

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.

Section (G):

Global Presence and Distribution Capabilities - (Weightage for evaluation 10/100)

- (i) Indicate global network and distribution strength.
- (ii) The funds mobilized from international investors for Equity Public Offerings in India during the last 3 financial years i.e. from 1.4.2007 to 31.3.2010.
- (iii) The understanding and relationship with international institutional investors.

Section (H):

Research Capability - (Weightage for evaluation 5/100)

Research strength in the country, sector, region and world, based on rating as established by independent global surveys. Details should be given relating to research capabilities, experience and background of the research team.

NOTE (refer to Section B):

The Merchant Bankers who have not worked on any assignment in the past with the Department of Disinvestment would be evaluated on all parameters except Section B above and would be awarded marks out of 90 instead of 100 and then proportionately increased to a scale of 100 so that they are neither at an advantage nor at a disadvantage.

5.5 The complete information sought above with any additional information considered necessary by the Bidder, should be sent (maximum of 10 pages in font size 12) to the officer mentioned in para 5.2 as a part of the Proposal.

6. Procedure for Selection of the Book Running-Lead Managers (BRLMs)

6.1 Qualified interested Bidders would be required to make a presentation of their credentials **in the format prescribed in paragraph 5** above for the proposed transaction, before an Inter-Ministerial Group (IMG) at New Delhi in the Committee Room of Department of Disinvestment, Room No.515, Block No.14, CGO Complex, New Delhi-110003. **The presentations will be held on 5th and 6th May, 2010. The time of the presentation will be posted on the website of Department of Disinvestment on 4th May 2010.** Only the Team Leader of the Core Team shall make the presentation.

6.2 The IMG would evaluate the Bidders on the criteria mentioned in paragraph 5 above based on their presentation and Proposals received and shortlist them for the purpose of opening of their Financial Bids. The parties scoring predetermined marks/score out of 100 only will be technically short listed.

6.3 After the short listing of Bidders based on their presentations, IMG would open the Financial Bids of only short listed Bidders. The bidders, if they so desire, may remain present for the opening of the financial bids. The qualifying marks and marks scored by the short listed bidders will be announced before opening of the financial bids. The date and time of opening of the financial bids would be announced at the time of the presentations.

6.4 The marks scored by the short listed bidders in the technical bid will then be given a weightage of 70. Similarly the financial bids of the short listed bidders will be given a weightage of 30. The combined score of technical and financial bids will determine the H1, H2, H3 and so on.

6.5 The party scoring the highest points/marks (H1) based on the above principles would be appointed for the transaction. The other technically qualified BRLMs 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 filled up.

Government may consider selecting lesser number of Bidders for appointment as BRLMs.

6.6 The fee quoted by H1 would be shared equally by all the appointed BRLMs. However, if any BRLM selected on this basis has quoted a lower fee than that quoted by H1 that BRLM will get a fee equal to the fee quoted by him divided by the number of BRLMs appointed for the transaction. However, the expenses to be incurred by the appointed BRLMs on items as mentioned in para 3.1 above would be shared equally by all the BRLMs.

6.7 The selected Bidders will work as a team and be called Book Running Lead Managers.

7. Requirements for Financial Bids

7.1 The Bidder is required to quote a fee (in a sealed envelope) as a percentage of proceeds to be received through the "Initial Public Offer". The fee quoted by the Bidder should be inclusive of all the applicable taxes, cess, duties etc. The different taxes should be indicated separately while raising the bills for payment of fee. All bills are to be raised in INR and will be payable in INR only after successful and satisfactory closure of the transaction.

7.2 The fee quoted should be unconditional and inclusive of the expenditure to be incurred on the intermediaries and the work mentioned in paragraph 3.1 above.

7.3 The Bidders may quote a drop dead fee, if any, payable by Government in case of calling off of the transaction by the Government 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 Government and be shared equally by all the Bidders. Drop dead fee will not be a criterion in determining the H1 Bidder.

7.4 The Bidders will be liable to pay taxes applicable as per law.

8. For any further clarification, contact Ms. Preeti Nath, Director, Department of Disinvestment, Ministry of Finance, Room No. 208, 2nd Floor, Block No.11, CGO Complex, New Delhi - 110 003, Tel. 011-24368523 , Fax 011-2436 0382, e-mail: pnath@nic.in

Annexure I

**INDICATIVE LIST OF STATIONERY FOR THE "INITIAL PUBLIC OFFER" IN
RESPECT OF COAL INDIA LIMITED**

Sr.	Description
1	DRAFT RED HERRING PROSPECTUS
2	RED HERRING PROSPECTUS (ORDINARY & SPECIAL)
3	PROSPECTUS
4	BID CUM APPLICATION FORM with Memorandum in Book form (RESIDENT/NRI/EMPLOYEES)
5	POSTERS/BANNERS
6	CAN, REFUND STATIONERY ETC.

ANNEXURE-II

DETAILS OF DOMESTIC/INTERNATIONAL EQUITY OFFERINGS

Parameters	01.04.2007-31.03.2008		01.04.2008-31.03.2009		01.04.2009-31.03.2010	
	Mandate	Value (Rs. Cr)	Mandate	Value (Rs. Cr)	Mandate	Value (Rs. Cr)
DOMESTIC EQUITY PUBLIC OFFERINGS	1		1		1	
	2		2		2	
	3		3		3	
TOTAL						
INTERNATIONAL EQUITY PUBLIC OFFERINGS	1		1		1	
	2		2		2	
	3		3		3	
TOTAL						
PUBLIC OFFERINGS PULLED OUT/WITHDRAWN PRE OR POST ROADSHOW	1		1		1	
	2		2		2	
	3		3		3	
TOTAL						

Note: 1. Please indicate whether you were engaged by Government of India for any Equity Public Offering, other than those mentioned above and if so, furnish details.

Annexure-III

No. 6/4/2001-DD-II
Government of India
Department of Disinvestment

Block 14, CGO Complex
New Delhi.

Dated 13th July 2001.

OFFICE MEMORANDUM

Subject: Guidelines for qualification of Advisors for disinvestment process.

Government has examined the issue of framing comprehensive and transparent guidelines defining the criteria for selection of Advisors, so that the parties selected through competitive bidding inspire public confidence. Earlier, a set of criteria like sector experience, knowledge, commitment etc. used to be prescribed. Based on experience and in consultation with concerned departments, Government has decided to prescribe the following additional criteria for the qualification/disqualification of the parties to act as Advisors to the Government for the disinvestment transactions:

- (a) Any conviction by a Court of Law or indictment / adverse order by a regulatory authority for a grave offence against the Advising concern or its sister concern would constitute a disqualification. Grave offence would be defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of offence would be taken on a case-to-case basis after considering the facts of the case and relevant legal principles by the Government. Similarly, the decision in regard to the relationship between the sister concerns would be taken, based on relevant facts and after examining whether the two concerns are substantially controlled by the same person/persons.
- (b) In case such a disqualification takes place, after the entity has already been appointed as Advisor, the party would be under an obligation to withdraw voluntarily from the disinvestment process, failing which the Government would have the liberty to terminate the appointment / contract.
- (c) Disqualification shall continue for a period that Government deems appropriate.
- (d) Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.

- (e) The disqualification criteria would come into effect immediately and would apply to all the Advisors already appointed by the Government for various disinvestment transactions, which have not yet been completed.
- (f) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.
- (g) Henceforth, these criteria will be prescribed in the advertisements seeking Expressions of Interest (EOI) from the interested parties to act as Advisor. Further, the interested parties shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against the CEO or any of its Directors/Managers/Employees, full details of such investigation including the name of the investigating agency, the charge/offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, similar undertaking will be obtained along with EOI. They would also have to give an undertaking that if they are disqualified as per the prescribed criteria, at any time before the transaction is completed, they would be required to inform the Government of the same and voluntarily withdraw from the assignment.
- (h) The interested parties would also be required to give an undertaking that there exists no conflict of interest as on the date of their appointment as Advisors in handling of the transaction and that, in future, if such a conflict of interest arises, the Advisor would immediately intimate the Government of the same. For disinvestment proposes, 'conflict of interest' is defined to include engaging in any activity or business by the Advisor in association with any third Party, during the engagement, which would or may be reasonably expected to, directly or indirectly, materially adversely affect the interest of Government of India or the Company (being disinvested) in relation to the transaction, and in respect of which the Advisor has or may obtain any proprietary or confidential information during the engagement, that, if known to any other client of the Advisor, could be used in any manner by such client to the material disadvantage of Government of India or the Company (being disinvested) in the transaction. The conflict of interest would be deemed to have arisen if any Advisor firm/concern, has any professional or commercial relationship with any bidding firm / concern for the same disinvestment transaction during the pendency of such transaction. In this context, both Advisor firm and bidding firm would mean the distinct and separate legal entities and would not include their sister concern, group concern or affiliates etc. The professional or commercial relationship is defined to include acting on behalf of the bidder or undertaking any assignment for the bidder of any nature, whether or not directly related to disinvestment transaction.

- (i) On receiving information on conflict of interest, the Government would give the option to the Advisor to either eliminate the conflict of interest within a stipulated time or withdraw from the transaction and the Advisor would be required to act accordingly, failing which Government would have the liberty to terminate the appointment/contract.

Sd/-
(A.K. Tewari)
Under Secretary to the Government of India

Annexure-IV

FORMAT OF UNCONDITIONAL BID ON THE LETTERHEAD OF THE BIDDER

This is to certify that the fee quoted by us for engagement as Book Running Lead Managers for disinvestment in Coal India Limited through "Initial Public Offer" is in accordance with the terms and conditions laid down in the Request for Proposals displayed on the website of the Department of Disinvestment and is unconditional.

Seal with signatures of authorized signatory of the BRLM