

Clarifications with respect to the RFP for Engagement of Merchant Bankers & Selling Brokers for disinvestment in GIC and NIACL through OFS post the pre-bid meeting held on 26.11.2018.

S.No	Query	Clarification
1	Clause 6.1 Single Proposal is required to be submitted for both the companies. Also clarify if a bidder can opt to submit the bid for only one of the two companies.	Single bid/ proposal to be submitted by the bidder for both the companies.
2	Clause 3.1 of the RFP states that the bidder is required to quote fee as a percentage of the disinvestment proceeds. Request you to kindly clarify if different percentages can be quoted for each of the two companies.	Single percentage is required to be quoted. That percentage will be applicable to the disinvestment proceeds received by Government in respect of that company.
3	The non-refundable fees that needs to be paid by the applicant merchant banker, while applying for the RFP shall be INR 1 lacs for the total divestment i.e. divestment for both the Companies.	Yes, for both the companies.
4	Is there any minimum or maximum stake sale component that DIPAM is look to disinvest in the OFS.	No, it will be decided at appropriate time.
5	Clause 4.7: There is a Chinese wall between Investment Bank and Research arm. This doesn't allow us to take any decision in relation to stock coverage done by the Research arm. Hence, an undertaking in this regard shall be regulatorily difficult for us to provide. Please let us know your views on the same.	The Research Arm may provide its inputs with regard to concerned stocks directly to the company for which MB is involved in the disinvestment process. It is also suggested that the deal team may contain a person with research experience in this field.
6	Clause 4.7 of the RFP states that the Research Arm of the MBs should continue active coverage on the stock for a period of at least 2 years after OFS (An undertaking in this regard will be taken from the selected MBs) (page 5 of the RFP) - Request you to kindly clarify what active coverage on the stock would entail.	On completion of OFS, the Research Arm of MBs is to provide price movement and other relevant inputs for the concerned stocks for a period of 2 years. An undertaking in this regard to be submitted by selected MBs.