



Infrastructure Leasing & Financial Services Limited

July 28, 2022

The Sr. General Manager
Department of Corporate Services,
BSE Limited,
1st Floor, PJ Towers, Dalal Street
Mumbai 400 001

Sub: Media Release of Infrastructure Leasing and Financial Services Limited

Dear Sir / Madam:

Enclosed herewith is the Media Release for your information.

Sincerely,

Shekhar Prabhudesai
Company Secretary

Encl: a/a



MEDIA RELEASE

July 28, 2022, Mumbai

IL&FS COMPLETES TWO SALE TRANSACTIONS UNDER ITS ENERGY BUSINESS

SELLS ITS 33.33 PER CENT STAKE IN URJANKUR WARANA POWER COMPANY TO HSF, EXITS FROM GOM PROMOTED URJANKUR NIDHI FUND

CONCLUDES SALE OF ITS ENERGY ADVISORY SERVICES BUSINESS, CARVED OUT FROM PARENT, TO PTC INDIA LIMITED - APPROX 300 EMPLOYEES MOVE TO THE NEW COMPANY

TOTAL SALE CONSIDERATION FROM BOTH TRANSACTIONS AT RS 77.5 CRORE, NO DEBT UNDER THESE BUSINESSES

IL&FS Group has completed two sale transactions under its Energy business portfolio – Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (Urjankur Warana) and IL&FS Energy Development Company Limited (IEDCL) Energy Advisory Business division– at an aggregate consideration of Rs 77.5 crore.

In the first transaction, IL&FS has completed sale of its 33.33 per cent stake in Urjankur Warana to Shree Tatyasaheb Kore Warana Sahakari Sakhar Karkhana Ltd (HSF – Host Sugar Factory).

Urjankur Warana is a SPV jointly promoted by IEDCL, that holds 33.33 per cent stake, and Urjankur Nidhi Fund, that holds the balance 66.67 per cent stake, in the company.

IEDCL also holds 27.75 per cent stake in Urjankur Nidhi Trust along with Maharashtra Energy Development Agency that holds 50 per cent and Shree Datta Shetkari Sakhar Karkhana Ltd holding remaining 22.25 per cent stake in the trust.

With this transaction, IL&FS group has sold its 33.33 per cent stake in Urjankur Warana and its 27.75 per cent stake in Urjankur Nidhi Trust to HSF at an aggregate consideration of Rs 62.5 crore. IL&FS has now exited both these entities completely.

IEDCL entered in an Share Purchase Agreement with HSF for sale of its entire holding in Urjankur Warana at a consideration of Rs 62.5 crore and received necessary approvals – including that from the Government of Maharashtra - in December 2020 to conclude this sale.

Urjankur Warana owns a 44 MW bagasse-based cogeneration power plant (Plant) in Kolhapur District, Maharashtra that is set up on land leased from HSF. As per Project Development Agreement (PDA), HSF supplies bagasse to Urjankur Warana free of cost, as fuel for power generation. The surplus power generated by Urjankur Warana is being sold to the MSEDCL, as part of long term PPA, valid up to March 2026.

In the second transaction, IL&FS Group has also concluded the sale of its Energy Advisory business, a division of IEDCL, to PTC India Limited using the Swiss Challenge method.

PTC emerged as the highest bidder in the process and the sale was completed on July 26, 2022, at a consideration of approx. Rs 15 crore duly received by IL&FS. This sale has been approved by NCLT.



The entire advisory business undertaking with its contracts and projects team - comprising approx. 300 personnel (employed directly and indirectly) - have moved to PTC India Limited.

The total headcount of IL&FS Group now stands at approx. 4,000 employees (direct and indirect), across all existing group entities, down 80 per cent from 2018.

IEDCL Energy Advisory Business undertaking has its consultancy credentials, Demand Side Management (DSM) projects of Energy Efficiency Services Limited (EESL) – which are the biggest revenue driver - and other advisory assignments as assets transferred to PTC India.

Proceeds from both these sale transactions would be used by the new IL&FS board towards reducing overall debt as per the Resolution framework approved by NCLAT.

The new IL&FS Board, in its update in March 2022, had stated it had addressed Rs 55,000 crore debt – comprising Rs 21,000 crore from monetisation of assets, Rs 20,000 crore of Invit and cash balances and Rs 14,000 crore of claims filed with courts - while maintaining its aggregate resolution estimate at Rs 61,000 crore.

For Media Queries

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