



**INVITATION FOR EXPRESSIONS OF INTEREST FOR
THE ACQUISITION OF I IPL’S INTEREST
IN CHONGQING YUHE EXPRESSWAY Company Limited**

This refers to the advertisement issued in South China Morning Post (Hong Kong edition) dated April 25, 2019 and Global Times (China edition) dated April 25, 2019 regarding the proposed sale by ITNL International Pte. Ltd (“**I IPL**”), being a company incorporated in Singapore and being a group company of Infrastructure Leasing & Financial Services Limited, a company incorporated in India (“**IL&FS**”) (IL&FS, together with all group companies of IL&FS to be referred to as “**IL&FS Group**”), of I IPL’s 49% shareholding in Chongqing Yuhe Expressway Company Limited, a company incorporated in China Mainland (“**CYEC**”). Pursuant to the appointment of a new board of directors (“**Board**”) of IL&FS, expressions of interest (“**EOIs**”) are hereby being invited from interested parties (“**Applicant**”) for a potential acquisition of 49% of the equity share capital in CYEC, being I IPL’s entire equity interest in CYEC (“**Potential Transaction**”).

CYEC is a joint venture between I IPL and Chongqing Expressway Group and currently holds a concession for an expressway of approximately 58.72 km, starting from Inner Ring Road, Yubei District and ending in Hechuan County. Approximately 13.25 years of the term remain, as of 31 March 2019, in the current concession held by CYEC, and CYEC has rights to collect toll from users and subsidies from the Chinese Government for the balance period of the concession.

EOIs are sought by the Board from Applicants interested in the Potential Transaction. Consummation of any transaction pursuant to the process initiated by this EOI will be subject to requisite approvals, including approvals of the selling shareholder, the approval of the Board which approval shall be granted under the overall supervision of the National Company Law Tribunal Mumbai (Special) Branch (“**NCLT**”) or other competent authorities nominated by the NCLT/ National Company Law Appellate Tribunal, approvals required under applicable law or contracts in relation to CYEC and the Potential Transaction, including any relevant approvals from the joint venture partner and the relevant concessioning authorities, and approval of all relevant courts or tribunals or regulatory authorities.

The Board has engaged UBS AG Hong Kong Branch (“**UBS**”) to assist in the Potential Transaction.

Net Worth and related Eligibility Criteria:

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

(A) Financial Criteria

- (i) For bodies corporate, a minimum net worth (“**NW**”) of USD 75,000,000 (United States Dollars Seventy Five Million only) as per the latest audited balance sheet;
- (ii) For private equity investors/infrastructure funds: (a) minimum assets under management of USD 300,000,000 (United States Dollars Three Hundred

Million only) as of March 31, 2018 or later; or (b) committed funds available for investment / deployment in companies / assets of USD 300,000,000 (United States Dollars Three Hundred Million only) as of March 31, 2018 or later.

Notes on NW:

- (i) NW shall be calculated in accordance with applicable law in the country of registration of the relevant Applicant;
- (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 then by such parent company or 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. Any entity may only be part of any one Applicant consortium;
- (v) NW has to be computed as per the latest available audited balance sheet of the Applicant.

(B) Other Eligibility criteria for all Applicants

- (i) The Applicant (and in case of a consortium, a member of the consortium) shall not have been debarred or restrained by any regulatory authority from making investments.

Guidelines for the Submission of EOI

Interested Applicants must submit:

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

Such submission shall be by e-mail to iiplchina@iflsindia.com, with a copy to ol-iipl_china@ubs.com.

Emails should clearly set out the subject as “*Expression of Interest for IIPL’s Interest in CYEC*” and should be submitted no later than **5 pm Hong Kong Time (Standard Time), Friday, May 10, 2019**

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, IL&FS Group determines (at its sole discretion) that any Applicant does not fulfil any of the above conditions, then IL&FS Group shall have the right to immediately cease to engage with such Applicant without providing any reasons or incurring any liability whatsoever.
- (C) IL&FS Group 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 Group reserves the right to suspend, terminate or modify the process for the Potential Transaction, 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 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 Group 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, the proposed transaction structure, process letter and other information in relation to the Potential Transaction.
- (G) This invitation for expression of interest is governed by the laws of Singapore and the courts at Singapore shall have exclusive jurisdiction.



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 THE ACQUISITION OF IIPL’S INTEREST IN CYEC

Respected Directors,

We refer to the advertisement in South China Morning Post (Hong Kong edition) dated April 25, 2019 and Global Times (China edition) dated April 25, 2019, the invitation for Expression of Interest (“**EOI**”) and the preliminary teaser available at www.ilfsindia.com/ad/, in respect of the proposed sale of the 49% stake held by ITNL International Pte. Ltd., a company incorporated in Singapore (“**IIPL**”, a company which is a group company of IL&FS, a company incorporated in India (IL&FS, together with all group companies of IL&FS to be referred to as “**IL&FS Group**”) in Chongqing Yuhe Expressway Co. Ltd., a company incorporated in China Mainland (“**CYEC**”) (“**Potential Transaction**”).

We hereby confirm that we are desirous of participating in the Potential Transaction, and would like to submit this 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 USD [●].] *or* [Our minimum assets under management as of [●], 2018 are of [●].] *or* [Our committed funds available for investment / deployment in companies / assets as of _____, 2018 are [●].]

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; and



- (c) The Applicant shall maintain confidentiality of the information received as part of the process relating to the Potential Transaction (“**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, we agree and confirm to IL&FS Group 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 which approval shall be granted under the overall supervision of the National Company Law Tribunal Mumbai (Special) Branch (“**NCLT**”) or other competent authorities nominated by the NCLT / National Company Law Appellate Tribunal, and the Board of Directors of the relevant IL&FS Group companies who are party to such transaction, approvals required under applicable law or contracts in relation to CYEC, including from joint venture partner as may be required and various concessioning authorities, and approval of necessary courts and tribunals or other regulatory authorities;
- (b) If we do not meet any of the eligibility criteria throughout the Process, then IL&FS Group shall have the right, exercisable at its sole discretion, to forthwith terminate our involvement in the Process and the Potential Transaction. We will promptly intimate IL&FS Group of any material adverse change or any ineligibility in respect of the conditions set out in the Invitation for EOI issued by IL&FS Group, including any developments that impact our ability to complete the Potential Transaction as envisaged pursuant to the Process;
- (c) IL&FS Group 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 Group 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 Group 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/ Board Resolution