

December 7, 2020

**Subject: Request for Proposal (RFP) to Provide Financial and Transaction Advisory services to Infrastructure Leasing & Financial Services Limited**

**1. Invitation**

- 1.1. Infrastructure Leasing & Financial Services Limited (“**IL&FS**”) hereby invites proposals from investment/merchant banking and financial advisory companies (“**Financial & Transaction Advisors**” or “**FTA**”) wishing to be considered for selection by the IL&FS group (“**IL&FS**” or “**IL&FS Group**”), for advising and undertaking on behalf of IL&FS, transactions involving the sale of or investments in one or more assets, portfolios, minority shareholding, companies or businesses as may be identified in due course (“**Investment Banking Services**”), such assets/companies being called “**Identified Assets**”. The current list of Identified Assets is listed under Annexure A. Additional assets may be added at a later date to such Identified Assets.
- 1.2. IL&FS may select additional FTAs to undertake all or parts of the services outlined above, either jointly or individually, at its sole discretion. It is expected that the FTA(s) (if appointed jointly) will work harmoniously in achieving the objectives of IL&FS, including with any financial or other advisors IL&FS may appoint.

**2. Brief background on IL&FS**

- 2.1. IL&FS is a leading infrastructure development and finance company. For over 25 years, IL&FS has focused on commercializing infrastructure projects and creating value-added financial services to become a proactive partner in India’s growth story.
- 2.2. IL&FS is engaged in diversified businesses, including:
  - a) Financial Services
  - b) Roads and Surface Transport
  - c) Education Infrastructure
  - d) Environment Infrastructure
  - e) Real Estate
  - f) Water
  - g) Construction: EPC
  - h) Urban Infrastructure
  - i) Energy/Power

j) Maritime and

k) Technology

(collectively, the “**Group Businesses**”).

2.3. The National Company Law Tribunal, Mumbai Bench (“**NCLT**”) vide its orders dated October 1, 2018, October 3, 2018 and December 21, 2018 also appointed directors on the board of IL&FS (the “**New Board**”).

2.4. In line with the mandate granted to the New Board has submitted a roadmap as outlined Third Progress Report on the ‘*Proposed Resolution Framework for IL&FS Group*’ dated December 17, 2018 (**Initial Resolution Framework**); the Addendum dated January 15, 2019 thereto (**First Addendum**); and the Second Addendum dated December 5, 2019 (**Second Addendum**) (collectively, “**Resolution Framework**”) to the Ministry of Corporate Affairs and in turn has been filed with the National Company Law Appellate Tribunal (“**NCLAT**”). The Resolution Framework has been approved by the NCLAT vide its order dated March 12, 2020. Accordingly, the IL&FS group is in the process of selling certain assets/companies to interested buyer pursuant to the Resolution Framework and other processes as are approved by NCLT or NCLAT.

### **3. Scope of Services**

3.1. IL&FS invites proposals from applicants for providing:

- a) Investment Banking Services relating to Identified Assets, which will illustratively include the following:
  - i. Managing a transparent process for participation by and bidding from potential buyers which could be any of but not limited to – public sale, process akin to a swiss challenge, bilateral discussions;
  - ii. Assisting in activities towards launch of each of sale process – not limited to - preparation of teaser, information memorandum, formats for public advertisement, expressions of interest;
  - iii. Identification of, reaching out to and ascertaining interest from potential buyers;
  - iv. Assessment of potential for consummation of a transaction by reference to possible levels of interest amongst potential buyers considered to be relevant by the FTA(s);
  - v. Sharing of requisite information as may be required from time to time including managing the data room;
  - vi. Providing financial advice and assistance to IL&FS in connection with the transaction(s) as is customary and appropriate in transactions of these types, including guidance on structuring, timing, modalities, etc.;

- vii. Interacting with potential buyers for activities pertaining to the sale process including for site visits, due diligence and other such activities as is customary and appropriate in transactions of these types;
- viii. Negotiating on behalf of IL&FS and/or assisting IL&FS in negotiations with potential buyers;
- ix. Assisting IL&FS and its other advisors in conducting meetings of Committee of Creditors (COC) in accordance with the Resolution Framework approved for IL&FS by Hon'ble NCLAT
- x. Coordinating with other intermediaries such as legal counsel/accountants, etc. in relation to preparation and finalisation of requisite process documents, transaction documents, regulatory/ statutory/corporate/legal/tax & accounting requirements and any other such activities deemed necessary for the transaction;
- xi. Assisting IL&FS in its consideration and evaluation of offers, including as regards achieving the commercial objectives of IL&FS in the best possible manner, compliance with the applicable guidelines/regulations/laws and successful closure etc.;
- xii. Successful closure of the transaction(s) which would entail transfer of shares/business/asset with final aggregate consideration received by IL&FS in accordance with the process under the approved Resolution Framework;
- xiii. Responses to any queries of the New Board and/or Management of the IL&FS Group in relation to any of the above; and
- xiv. Such other work that may be necessary during the transaction process.

- 3.2. The scope of services mentioned above is only indicative and is non-restrictive in nature.
- 3.3. The FTA(s), when selected and appointed, shall ensure that IL&FS shall have the right to disclose the reports/ recommendations received pursuant to the assignment to any governmental authority or judicial forums or third parties, as may be required by IL&FS, without the consent of the respective FTA(s), and that the said reports shall not contain any qualifications restricting the same.
- 3.4. In case of appointment, the FTA(s) shall keep all information in relation to the assignment properly documented and may need to produce the same as and when required by IL&FS during and/or post completion of the assignment.
- 3.5. This assignment has to be completed in accordance with timelines as maybe decided by IL&FS from time to time.
- 3.6. The appointed FTA(s) will be required to enter into an engagement letter as per IL&FS's prescribed format within a stipulated time, as directed by IL&FS. The failure or delay on the part of the selected FTA(s) to execute the engagement letter within such period may result in rejection of the proposal, at the sole discretion of IL&FS.

- 3.7. The FTA(s) will be required to disclose in its proposal the existence of any conflict of interest with the ILFS Group, in relation to the respective FTA(s) or any of its affiliates, at the time of submission. In the event of selection, IL&FS shall, at its discretion, require in the engagement letter, customary provisions relating to conflicts of interest at any stage of the assignment.
- 3.8. The team and the leader specified in the proposal should remain committed and available for the entire assignment, i.e. until the successful completion of the transaction. In case there is a change due to reasons beyond the control of the FTA(s), suitable replacements would need to be made, with due consultation with IL&FS and without adversely affecting the assignment.

#### **4. Submission of Proposal**

4.1. Proposals are required to be submitted as per the following directions:

- a) Protected Electronic Submission 1 (“PES1”): a password protected email containing the following:
- i. Detailed proposal highlighting the credentials pertinent to the Scope of Services
  - ii. Details highlighting investment banking advisory experience (buy side or sell side) across any sector, specifically over the last 3 financial years viz. Mar’17-Mar’18, Mar’18-Mar’19 and Mar’19-Mar’20. The said details should specify information such as number of transactions, transaction sizes, both in India and at a global level, type of transaction, etc.
  - iii. Details regarding domain expertise highlighting experience, if any, in advising on transactions/entities in the sectors in which the Identified Assets are engaged in. The said details should specify information such as number of transactions, transaction sizes, both in India and at a global level, type of transaction, etc.
  - iv. Detailed statement indicating understanding of the scope, the proposed methodology for the work/work plan, the FTA’s suggestions on achieving the objectives of IL&FS as described in paragraph 1 above which could include options, time sequencing, and potential for realizability. FTA(s) are encouraged to be as specific to the Identified Assets as possible on the basis of information available in the public domain, market understanding of the IL&FS Group, and other information provided in this document.
  - v. Details of the team proposed for the assignment, which shall contain detailed experience statement of the team members, including sector experts, location of the team members and the geographic presence of the applicant;
  - vi. A disclosure (including details if any) by the applicant whether it has ever been blacklisted, debarred or disqualified by any Government/statutory/regulatory body or institute of professionals.

- vii. A self-certification that all the information submitted by the FTA pursuant to this RFP is true and correct and not misleading in any manner whatsoever.
  - viii. Authority letter authorizing the official of the FTA to sign the proposal.
- b) Protected Electronic Submission 2 (“PES2”): a password protected email for the financial proposal, containing the following:

Success fee, which shall be expressed as a SINGLE percentage. The percentage will be of:

- i. **In case of sale of shareholding** – A percentage of IL&FS’s proportionate share of enterprise value of the relevant asset/company on a per transaction basis, payable on successful closure of a transaction. The assignment shall be considered complete and successful only upon the completion of all relevant activities listed in the scope under 3.1
- ii. **In case of slump sale / sale of business / sale of asset / sale of portfolio** – A percentage of the sales realisation, payable on successful closure of a transaction. The assignment shall be considered complete and successful only upon the completion of all relevant activities listed in the scope under 3.1

**Percentage expressed will cover both of (i) and (ii). In case a different percentage is expressed for (i) and (ii), the LOWER of the percentages shall be considered as applicable to both (i) and (ii).**

**The success fee quoted shall cover all of the Identified Assets. Applying for selective assets is not permitted.**

- 4.2. The proposal (PES1 and PES2) duly signed by the authorized officer of the applicant shall be submitted latest by **6:00 pm Indian Standard Time on December 17, 2020** via separate emails with separate passwords, addressed to (1) Mr. CS Rajan at email id [CS.Rajan@ilfsindia.com](mailto:CS.Rajan@ilfsindia.com) AND to (2) Mr. Bijay Kumar at email id [Bijay.Kumar@ilfsindia.com](mailto:Bijay.Kumar@ilfsindia.com).
- 4.3. No proposal will be entertained after the above time and date. The proposals received after the appointed time and date may be subject to rejection at the sole discretion of IL&FS. IL&FS reserves the sole right to accept or reject any or all proposals received, without assigning any reasons thereof.

## **5. Procedure for selection**

- 5.1. The FTA acknowledges and accepts that IL&FS may, in its sole and absolute discretion, apply criteria as it deems appropriate in the selection of applicants, and not limited to the criteria set out herein. This RFP is merely an invitation to offer and must not be construed as any agreement or contract with IL&FS.



5.2. The applicants may be called for an online presentation to IL&FS. The date for the presentation will be intimated in due course. The final selection will be at the sole discretion of IL&FS and only the selected FTA(s) shall be informed of their appointment and no disclosures on the methodology of selection will be made. The decision of IL&FS will be final and binding upon the FTA(s). IL&FS may, at its sole discretion, amend any terms of this RFP, cancel the process/assignment, without assigning any reasons before the completion of the assignment.

## **6. General Terms**

- 6.1. Confidentiality: This RFP and any other documents or information provided by IL&FS, including the existence or any discussions with IL&FS or its representatives, pursuant to this RFP is confidential and is not to be reproduced, transmitted, or made available by the FTA(s) to any other person. FTA(s) who are selected will be required to execute non-disclosure agreements in a form customary to assignments of this nature.
- 6.2. IL&FS is not committed either contractually or in any other way to the FTA(s) whose applications are received. The issue of this RFP does not commit or otherwise oblige to proceed with any part of the assignment or steps of the process.
- 6.3. All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the participating firm and will not be reimbursed by IL&FS Group in any manner.
- 6.4. IL&FS and its directors/officers/employees/contractors/agents and advisors disclaim all liabilities (including by reason of negligence) from any loss or damage, cost or expense incurred or arising to any person by reasons of using the information contained in this letter or provided pursuant thereto or suffered by any person acting or refraining from acting because of any such information.
- 6.5. This letter shall be governed in accordance with the laws of India for the time being in force and will be subject to the exclusive jurisdiction of Courts at Mumbai.

**For Infrastructure Leasing & Financial Services Limited**

**Name: CS Rajan**

**Designation: Managing Director, IL&FS Ltd.**

**Annexure A – List of Identified Assets**

1	Canopy Housing & Infrastructure Limited
2	Gujarat Tourism Opportunity Limited
3	Project Development Corporation of Rajasthan Limited
4	Urban Mass Transit Company Limited
5	Uttarakhand Infrastructure Projects Company Limited
6	Saurya Urja Company of Rajasthan Limited
7	Cross Border Power Transmission Limited
8	Power Transmission Company of Nepal
9	IL&FS Securities Services Limited
10	ISSL Settlement & Transaction Services Limited
11	Kukuza Project Development Company
12	Ramagiri Renewable Energy Limited
13	Syniverse Technologies (India) Private Limited

### Annexure A1 - Canopy Housing & Infrastructure Limited (“CHAIN”)

Canopy Housing & Infrastructure Ltd is a Joint Venture Company of the Canopy Group of Companies and IL&FS Trust Co Ltd-IL&FS Fund. The Company was incorporated on 16/04/2007 with the Objective of Development of Real Estate Infrastructure in West Bengal. IL&FS Funds hold a 26% equity stake in the Company and the remaining Stake is held by Canopy Group Companies.

The Shareholding Pattern of CHAIN is as follows-

S. No.	Name of the Shareholder	Dec 31, 2019	
		No of Shares Held	Holding
1	Canopy Arch Estates Private Ltd	33000	66%
2	Canopy Projects Limited	3994	8%
3	IL&FS Trust Company Limited	13000	26%
	<b>Total</b>	<b>49994</b>	<b>100%</b>

The entity is currently dormant and had no revenues in FY 2019

#### Project Development Fund:

As on February 25, 2020 the Outstanding Project Development Fund contributed by IL&FS Fund is as follows:-

Particulars	Amount (Rs)
Outstanding PDF	41,50,000/-
Interest on PDF due to IIDC	55,33,466/-
<b>Total</b>	<b>96,83,466/-</b>



## **Annexure A2 - Gujarat Tourism Opportunity Limited (“GUJTOP”)**

Gujarat Tourism Opportunity Limited (‘GUJTOP’) is a joint venture of the Tourism Corporation of Gujarat Limited (TCGL) and Infrastructure Leasing & Finance Services Limited (IL&FS). The company was set-up to augment the tourism industry in the state of Gujarat.

GUJTOP undertakes the following activities towards technical closure of a typical tourism project:

- project identification & conceptualization
- demand assessment and techno-economic feasibility studies
- project structuring including funding strategy
- branding and marketing
- bid process management and selection of successful developer including
  - preparation of EOI/RFQ, request for proposal, concession agreement
  - evaluation of EOI/RFQs and RFPs
  - assistance in signing of concession agreement & project closure

Some of the important assignments completed by the company in the last five years include:

- Selection of an agency for the development of tent city at Dhordo, Rann of Kutch, Gujarat,
- Selection of an agency for the development of amusement park at Ajwa, Vadodara, Gujarat,
- Selection of management operator for Shrestha Bharat Bhawan, Kevadia (Statue of Unity), Narmada, Gujarat,
- Assistance to Tourism Department in framing Tourism Policy 2015-20 in the State of Gujarat
- Preparation of Vision Plan for attracting tourists at Statue of Unity

### **Annexure A3 - Project Development Corporation of Rajasthan Limited (“PDCOR”)**

Project Development Corporation of Rajasthan Limited (‘PDCOR’) is 50:50 joint venture between IL&FS Townships & Urban Assets Limited (ITUAL) and the Government of Rajasthan (GoR). The company operates as a project development arm of GoR with experience in Rajasthan in the following sectors:

- Urban infrastructure,
- Treatment and Distribution of water and waste water,
- Tourism infrastructure

The company’s past experience includes:

- Urban Infrastructure:
  - consultancy services for development of exhibition cum convention centre
  - project management consultancy services for construction of sports building at Jaipur
  - technical cum advisory services for development of bus terminals through PPP mode on DBFOT basis of Rajasthan - BT at Heerapura
- Water and Wastewater
  - preparation of Village Water Security Plan including DPR
  - preparation of Report and Action Plan for stopping discharge of polluting water into water bodies (8 water bodies of Rajasthan)
  - consultancy services for Drinking Water Grid, Rajasthan
- Tourism Infrastructure
  - preparation of Detailed Project Report (DPR) for development of Spiritual, Heritage, Tribal and Wildlife Tourism Circuit under Swadesh Darshan Scheme of GOI
- Power Infrastructure
  - consultancy services for selection of metering, billing & collection (MBC) agency for Bhilwara City of AVVNL

The revenues of the company grew from INR 135 million in FY 18 to INR 273 million in FY 19 with a PAT margin of 13.6%

#### **Annexure A4 – Urban Mass Transit Company Limited (“UMTC”)**

Urban Mass Transit Company Limited (‘UMTC’) is an indirect associate company of IL&FS. UMTC is focused on creating, incubating, planning, designing and implementing sustainable urban mobility solutions. It is the only specialist urban transport advisory company with a pan India presence. UMTC has completed about 200 individual assignments across India and abroad, and is currently working on urban transport projects spread over all the states and major cities/ towns of India.

The present shareholders of the company include, Govt. of India, Ministry of Housing & Urban Affairs (GoI, MoHUA) (25%), Govt. of Andhra Pradesh (GoAP) (16.67%), Andhra Pradesh State Road Transport Corporation (APSRTC) (8.33%) and IL&FS IIDC Fund (50%).

The revenues of the company grew from INR 193.87 million in FY 18 to INR 202.27 million in FY 19 with a PAT margin of 7%

#### **Annexure A5 – Uttarakhand Infrastructure Projects Company Limited (“UIPC”)**

Uttarakhand Infrastructure Projects Company Ltd. (‘UIPC’) was formed as a joint venture company, between the State Government of Uttarakhand and the IL&FS Group, on March 10, 2006.

The company is mandated to develop infrastructure projects on PPP format in Uttarakhand. UIPC's focus sectors include, small-hydro power plants & tourism infrastructure. In addition to hydro-power and the tourism sector, the company has also been actively involved in consultancy and advisory mandates for various Uttarakhand State Government departments and organizations.

Presently UIPC is working on the development of hydro power projects in the following river valleys: Yamuna valley, Alaknanda & its tributaries, Eastern Ramganga river valley, Sarju river valley and the tributaries of river MahaKali.

The company generated revenue of INR 14.07 million in FY 20.

#### **Annexure A6 – Saurya Urja Company of Rajasthan Limited (Saurya Urja)**

Saurya Urja Company of Rajasthan Limited (‘Saurya Urja’) is a 50:50 joint venture company of Government of Rajasthan (‘GoR’) and IL&FS Energy Development Company Limited (‘IEDCL’). The company was started in the year 2015 with a mandate to develop 5,000 MW of solar power parks in the state of Rajasthan.

Saurya Urja has developed its first solar park of 1,000 MW capacity with “Plug & Play” features in Bhadla village of Jodhpur district. Currently, the company is developing its 2<sup>nd</sup> solar

park of 300 MW capacity in Hapasar village of Bikaner district for a leading international solar power developer.

The company is also exploring new business opportunities like infrastructure development for electric vehicle charging, battery storage and hybrid power plants.

The company generated revenue of INR 1,395 million in FY 20 with a PAT margin of 26.7%

#### **Annexure A7 – Cross Border Power Transmission Company Limited (“CPTC”)**

Cross Border Power Transmission Company Limited (‘CPTC’) was incorporated on December 19, 2006. The company was set up for the development, construction, operation & maintenance of the India portion (86 Kilometres), i.e. Muzaffarpur – Sursand section, of the 400 KV D/C Muzaffarpur – Dhalkebaar Indo – Nepal Cross Border Transmission Line. The Transmission Line project is under commercial operation since 19th February, 2016

The main objects of CPTC inter alia include to engage in the business of building, maintaining and operating transmission systems between India and neighbouring countries like Nepal, Bhutan, Bangladesh, Myanmar, Sri Lanka and Pakistan for the purpose of export and import of electricity, transmission of data and other related businesses.

The company is a joint venture of IL&FS Energy Development Company Ltd (IEDCL) (38%), PowerGrid Corporation of India Ltd (PGCIL) (26%), SJVN Ltd (SJVNL) (26%) and Nepal Electricity Authority (NEA) (10%).

The revenues of the company grew from INR 472.04 million in FY 18 to INR 491.51 million in FY 19 (for the 9 month period ending December 31, 2018) with a PAT margin of 37.4%

#### **Annexure A8 - Power Transmission Company Nepal Limited (“PTCN”)**

Power Transmission Company Nepal Limited (‘PTCN’), is a company incorporated in Nepal under Nepal Company Act 2063 and is a joint venture of Nepal Electricity Authority (NEA) (50%), Power Grid Corporation of India Ltd (PGCIL) (26%), Hydroelectricity Investment & Development Company Ltd (HIDCL) (14%) - a Nepalese financial Institution, and, IL&FS Energy Development Company Ltd (IEDCL) (10%).

The company has implemented the Nepal portion (42.1 Kilometres), i.e. from Nepal Border at Bhattamod to NEA Substation at Dhalkebar, of the 400 KV D/C Muzaffarpur – Dhalkebaar Indo – Nepal Cross Border Transmission Line.

Nepal Electricity Authority (NEA) is the beneficiary of the Transmission Line.

#### **Annexure A9 - IL&FS Securities Services Limited (“ISSL”)**

IL&FS Securities Services Limited (“ISSL”) was incorporated on July 27, 2006 as a subsidiary of Infrastructure Leasing & Financial Services Limited (“IL&FS”) and the securities services business of IL&FS was subsequently transferred to ISSL.

ISSL is an unlisted public company of which majority is owned by IL&FS. It renders securities services as a SEBI registered market intermediary which includes services as a depository participant, custodian, professional clearing member on stock markets and as an originator and manager of retail loans.

The company generated revenue of INR 263.5 million in FY 20.

#### **Annexure A10 - ISSL Settlement & Transaction Services Limited (“ISTSL”)**

ISSL Settlement & Transaction Services Limited (“ISTSL”) renders professional clearing member services as a secondary intermediary for the Commodities Exchanges of the country.

ISTSL was incorporated on December 3, 2010 as a wholly owned subsidiary of IL&FS Securities Services Limited (“ISSL”). Subsequent to merger of Forwards Market Commission with Securities Exchange Board of India (“SEBI”), the company obtained registration certificate from SEBI on April 29, 2016. On June 19, 2017, ISSL sold its stake in ISTSL to Infrastructure Leasing & Financial Services Limited (“IL&FS”), as on date, ISTSL is wholly owned subsidiary of IL&FS.

The company generated revenue of INR 46.5 million in FY 20.

#### **Annexure A11 - Kukuza Project Development Company (“KPDC”)**

Kukuza Project Development Company (KPDC) was incorporated as a limited liability company under the Companies Act No. 15 of 2001 Laws of Mauritius in May, 2015, to conceive and develop large infrastructure projects and to create opportunities for diverse set of inventors to develop, operate and invest in infrastructure sector in Africa. The promoters of KPDC are the Africa Development Bank (AfDB), Export Import Bank of India (EXIM Bank), State Bank of India (SBI) and Infrastructure Leasing & Financial Services Limited (IL&FS).

KPDC is currently focusing on the following countries offering conducive business environment:

- Eastern Africa: Kenya, Uganda, Tanzania Zambia, Ethiopia
- Southern Africa: South Africa, Botswana, Mozambique, Rwanda
- Northern Africa: Egypt, Tunisia
- Western Africa: Cote D’Ivoire, Senegal, Ghana, Nigeria

It is also synergizing its operations with development funding sources to create opportunities for African/ Indian/ Japanese private sector.



Currently, KPDC is working on multiple key assignments which have the potential of generating revenues in excess of USD 15 million in the next 2 to 3 years.

**Annexure A12 – Ramagiri Renewable Energy Limited (“RREL”)**

Ramagiri Renewable Energy Limited (RREL) is a 100% subsidiary of IL&FS Energy Development and is interested in divestment of its 6.5 MW wind assets in Andhra Pradesh. RREL has an existing wind farm with a total capacity of 6.5 MW (26 Wind Turbines of 250KW capacity each) of Nordex (Denmark) make, installed on 170 acres of contiguous land at Ramagiri, Dist. Anantapura, Andhra Pradesh.

**Annexure A13 - Syniverse Technologies (India) Private Limited (“Syniverse JV”)**

Syniverse JV was incorporated on June 26, 2008 with three partners – Syniverse Technologies LLC (37.5% shareholding) and two Indian partners - IL&FS Financial Services Limited (37.5% shareholding) and Aasan Info Solutions (India) Private Limited (erstwhile ‘Flashnet’) (25% shareholding)

The JV was formed to provide Mobile Number Portability (‘MNP’) services in Zone-1, which includes Northern and Western India, based on a 10-year license from the Department Of Telecommunication (‘DOT’) effective March 20, 2009. The license was renewed by DOT for a further period of 10 years, effective March 20, 2019.

The revenues of the company grew from INR 213.6 million in FY 19 to INR 701.4 million (inclusive of one-time billing events) in FY 20.