

1.0 Scope of Work

I. **Market Landscaping and Opportunity Identification:**

The Transaction Advisor might need to conduct Market Analysis to determine the current and projected demand and supply patterns and Competition Analysis in the Critical Minerals listed by the Ministry of Mines and to advise CIL on the best possible option. They may also be asked by CIL to find an investment opportunity based on the specifications given by the Company.

II. **ESG Analysis and study of Regulatory Landscape and Compliance Assistance:**

The Transaction Advisor shall assist, in conjunction with technical and legal and tax & accounting advisors, if any, to carry out the detailed due diligence process. The transaction advisor shall also need to study the fiscal regime, various contracts entered into by other companies, laws related to critical mineral business and any other document impacting the proposed transaction excluding development plan, budget estimates, mineral resource estimates, production estimates, etc. which will be in the domain of Technical Consultant.

The TA also needs to assist in obtaining necessary permits and licenses and ensure compliance with all legal and regulatory requirements.

III. **Financial Due Diligence:**

Analyze the financial health of the target assets including historical financial performance, projections and financial models based on the inputs received from the Technical Advisor. The TA shall also recommend whether to focus on enhancing market share or on enhancing profits on the basis of the Financial Modelling. The TA, shall also include tax and accounting implications to CIL.

IV. **Identification of Potential Risks and their mitigation strategies:**

The Transaction Advisor shall work with appropriate advisors and/ or consultants of CIL to analyze various risks associated with the project such as geo-mining risk (in association with technical consultant), economic risk, political risk, country risk and project risk. It would also suggest the risk mitigation mechanisms and cover these aspects in the valuation.

V. **Valuation of the project:**

Based on the above analysis, the transaction advisor would determine the market value of share/ interest in the project. The percentage of participating interest to be acquired, would be decided depending on the conclusions from the analysis, recommendations of the TA and internal guidelines of CIL, if any.

VI. **Transaction Structuring and Negotiation Support:**

The TA shall explore and suggest all options available to CIL for the financial structure of the deal. The characteristics of each option shall be evaluated by the TA based on, but not limited to parameters like cost, security requirements, quantum, regulatory guidelines, etc.

The TA shall assist and guide CIL at various stages of the negotiation of price, terms and conditions of the acquisition agreement with the Seller and (together with CIL's legal and other advisors) in the preparation of the final agreement and closing the deal. The deal will be considered to be closed on the day when the

conditions of the various agreements related with the acquisition of the interest in the project are met (including those required as per the statutory requirement of appropriate laws) and CIL becomes a lawful entity in the project.

VII. Assistance in Financing and Fundraising

The TA shall also include, in the report, the financing options available to CIL considering the existing capital structure of CIL. Assist in raising capital through debt, equity or hybrid instruments, involving preparation of investment proposals and presentations to potential investors or financial institutions.

VIII. Management of Stakeholder engagement and Communication

Local Partner Engagement: Facilitate communication and partnerships with local stakeholders, including government agencies, community groups and industry bodies.

Investor Relations: Manage communications with investors, providing updates and addressing concerns.

The TA may be asked to make presentations to the Indian Government Authorities/ Coal India and CIL Board. It shall also assist CIL in obtaining various approvals from various agencies including Reserve Bank of India and is also required to provide information and interact constantly with technical/ tax & accounting/ legal consultants engaged by CIL during the term of the agreement.

IX. Monitoring of investment's performance and regular reporting to stakeholders.

The TA shall prepare and submit the following reports, which are by way of illustration and not an exhaustive list:

- (i) The detailed consolidated due diligence and valuation report based on the work carried out in 4.1 to 4.6 above in addition to the interim reports on progressive basis after due diligence of project/ company and related, report after preparation of financial model etc.
- (ii) The TA shall prepare and submit the final document outlining the offer along with the strategy to acquire the opportunity including any revisions thereof requested by CIL.

TA may also have to assist CIL in the post-deal period, over time frames varying from six to twelve months depending on the situation, for smooth implementation of post-acquisition activities.

X. Development of an Exit Strategy:

The TA must advise on potential exit strategies and timing for divestment or sale of the investment.

2 Eligibility Criteria for Empanelment

EOI of the Applicants meeting the following eligibility criteria shall only be shortlisted by CIL for the next stage of selection process. The Applicant would be liable to disqualification if it has made misleading or false representation or has deliberately suppressed the information in the forms, statements and enclosures required in the Application for Empanelment.

2.0 *Pre-Qualification Criteria:*

- I. The Applicant must qualify the eligibility criterion laid down by Foreign Exchange Management Act (FEMA) for undertaking valuation of assets for investment abroad. This requires the applicant to be registered as category-I Merchant Banker (MB) with SEBI.
- II. The Applicant should be a legal entity registered under relevant law in India or abroad. The Applicant entity (domestic or foreign) must be in the business of Mergers and Acquisition transaction advisory for a period of more than continuous five (5) years as of last day of month previous to the one in which this Expression of Interest is issued/published. Consortium or JVs are allowed under this EOI.

(Note:

- *In case of a JV, all members of the JV shall sign the contract and shall be jointly and severally liable for the entire assignment.*
- *Any association in the form of a JV among the shortlisted firms shall be permissible in accordance with provisions stated in the RfP.*
- *Maximum number of partners in a JV shall be limited to three.*
- *Financial qualifications of the member firms of the JV can be clubbed together, provided that the lead partner of the JV should meet at-least 50% of the submitted qualifications and other member partners should meet at-least 25% of the submitted qualifications.*
- *A firm shall submit only one proposal, either individually or as a JV partner in another proposal. If a firm, including a JV partner, submits or participates in more than one proposal, all such proposals shall be disqualified. This does not, however, preclude a firm from participating as a sub-consultant or an individual consultant to participate as a team member in more than one proposal when circumstances justify but only if permitted by the RfP document.*
- *A copy of existing agreement is to be submitted for JVs.*

- *Power of Attorney, in which the member is to be authorized is also required.)*

III. The Applicant entity should not be currently debarred or blacklisted by any of the following: MoC, DoE or CIL. If the entity is debarred post empanelment, then it will be rendered ineligible for participation in the Limited Tenders.

IV. The Applicant entity should not be under corporate insolvency resolution process, liquidation or similar proceedings.

Self-attested copy of documents mentioned below must be submitted along with application as documentary evidence:

i) Audited Balance Sheet and Profit & Loss Statement duly certified by Auditor for last three financial years just preceding the financial year in which the application has been submitted.

ii)

SI no.	Name of documents required for Indian companies registered in India or foreign companies having an office in India.	Name of documents required for foreign companies not having any office in India.
1	GSTIN Registration	Similar document as applicable in respective country. (Tax Residency Certificate)
2	PAN Card	Similar document as applicable in respective country. (Tax Residency Certificate)
3	Certificate of Incorporation/ Registration certificate from Registrar of Companies, in case applicant is a company	Similar document as applicable in respective country.

(**Note:** For a foreign company, the documents, if issued in a foreign language must be translated in English through an official translator and apostilled by their respective Embassy.)

- iii) Declaration on blacklisting / banning should be furnished as per format provided in Annexure-4.
- iv) The format for Pre-Contract Integrity Pact (as per Annexure-8) should be
Initialed by the Applicant.
- v) The format of Code of Integrity for Public Procurement (as per Annexure- 10) should be initialed by the Applicant.

- I. The applicant must have past experience in providing transaction advisory role in overseas mining sector

And,

- II. The applicant should have in its name successfully assisted in completion of at least one overseas mineral asset mergers and acquisition deal, related to any one of the mineral listed as "Critical" by the Ministry of Mines, in its report "Critical Minerals for India", June 2023, during last ten years ending last day of the month previous to the one in which EOI(s) are invited.

- a. In respect of the above eligibility criteria the applicant are required to furnish the following information on-line:

- i. Start date of the year for which work experience of applicant is to be considered for eligibility.
- ii. Start date & end date of each qualifying experience (similar nature)
- iii. Work Order /Agreement reference of each experience
- iv. Name & address of Employer/Work Order Issuing authority of each experience
- v. Executed Value of work against each experience.
- vi. Both work orders and satisfactory completion certificates issued by the client are to be submitted. The completion certificate should contain completion date and reference to the work order. For completion certificate and work orders, separate certification from statutory auditor of the applicant/ Bidder for work value and completion date may also be considered, provided the statutory auditor explicitly states the date of completion and the total amount received including the final bill settlement for the specific work.

- b. The bidder has to submit documents, which should mention the details of assignment indicating scope (as per the requirement in this tender) carried out along with value of the Purchase Order so as to enable CIL to identify whether the applicant meets the qualification criteria stipulated above or not. In addition to that, the applicant/ bidder shall also submit Satisfactory Work Completion Certificate on Client's letter head indicating (a) Brief scope of work, (b) Contract period, (c) Date of completion, (d) Work Order reference as relevant, and (e) Value of work executed. Bidders shall also provide Client's references with contact details like Name, Designation, Address, Contact number and Email ID for each work order being submitted as per above criterion.

- c. If work order or completion certificate are not very explicit, separate certification from the client may be considered.

- d. For claiming above experience, an applicant/ Bidder can only claim one experience per assignment/work order, irrespective of number of mines or sectors covered under such assignment/work order.

- e. Recently obtained completion certificate from the client of the work done in the past (within the qualifying period) shall also be accepted, irrespective of date of certification.

- f. In a multi-year support assignment that is under progress for more than a year, certificate of successful completion of at least one year and satisfactory progress should be obtained.
- g. Work order/ completion certificate should be signed by the Applicant/ Bidder's client. Work order/ completion certificate received by e-mail should be signed/certified by the client.
- h. The references to the documents submitted as evidence for qualification criteria should be mentioned by specifying the relevant page number(s); wrong references of evidences may not be evaluated.
- i. Particulars of each of the assignments including title of the assignment, name of the client, completion date and specific work value should be provided.

2.2 *Financial Eligibility Criteria:*

- I. **The Net Worth** of the Applicant (standalone / unconsolidated) as on the last date of each of the last three financial years just preceding the financial year in which application has been submitted should be positive. Net Worth to be considered for this clause shall be the total Net Worth as calculated in accordance with the Companies Act, 2013 and any further amendments thereto.

Explanation for 5.4(a): Financial data should be provided. The Net Worth during the last three financial years just preceding the financial year in which application has been submitted must be provided in format given in Annexure-7 along with self-attested copies of Audited Balance Sheet and Profit & Loss Statements duly certified by Auditor as documentary evidence.

- Financial year here means the period of 12 months (January to December or April to March) for which the annual accounts of the entity is being prepared.

Note: However if any financial data is mentioned in any currency other than USD, it will be converted to INR for the purpose of evaluation only. For conversion of US Dollars to Rupees, the rate of conversion shall be Indian Rupees [as on 60 (sixty) days prior to the date of invitation of Bid] to a US Dollar. In case of any other currency, the same shall first be converted to US Dollars as on the date which is 60 (sixty) days prior to the date of invitation of Bid, and the amount so derived in US Dollars shall be converted into Indian Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily reference exchange rates published by the Reserve Bank of India for the relevant date. In case the reference exchange rate is not published by the Reserve Bank of India, any reference exchange rate referred by the Reserve Bank of India or the Government of India will be considered. (Date_____, Conversion Rate:_____ and site_____)

Explanation (Net Worth): Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited

financial statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

- II. **Working Capital:** The applicant must submit the Certificate of possessing adequate Working Capital which can be inclusive of access to lines of credit and availability of other financial resources to meet the requirement, issued by a Practicing Chartered Accountant having a Membership Number with Institute of Chartered Accountants of India. Such Certificate should contain the Unique Document Identification Number (UDIN). The applicant should possess the Working Capital issued within three months prior to the date of opening of tender.

In case, access to lines of credit constitutes the availability of Working Capital, Banker's Certificate (Scheduled Commercial Bank) shall also be submitted regarding availability of access to credit (issued within three months prior to the date of opening of tender) to meet the above eligibility criteria.

For foreign Partner(s), Banker's Certificate regarding availability of access to credit (issued within three months prior to the date of opening of tender) should be duly vetted/endorsed by the relevant Embassy/High Commission concerned, towards authenticity of document. Relevant Embassy/High Commission means the Embassy/High Commission in India of the Country where the bidder has obtained Banker's Certificate or Country of origin of the bidder).

- III. **Financial Turnover:** The applicants must submit the Average Annual Financial Turnover certificate (with UDIN No.) issued by a Practicing Chartered Accountant having a membership number with Institute of Chartered Accountants of India, containing the information as furnished by applicant.

The foreign partner(s) should submit Financial Turnover certificate based on IFRS (International Financial Reporting Standards) accounting standard certified by a local practicing public accountant/audit firm duly vetted/endorsed by the relevant *Embassy/High Commission concerned, towards authenticity of document. (*Relevant embassy/High Commission means the embassy/High Commission in India of the country where the bidder has obtained Turnover certificate or country of origin of the bidder OR the Indian embassy in the country where the bidder has obtained Turnover certificate or country of origin of the bidder.)