



INVITATION FOR EXPRESSIONS OF INTEREST

FOR

THE ACQUISITION OF STAKES HELD BY IL&FS GROUP IN RENEWABLE ENERGY ASSETS / BUSINESSES

This refers to the advertisement issued in *The Economic Times* dated November 29, 2018 and the *Maharashtra Times* dated November 29, 2018 regarding the proposed sale of controlling stake(s) (“**Stake(s)**”) held by IL&FS Group. Pursuant to the *Report on Progress and Way Forward* dated October 30, 2018 (“**Report**”) submitted by Infrastructure Leasing & Financial Services Limited (“**IL&FS**”) to the Ministry of Corporate Affairs, Government of India, which, in turn, was filed with the Hon’ble National Company Law Tribunal Mumbai (Special) Bench (“**NCLT**”), expressions of interest (“**EOIs**”) are hereby being invited from interested parties (“**Applicant**”) for a potential acquisition of renewable energy assets / businesses. Investors will be offered the opportunity to acquire identified asset portfolios i.e., the basket of all assets in Asset Portfolio 1A, singly the Asset Portfolio 1B, Asset Portfolio 1C, Asset Portfolio 2, Asset Portfolio 3A, Asset Portfolio 3B, Asset Portfolio 3C, Asset Portfolio 3D or Asset Portfolio 3E, or in any combination including all of them (“**Potential Transaction(s)**”):

1. Asset Portfolio 1:

- Asset Portfolio 1A: Majority stake¹ held by IL&FS Wind Energy Limited in 5 (five) special purpose vehicles operating wind power generating plants with aggregate capacity of 569.2 MW;
- Asset Portfolio 1B: Majority stake¹ held by IL&FS Wind Energy Limited in a special purpose vehicle operating a wind power generating plant with aggregate capacity of 256.0 MW; and
- Asset Portfolio 1C: Majority stake¹ held by IL&FS Wind Energy Limited in a special purpose vehicle operating a wind power generating plant with aggregate capacity of 48.3 MW.

2. Asset Portfolio 2:

- IL&FS Wind Power Services Limited, the asset management company providing asset management services including technical oversight, commercial and regulatory services, and finance and accounts services.

3. Asset Portfolio 3:

- Asset Portfolio 3A: Special purpose vehicle with an under construction wind power generating plant with aggregate capacity of 43.2 MW;

¹ IL&FS Wind Energy Limited owns majority stake in above SPVs. Applicants will be provided with the detailed transaction structure including total stake available to be acquired in the confidential information memorandum post the execution of a non disclosure agreement



- Asset Portfolio 3B: Special purpose vehicle with an under construction wind power generating plant with aggregate capacity of 60.8 MW;
- Asset Portfolio 3C: Business division conducting project development and implementation of wind power generating plants;
- Asset Portfolio 3D: IL&FS Solar Power Limited, which has developed, operates and maintains solar power generating plants against fixed cash flows; and
- Asset Portfolio 3E: Business division conducting project development and implementation of solar power generating plants and projects under development of approximately 300 MW capacity of solar power plants for corporates.

The **Potential Transaction(s)** and the process thereof are an integral part of the steps outlined in the Report, and are expected to assist the Board of Directors of IL&FS appointed pursuant to the orders of the NCLT in October 2018 (“**Board**”), in part, in evolving the resolution plan(s) outlined in the Report.

EOIs are sought by the Board from Applicants interested in the Potential Transaction(s). Consummation of any transaction pursuant to the process initiated by this EOI will be subject to requisite approvals, including, corporate approvals of the selling shareholders, the approval of the Board, approvals required under applicable law and approval of the NCLT. The Board has engaged Arpwood Capital Private Limited and JM Financial Limited to assist in the Potential Transaction(s).

A. Net Worth and related Eligibility Criteria

To be eligible to participate in the process being undertaken with respect to the Potential Transaction(s), Applicants must comply with the following criteria:

1) Financial Criteria:

- (a) For body corporate, minimum net worth (“**NW**”) of INR 500,00,00,000 (Indian Rupees Five Hundred Crores only) as per the latest audited balance sheet.
- (b) For private equity investors: (i) minimum assets under management in India of INR 2,000,00,00,000 (Indian Rupees Two Thousand Crores only) as of March 31, 2018 or later; or (ii) committed funds available for investment / deployment in Indian companies / assets of INR 2,000,00,00,000 (Indian Rupees Two Thousand Crores only) as of March 31, 2018 or later.
- (c) Notes on NW:
 - (i) NW shall be computed in the manner set out in Section 2(57) of the Companies Act, 2013, as amended;



- (ii) NW requirement can be met either by: (I) the Applicant; or (II) if the Applicant is a subsidiary with at least 51% equity shareholding (on a fully diluted basis) being held by the parent company or a promoter, as the case may be, in each case on a consolidated basis;
- (iii) For calculation of NW, any compulsorily convertible instrument can also be included;
- (iv) In case the Applicant is a consortium, then the NW requirement must be met based on a weighted average basis of the consortium members' stake in the consortium;
- (v) Applicants, who are not domiciled in India, should convert all monetary amounts into Indian Rupees at the foreign exchange rate stipulated by the Reserve Bank of India (as of November 28, 2018);
- (vi) NW has to be computed as per the latest audited balance sheet, which balance sheet date shall be for a financial year ending between July 01, 2017 and June 30, 2018 or later.

2) Other Eligibility criteria for all Applicants

- (a) The Applicant shall not have been debarred or restrained by any regulatory authority from making investments.
- (b) The Applicant is not ineligible under the provisions of Section 29A of the Insolvency & Bankruptcy Code, 2016 to participate in the process relating to the Potential Transaction(s).

B. Guidelines for the Submission of EOI

Interested Applicants must submit:

- (a) duly executed EOIs in the format set out in **Annexure A**;
- (b) a profile of the Applicant; and
- (c) proof of authorization for the execution of the EOIs.

Such submission shall be by e-mail to *ilfs.wind@ilfsindia.com*, with a copy to *ilfs.wind@jmfl.com* and *ilfs.wind@arpwood.com*.

Emails should clearly set out the subject as “***Expression of Interest for Renewable Energy Assets/ Businesses of IL&FS***” and should be submitted no later than **5 pm Indian Standard Time, Monday, December 10, 2018**.



C. Other information

- (a) Unless any changes or modifications to this invitation for EOI are uploaded on www.ilfsindia.com/ad/, the terms of this invitation for EOI shall be final and binding on all Applicants.
- (b) If, at any time during the process relating to the Potential Transaction(s), IL&FS determines (at its sole discretion) that any Applicant does not fulfill any of the above conditions, then IL&FS shall have the right to immediately cease to engage with such Applicant without providing any reasons or incurring any liability whatsoever.
- (c) IL&FS reserves the right, at its sole discretion, to reject all or any of the EOIs, without providing any reasons or incurring any liability whatsoever.
- (d) IL&FS reserves the right to suspend, terminate or modify the process for the Potential Transaction(s), without providing any reasons or incurring any liability whatsoever.
- (e) The Applicant shall maintain confidentiality of the information received as part of the process relating to the Potential Transaction(s) and shall not use such information to cause any undue gain or undue loss to itself or any other person.
- (f) Eligible Applicants shall be determined by IL&FS at its sole discretion and will be intimated in due course. Such eligible Applicants will be: (I) required to execute a non-disclosure undertaking/ agreement in a prescribed format; and (II) provided an information memorandum containing details of the opportunity (including details of the total stake available with respect to the Asset Portfolios), the proposed transaction structure, process letter and other information in relation to the Potential Transaction(s).



Annexure A

Format of Expression of Interest

[On the letter head of the Applicant]

Date: [●]

To

The Board of Directors,

Infrastructure Leasing & Financial Services Limited (“IL&FS”)

Subject: INVITATION FOR EXPRESSION OF INTEREST FOR ACQUISITION OF CONTROLLING STAKE(S) IN RENEWABLE ENERGY ASSETS / BUSINESSES OF IL&FS GROUP

Respected Directors,

We refer to the advertisement in *The Economic Times* dated November 29, 2018 and the *Maharashtra Times* dated November 29, 2018, the invitation for Expression of Interest (“**EOI**”) and the preliminary teaser available at www.ilfsindia.com/ad/, in respect of the proposed sale of controlling stake(s) in renewable energy assets / businesses of IL&FS Group as a basket / individually or in any combination thereof as set out in the preliminary teaser (“**Potential Transaction(s)**”).

We hereby confirm that we are desirous of participating in the Potential Transaction(s), and would like to submit this expression of interest (“**EOI**”).

We confirm that we have understood the terms and conditions applicable to the submission of EOI. We confirm and undertake that the information furnished by us in this EOI and supporting documents is true, correct, complete, and accurate.

We confirm that we fulfil each of the ‘eligibility criteria’ mentioned in the invitation for EOI. Please find attached our profile along with the documents (and details of the eligible consortium, if any) in support of our submission.

[Our net worth as per the last audited balance sheet dated [●] is INR [●].] OR [Our minimum assets under management in India as of _____, 2018 is [●]] OR [Our committed funds available for investment/deployment in Indian companies / assets as of _____, 2018 is [●]].

We agree, acknowledge and declare that:

- (a) The person signing this EOI and other supporting documents is an authorized signatory who is supported by necessary board resolutions/authorization letter of the applicant (*as enclosed*);
- (b) The Applicant has not been debarred or restrained by any regulatory authority from making investments;



- (c) The Applicant is not ineligible under the provisions of Section 29A of the Insolvency & Bankruptcy Code, 2016 to participate in the process relating to the Potential Transaction(s);
- (d) The Applicant shall maintain confidentiality of the information received as part of the process relating to the Potential Transaction(s) (“**Process**”) and shall not use such information to cause any undue gain or undue loss to itself or any other person.

With respect to the Potential Transaction(s), we agree and confirm to IL&FS that:

- (a) We are aware that the consummation of any transaction pursuant to the process initiated by this EOI will be subject to requisite approvals, including, the approval of the Board of IL&FS and the respective IL&FS’ Group companies who are party to such transaction(s), approvals required under applicable law and approval of the National Company Law Tribunal;
- (b) If we do not meet any of the eligibility criteria throughout the Process, then IL&FS shall have the right, exercisable at its sole discretion, to forthwith terminate our involvement in the Process and the Potential Transaction(s). We will promptly intimate IL&FS of any material adverse change or any ineligibility in respect of the conditions set out in the Invitation for EOI issued by IL&FS, including any developments that impact our ability to complete the Potential Transaction(s) as envisaged pursuant to the Process;
- (c) IL&FS reserves the right to request for additional information or clarification(s) from us for the purposes of the EOI and we shall promptly comply with such requirements;
- (d) IL&FS reserves the right to determine at its sole discretion, whether or not we are eligible for the proposed transaction and may reject the EOI submitted by us without assigning any reason or without incurring any liability whatsoever;
- (e) We have provided, and will provide, all information and data during the Process, in a manner that is true, correct, accurate and complete and no such information, data or statement provided by us is (nor, when provided, will it be) inaccurate or misleading in any manner; and
- (f) IL&FS reserves the right to suspend, terminate or modify the process under this EOI or subsequent steps at any time, without providing any reasons or incurring any liability whatsoever.

Yours sincerely,

On behalf of [*name of applicant*]

Signature:



Name of Signatory:

Designation:

Contact No.:

E-mail ID:

Address:

Enclosures:

1. Profile of the Applicant;
2. Authority Letter