

Tender Number: HCL/BRLM/2010  
Date: 28<sup>th</sup> May 2010



# Hindustan Copper Limited

## REQUEST FOR PROPOSAL

**FOR**

**APPOINTMENT OF BOOK RUNNING LEAD MANAGER (BRLM)  
FOR  
'FURTHER PUBLIC OFFER' OF THE COMPANY  
(Revised on 7.6.2010)**

(Last Date for submission of Tender: 14<sup>th</sup> June 2010 upto 1500 Hrs (IST))

Registered Office: 'Tamra Bhavan',  
1, Ashutosh Chowdhury Avenue, Kolkata-700 019  
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# **ENGAGEMENT OF BOOK RUNNING LEAD MANAGERS FOR DIVESTMENT OF 10% OF GOVT. OF INDIA SHARE HOLDING AND ISSUE OF FRESH SHARES TO THE EXTENT OF 10 % OF EQUITY THROUGH FURTHER PUBLIC OFFER IN THE DOMESTIC MARKET – REQUEST FOR PROPOSAL**

## **1. Introduction**

1.1 Hindustan Copper Ltd (hereinafter referred to as ‘HCL’ or ‘Company’) is a public sector undertaking under the administrative control of the Ministry of Mines, Govt. of India. The Company was incorporated under the Companies Act, 1956 on 9th November, 1967. The paid up equity capital of the company is Rs. 462.61 crore. The Government of India is holding 99.59% of the paid up equity capital of the Company and the remaining 0.41% is held by others. The face value of Company’s shares is Rs.5 each and the Company is listed on BSE. Presently, HCL is the only Company in India engaged in mining of copper ore, beneficiation, smelting, refining and manufacturing of down-stream products like Copper Cathode and Continuous Cast Wire Rod. HCL has the distinction of owning all copper mining leases in the country.

1.2 HCL has four operating units viz. Khetri Copper Complex (Rajasthan), Malanjkhand Copper Project (Madhya Pradesh), Indian Copper Complex, Ghatsila (Jharkhand) and Taloja Copper Project (Maharashtra). While Khetri and Ghatsila are fully integrated units (mining, ore beneficiation, smelting and refining), Malanjkhand has mining and ore beneficiation and Taloja has wire rod manufacturing facility only. The Company has an employee strength of 5286 as on 1.05.2010.

1.3 The Company was conferred Mini Ratna Category-1 status in 2008 and is a debt free company.

### **1.4 Government decision**

The Government of India intends to divest 10% of its existing shareholding in the Company and the Company intends to issue fresh shares to the extent of 10% of the pre-issue equity through Further Public Offer (FPO). Zero point five eight percent (0.58%) of the public offering would be reserved for the employees of HCL.

## 2.0 The Proposal:

Proposals are hereby invited 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 and **fulfilling eligibility criteria given under para 4 hereunder to act as Book Running Lead Managers (BRLMs)** and to assist and advise the Company in the process. The Certificate of Registration with SEBI should remain valid till the completion of all activities relating to "Further Public Offer".

## 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 "Further Public Offer", including but not restricted to, as mentioned below: -

- (i) Advise the Company on the timing and the modalities of the "Further Public Offer".
- (ii) Structure the "Further 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 Company and 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 "Further Public Offer", allocation of shares and after sale support.

- (ix) Perform all other responsibilities connected with the “Further Public Offer”.
- (x) Underwrite the “Further Public Offer”.
- (xi) Assist in selection of intermediaries to be appointed by the Company 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 Company.
- (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 “Further 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 1.00 crore (One crore). Application Forms for all the categories taken together. Any deficiency noticed in this regard shall be viewed seriously by the Company. 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) Will have to enter into the requisite agreements for the proposed transaction.
- (xvii) Ensure completion of all post issue related activities as laid down in the SEBI guidelines.
- (xviii) Rendering such other assistance as may be required in connection with FPO.

**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 Company which will also bear the expenditure involved on account of these intermediaries.
- (b) The expenses related to the tour programme of only Government and Hindustan Copper Limited officials will be borne by the Government & HCL respectively.

- (c) The brokerage will be 0.35% for Retail and 0.15% for HNI and will be borne by HCL. 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 brokerage indicated above does not restrict appointed BRLMs from paying any additional brokerage over and above the brokerage indicated and payable by the Company. 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; advertising agency/ public relation agency (Preparation of statutory advertisements and road shows); 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 shall be provided along with the Financial bid on a separate sheet being the annexure to the Financial bid.**
- (e) In case HCL decides to defer the Public Offering after the Application Forms have been printed, the Company 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 the Company will reimburse the initial filing fee paid by the BRLMs.

3.2 The Company will select and appoint five 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 Company, will form a syndicate as required under the SEBI Guidelines/ Regulations.

#### **4. Eligibility**

4.1 Bidders should be a Category-I Merchant Banker holding valid certificate issued by SEBI.

4.2 Bidders should have handled at least one domestic equity issue of the size of Rs. 500 crore or more during the period 1.4.2007 to 30.4.2010.

4.3 The Government has prescribed guidelines for qualifications of Advisors for disinvestment process, enclosed at **Annexure-III**. The interested Bidders fulfilling eligibility

criteria mentioned in paragraph 4.1 and 4.2 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 be 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. Instructions to Bidders on submission of Proposal:**

5.1 The Proposal shall be submitted containing 3 envelopes as indicated below:

- (i) **Envelope 1 (unsealed)** containing the following:
  - (a) Cost of document **Rs. 100,000** (Rupees One lac only) by way of a non-refundable demand draft drawn in favour of Hindustan Copper Limited, payable at Kolkata.
  - (c) **Certificate**, duly signed by the authorized signatory of the bidder as per para 4.3,
  - (d) Certificate in format at **Annexure-IV**; and
  - (e) **Authority letter** authorizing the authorized signatory of the bidder to sign the proposal and other documents.
  - (f) 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 14<sup>th</sup> June 2010 at 1530 Hrs (IST)) in the conference room at HCL, Kolkata.
- (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 put in single sealed envelope**) must be submitted in the Tender Box **by 1500 hours on 14<sup>th</sup> June 2010, addressed to DGM & Co. Secretary, Hindustan Copper Limited, “Tamra Bhavan” 1, Ashutosh Chowdhury Avenue, Kolkata 700 019** 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 Company 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 Company reserves the sole right to accept or reject any or all Proposals thus received without assigning any reasons thereof.

**5.4 Format of the Proposal:**

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 20/100)

**(from 1.4.2007 to 30.4.2010)**

- (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 shall 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 must 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 needs to be furnished.

**Section (B):**

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

- (i) Indicate work done in the areas of Copper/ Base metals/ Precious metals/ Uranium metal - like studies or research undertaken.
- (ii) Exhibit strength/expertise in the areas of HCL/ Copper company/ Base metals company/ Precious metals company/Uranium Company, if any.
- (iii) The Public Offerings handled in the period from 1.4.2007 to 30.4.2010 in the area of mining/ Base metals/ Precious metals/ Atomic metals.
- (iv) Research Reports done on the companies operating in areas of Copper/ Base metals/ Precious metals/ Uranium metal.
- (v) SWOT analysis of the Company.

**Section (C):**

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** shall 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 or better qualification and experience would be made available with concurrence of the Company.

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

**Section (D):**

Marketing strategy & Post Issue Market Support - (Weightage for evaluation 20/100)

- (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 shall act either as a constraint, or as a conflicting interest, to your involvement in the proposed “Further 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 “Further 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 “Further Public Offer” with break up of all activities to be undertaken by various agencies involved in the process.

**Section (E):**

**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 shall 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 (F):**

**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 (G):**

**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.

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 the Management of the Company at the premises of Hindustan Copper Limited,

'Tamra Bhavan', 1, Ashutosh Chowdhury Avenue, Kolkata-700 019. **The presentations will be held on 18th and 19<sup>th</sup> June, 2010. The timing of the presentation will be posted on the website of the Company on 15<sup>th</sup> June 2010 and will also be separately intimated to the eligible bidders through e-mail.** Only the Team Leader of the Core Team shall make the presentation.

6.2 The HCL management 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 70 marks out of 100 only will be technically short listed. If the number of short listed bidders is less than seven, then the Company reserves the right to relax the marks to short list seven bidders.

6.3 After the short listing of Bidders based on their presentations, HCL 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 and will be posted on the Company website.

6.3 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.

6.4 Proposal with the lowest price bid may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices.

6.5 The total score, both technical and financial, shall be obtained by weighing the quality and cost scores and adding them up.

6.6 Highest points basis: On the basis of the combined weighted score for quality and cost, the bidder shall be ranked in terms of the total score obtained. The proposal obtaining the highest total combined score in evaluation of quality and cost will be ranked as H-1 followed by the proposals securing lesser marks as H-2, H-3 etc.

6.7 The BRLM scoring the highest points/marks (H1) based on the above principles would

be appointed for the transaction. The other technically qualified BRLMs will be ranked as H2, H3 and so on in that order and 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 is completed.

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. Requirement 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 "Further 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 the Company in case of calling off of the transaction by the Company 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 the Company 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, please contact Shri C.S. Singhi, DGM & Co. Secretary, 'Tamra Bhavan', 1, Ashutosh Chowdhury Avenue, Kolkata-700019, Telephone numbers: 033-2283 2226/2676, e-mail: [singhi\\_cs@hindustancopper.com](mailto:singhi_cs@hindustancopper.com)

**Annexure I**

**INDICATIVE LIST OF STATIONERY FOR THE “ FURTHER PUBLIC OFFER” IN RESPECT OF HINDUSTAN COPPER LIMITED**

| <b>Sr.</b> | <b>Description</b>   |
|------------|--|
| 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-<br>31.03.2008 |                   | 01.04.2008-<br>31.03.2009 |                   | 01.04.2009-<br>30.04.2010 |                   |
|---|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|
|   | Mandate                   | Value<br>(Rs. Cr) | Mandate                   | Value<br>(Rs. Cr) | Mandate                   | Value<br>(Rs. Cr) |
| DOMESTIC<br>EQUITY PUBLIC<br>OFFERINGS      | 1                         |                   | 1                         |                   | 1                         |                   |
|   | 2                         |                   | 2                         |                   | 2                         |                   |
|   | 3                         |                   | 3                         |                   | 3                         |                   |
| <b>TOTAL</b>                                |                           |                   |                           |                   |                           |                   |
| INTERNATIONAL<br>EQUITY PUBLIC<br>OFFERINGS | 1                         |                   | 1                         |                   | 1                         |                   |
|   | 2                         |                   | 2                         |                   | 2                         |                   |
|   | 3                         |                   | 3                         |                   | 3                         |                   |
| <b>TOTAL</b>                                |                           |                   |                           |                   |                           |                   |
| PUBLIC<br>OFFERINGS                         |                           |                   |                           |                   |                           |                   |
| PULLED<br>OUT/WITHDRAW<br>N                 | 1                         |                   | 1                         |                   | 1                         |                   |
|   | 2                         |                   | 2                         |                   | 2                         |                   |
|   | 3                         |                   | 3                         |                   | 3                         |                   |
| PRE OR POST<br>ROADSHOW                     |                           |                   |                           |                   |                           |                   |
| <b>TOTAL</b>                                |                           |                   |                           |                   |                           |                   |

**Note:** 1. Please indicate whether you were engaged by Government of India/ Public Sector enterprise 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 13<sup>th</sup> 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**

**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 Manager for “Further Public Offer” by Hindustan Copper Limited is in accordance with the terms and conditions laid down in the tender No. HCL/BRLM/2010 dated 28.5.2010 & corrigendum No 1 dated 7.6.2010 for Request for Proposal downloaded from website of the Company and is unconditional.

Seal with signatures of authorized signatory of the  
BRLM