

## EOI DOCUMENTS FOR PROJECT THERMAL

### 1. Introduction

- (a) The Company has set up a 270 MW coal based thermal power plant located in Nagpur, Maharashtra (the “**Project**”). The Project had achieved commercial operation during the fiscal year of 2013-2014.
- (b) However, due to the change in the policy regarding the price and distribution of all grades of coal by the Ministry of Coal, Government of India in the year 2012, the supply coal was only allowed to those independent power producers, who had/have long term power purchase agreements (“**PPA**”) with state power distribution companies (“**State Discom**”), was a major set-back for the power producers including the Company, which had already made huge capital investments in the sector.
- (c) The Project was initially based on sale of power on a merchant basis. The Company had secured a medium term PPA with one of the State Discom. However, owing to issues relating to the availability of transmission corridor, the offtake of power could not start in accordance with the terms of the PPA executed by the Company.
- (d) Considering the financial difficulties faced by the Company, the lenders of the Company restructured the outstanding indebtedness of the Company under corporate debt restructuring mechanism in the Year 2013. However, the Company was unable to secure necessary offtake arrangements and accordingly the management of the Company have decided to pursue selling of the Project to a strategic buyer.
- (e) The Project is currently non-operational due to non-availability of necessary offtake arrangements. However, the Project is kept under preservation till date with regular trials required to maintain the Project are undertaken; thus safeguarding the value & operational efficiency of the Project.

### 2. Relevant Timelines

- (a) Interested parties may submit their EOI, in the prescribed format, along with supporting documents, latest by 1700 hrs Indian Standard Time on August 8<sup>th</sup> 2017 by hand delivery/courier to Mr. Girish Deshpande, SVP – Investment Banking, IDBI Capital Markets & Securities Limited, 3<sup>rd</sup> Floor, Mafatlal Centre, Nariman Point, Mumbai, Maharashtra, India – 400021 or alternatively through email at [project.thermal@idbicapital.com](mailto:project.thermal@idbicapital.com).
- (b) The Clients shall have the discretionary right to modify the above mentioned timelines. In the event of any such modification, IDBI Capital shall issue applicable corrigendum and upload the same on its website ([www.idbicapital.com](http://www.idbicapital.com)).

### 3. Qualification Criteria

- (a) EOIs of only those interested parties who meet the qualifying criteria specified in subsequent section herein will be eligible. The interested party's competence and capability is proposed to be established by the following parameter:
- (i) **In the event such interested party is body corporate** – The interested party would be required to have a consolidated net worth of Rs. 100,00,00,000 (Rupees One Hundred Crores only) or more, based on the last available financial statement of immediately preceding financial year, of the interested party.
- “Net worth” would mean and include the equity share capital and reserves and surplus of an interested party (excluding any revaluation reserve) as per the last available immediately preceding financial year. For the purposes of qualifying under the net worth criteria, consolidated net worth based on audited financial reports of the preceding financial year of the interested party and/or its promoter/promoter group and any other group company may be used. The audited financial statements for the relevant period and entities should be provided along with the EOIs, for supporting the same.*
- (ii) **In the event such interested party is a financial institution/investment fund company/ private equity Investor** – The interested party would be required to have either (A) minimum asset under management or funds deployed of Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crores only) during the last 5 (five) financial years, as on 31st December 2016; or (B) committed funds available for investment/deployment in assets of Rs. 500,00,00,000 (Rupees Five Hundred Crores only) or more, as on December 31, 2016.
- (b) In the event of submission of an EOI by more than 1 (one) interested parties jointly, all the individual interested parties would have to individually qualify for the above mentioned qualification criteria.

### 4. Exchange Rate

For the purpose of evaluation of the EOI, the exchange rate to be used for conversion into Indian Rupees shall be the mean of the buying and selling rate quoted by the Canara Bank, on the closing working day that precedes the date of the EOI.

### **Disclaimer to the Invitation**

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*[On the Letterhead of the Entity Submitting the EOI]*

**EXPRESSION OF INTEREST**

Date: \_\_\_\_\_

To,

Mr. Girish Deshpande  
Senior Vice President (Investment Banking)  
IDBI Capital Markets & Securities Limited  
3rd floor, Mafatlal Center,  
Nariman Point  
Mumbai 400 021,  
India.

**Subject:** Expression of Interest (“**EOI**”) – for acquiring 100% equity holding of an entity which has set up a 270 MW thermal power plant at Nagpur, Maharashtra, India (“**Company**”)

Dear Sir,

1. In response to the advertisement in [*Insert the names of the newspaper and/or website*] dated [•] inviting expressions of interest as captioned above (“**Advertisement**”), we hereby submit our EOI for the acquisition of 100% equity holding of the Company.
2. We have also set out the following:
  - (a) information required in the format prescribed in the Advertisement as an Annexure to this EOI;
  - (b) the qualification certificate substantially in the format prescribed by you (“**Qualification Certificate**”); and
3. The information furnished by us in this EOI, the Annexure and the Qualification Certificate is true, correct, complete, and accurate.
4. Further, we acknowledge that:
  - (a) the EOI will be evaluated by the lenders to the Company (“**Lenders**”) with assistance from IDBI Capital Markets & Securities Limited (“**IDBI Capital**”) based on the information provided by us in the Annexure and the Qualification Certificate to determine whether we qualify to submit a proposal for the proposed transaction.
  - (b) the Lenders and IDBI Capital reserve the right to determine whether or not we qualify for the submission of the proposal and may reject the EOI submitted by us without assigning any reason whatsoever and without any liability to the Lenders or IDBI Capital; and

(c) the Lenders and IDBI Capital reserve the right to request for additional information from us for the purposes of evaluating the EOI.

Sincerely yours,

On behalf of [*Insert the name of the entity submitting the EOI*]<sup>1</sup>

Signature: \_\_\_\_\_

Name of Signatory:

Designation:

Company Seal/Stamp

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<sup>1</sup> Note: The person signing the EOI and other supporting documents should be an authorized signatory supported by necessary board resolutions of the interested party

## Annexure

*[Note: In case of joint EOIs, the details set out below are to be provided for each of the entities / groups submitting the joint Eoi.]*

### **1. Name and Address:**

- a. Name of the Firm/Company/Organisation:
- b. Address:
- c. Telephone No:
- d. Fax:
- e. Email:

### **2. Date of Establishment:**

### **3. Core Area of Expertise:**

### **4. Contact Person:**

- a. Name:
- b. Designation:
- c. Telephone No:
- d. Email:

### **5. Group / Company Profile:**

- a. Group / Company Financial Profile (consolidated / standalone as applicable):  
*[Note: The Group / Company profile should necessarily include net worth and revenue numbers of the preceding 3 (three) years of immediately preceding completed financial year. Where the entity submitting the EOI is a financial investor / fund entity, please provide details pertaining to "assets under management" for the preceding five years or the committed funds available as on December 31, 2016, for investment.]*
- b. Experience of the Group / Company:
- c. History if any, of the Company or affiliates of the Company being declared a 'willful defaulter', 'non-cooperative borrower', 'non-impaired asset' or 'non-performing asset':

**(On the Letterhead of the Bank/ Entity Issuing the Certificate)**

Private & Confidential

Ref no: *[Insert reference number]*

Date:

To,

**IDBI Capital Markets & Securities Limited**

3rd floor, Mafatlal Center,  
Nariman Point  
Mumbai 400 021,  
India.

Attn: Mr. Girish Deshpande  
Senior Vice President (Investment Banking)

**QUALIFICATION CERTIFICATE**

We the *[insert name of the issuing entity]* do hereby certify that *[insert name of the relevant entity]* incorporated in *[insert jurisdiction of incorporation of entity]* having their Registered office at *[insert registered address of the entity]* ("Initial, if any")<sup>2</sup> are meeting the qualification criteria as required for submission of EOI vide advertisement dated ----- as disclosed by the information and records with us.

It is further notified that this certificate is being issued at the request of the *[insert registered address of the entity]* without attaching any risk and responsibility to us in any respect whatsoever whether as guarantor or otherwise.

For [Bank/Entity Name]<sup>3</sup>

Authorized Signatory

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2 To be provided for each entity involved in the joint bid, if any.

3 To be provided by the bank or statutory auditor or chartered accountant or company secretary or equivalent in the jurisdiction of incorporation of the Company. In case of funds, it may be issued by the fund's administrator provided that such fund administrator is duly registered with / regulated by the competent authority in the relevant jurisdiction.