



## INVITATION FOR EXPRESSIONS OF INTEREST

### FOR

### ACQUISITION OF SHARES HELD BY IL&FS TRANSPORTATION NETWORKS LIMITED IN GRICL RAIL BRIDGE DEVELOPMENT COMPANY LIMITED

This refers to the advertisement issued in *The Economic Times* dated January 09, 2020 and *Maharashtra Times* dated January 09, 2020 regarding the proposed sale of shares held by IL&FS Transportation Networks Limited (“ITNL”) in GRICL Rail Bridge Development Company Limited (“GRBDCL”).

Pursuant to the *Report on Progress and Way Forward* dated October 30, 2018, the *Second Report on Progress and Way Forward* dated December 2, 2018, the *Third Progress Report on Proposed Resolution Framework for IL&FS Group* dated December 17, 2018, and the addendum thereto dated January 15, 2019, the *Fourth Report on Progress and Way Forward* dated January 15, 2019, and the *Fifth Report on Progress and Way Forward* dated August 9, 2019 (collectively the “**Reports**”) which were submitted to the Ministry of Corporate Affairs, Government of India, which in turn has filed the Reports 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 the potential acquisition of 100% (one hundred per cent) of the issued and outstanding equity shares of GRBDCL owned by ITNL (“**Potential Transaction**”).

The Potential Transaction and the process thereof are an integral part of the steps outlined in the Reports, and are expected to assist the board of directors of Infrastructure Leasing & Financial Services Limited (“**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.

#### A. Background

GRBDCL is an under construction BOT asset of ITNL that is *inter alia* engaged in the development of railway over bridges in the State of Gujarat.

ITNL is the promoter shareholder of GRBDCL and holds 100% (one hundred per cent) of the equity shares of GRBDCL.

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, corporate approvals of the selling shareholders (as relevant), the approval of the Board, approvals required under applicable law or from statutory authorities, approval of the NCLT and other competent authorities nominated by the NCLT/ National Company Law Appellate Tribunal.

#### B. 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:

1) **Financial Criteria:**

(a) **For Bodies Corporate:**

- (i) Minimum net worth (“NW”) of INR 25,00,00,000/- (Indian Rupees Twenty Five Crores only) as per the latest audited balance sheet.

(b) **For Investment Funds, including Private Equity Funds:**

- (i) Minimum assets under management in India of INR 100,00,00,000/- (Indian Rupees One Hundred Crores only) as of March 31, 2019 or later;
- (ii) Committed funds available for investment/ deployment in companies incorporated in India of at least INR 100,00,00,000/- (Indian Rupees One Hundred Crores only), as of March 31, 2019 or later;
- (iii) Further, for trusts registered with the Securities and Exchange Board of India (“SEBI”) under the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“InvIT Regulations” and “InvIT” respectively), minimum value of the InvIT assets (latest disclosed), of INR 100,00,00,000/- (Indian Rupees One Hundred Crores only).

(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. For non-Indian entities, NW shall be calculated in accordance with applicable law in the country of registration of the Applicant;
- (ii) NW requirement can be met either by: (A) the Applicant; or (B) if the Applicant is a subsidiary with at least 51% (fifty one per cent) 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 (acting through a consortium SPV or otherwise), then the NW requirement must be met based on a weighted average basis of the consortium members’ stake in the consortium. Any Applicant may only be part of any 1 (one) Applicant consortium under the bid process;
- (v) In the case the Applicant is a newly incorporated special purpose vehicle, or individual(s), a chartered accountant’s certificate/ bank certified bank account statement confirming the availability of sufficient funds meeting the minimum net worth criteria and sources thereof;

- (vi) If the Applicant is not domiciled in India, the Applicant should convert all monetary amounts into Indian Rupees at the foreign exchange rate stipulated by Reserve Bank of India (as of January 09, 2020); and
- (vii) NW has to be computed as per the latest audited balance sheet, which balance sheet date shall be for a financial year ending March 31, 2019 or later.

Notes on Value of InvIT:

The Value of the InvIT assets shall be as defined under regulation 2(zzg) of the InvIT Regulations and carried out by the valuer in accordance with Regulation 21 of the InvIT Regulations.

(d) **Exemption to Indian Public Sector Enterprise**

The criteria prescribed in this paragraph 1 (*Financial Criteria*) shall not apply to an Applicant which is an Indian Public Sector Enterprise, if such Indian Public Sector Enterprise submits a letter of support from the Central Government or any State Government (as the case may be) at the time of submission of its binding bid, as will be prescribed in the request for proposal in relation to the Potential Transaction.

For the purpose of this clause, “Indian Public Sector Enterprise” shall mean any government company as defined under the Companies Act, 2013 or a body corporate constituted or established under an Act of Parliament or any State Legislature.

2) **Other Eligibility Criteria for all Applicants**

The Applicant (and in case of a consortium, a member of the consortium):

- (a) shall not have been debarred or restrained by any regulatory authority from making investments in India and in its jurisdiction of incorporation and operations;
- (b) has not been blacklisted by the Central or any State Government ministry/ agency for bidding in any Central or State Government projects/ contract in India and in its jurisdiction of incorporation and operations; and
- (c) 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.

C. **Guidelines for the Submission of EOI**

Interested Applicants must submit:

- (a) duly executed EOI in the format set out in **Annexure A**;
- (b) a profile of the Applicant;



- (c) proof of authorization for the execution of the EOIs;
- (d) latest audited financial information or chartered accountant's certificate/bank certified bank account statement, as applicable;
- (e) computation of NW; and
- (f) an executed non-disclosure undertaking in the format set out in **Annexure B**. It is hereby clarified that such an executed non-disclosure undertaking can be submitted by the Applicant prior to the submission of the EOI and other supporting documents listed in sub-clauses (a) to (e) above, to enable immediate provision of electronic data room access to the Applicant, in relation to the Potential Transaction. If the Applicant has submitted an executed non-disclosure undertaking in the format set out in **Annexure B** but fails to submit the EOI along with the relevant supporting documents before 5 pm Indian Standard Time, January 16, 2020, then such an Applicant shall stand disqualified from this bid process and will no longer have access to the VDR.

Such submissions shall be by e-mail to [ilfs.roads@ilfsindia.com](mailto:ilfs.roads@ilfsindia.com).

Emails should clearly set out the subject as “*Expression of Interest for the acquisition of 100% of the shares of GRBDCL*” and should be submitted no later than **5 pm Indian Standard Time, January 16, 2020**.

#### **D. Other information**

- (a) Unless any changes or modifications to this invitation for EOI are uploaded on [www.ilfsindia.com/ad/](http://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 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, 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 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 India and the courts at Mumbai shall have exclusive jurisdiction.



## Annexure A

### Format of Expression of Interest

*[On the letter head of the Applicant]*

Date: January [●], 2020

To  
The Board of Directors,  
Infrastructure Leasing & Financial Services Limited (“IL&FS”)

**Subject: INVITATION FOR EXPRESSION OF INTEREST FOR ACQUISITION OF 100% OF THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARES OF GRICL RAIL BRIDGE DEVELOPMENT COMPANY LIMITED, OWNED BY IL&FS TRANSPORTATION NETWORKS LIMITED**

Respected Directors,

We refer to the advertisement in *The Economic Times* dated January 09, 2020 and the *Maharashtra Times* dated January 09, 2020, the invitation for Expression of Interest (“EOI”) and the preliminary teaser available at [www.ilfsindia.com/ad/](http://www.ilfsindia.com/ad/), regarding the proposed acquisition of 100% (one hundred per cent) of the issued, subscribed and paid up equity shares of GRICL Rail Bridge Development Company Limited (“GRBDCL”), owned by IL&FS Transportation Networks Limited (“ITNL”) (“Potential Transaction”).

We hereby confirm that we are desirous of participating in the Potential Transaction, 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 for the proposed acquisition of 100% (one hundred per cent) of the issued, subscribed and paid up equity shares of GRBDCL. 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 \_\_\_\_\_, [●] is [●]] OR [Our committed funds available for investment/deployment in Indian companies as of \_\_\_\_\_, [●] 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) we have not been debarred or restrained by any regulatory authority from making investments;



- (c) we have not been blacklisted by the Central or any State Government ministry/ agency for bidding in any Central or State Government projects/ contracts;
- (d) we are not ineligible under the provisions of Section 29A of the Insolvency & Bankruptcy Code, 2016 to participate in the processes related to the Potential Transaction; and
- (e) we 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 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, the respective IL&FS Group companies who are party to such transactions and corporate approvals of the selling shareholders (as relevant); approvals required under applicable law or contracts in relation to the assets of GRBDCL and various concessioning authorities and State Government authorities; approval of the National Company Law Tribunal (“**NCLT**”) and other competent authorities nominated by the NCLT/ National Company Law Appellate 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. 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, 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:

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Name of Signatory:

Designation:

Contact No.:

E-mail ID:

Address:

Enclosures:

1. Profile of the Applicant;
2. Authority Letter *or* Board Resolution;
3. Latest audited financial information *or* chartered accountant's certificate/ bank certified bank account statement, as applicable;
4. Computation of NW; and
5. Executed Non-Disclosure Undertaking.



## Annexure B

### Non-Disclosure Undertaking

[On the letterhead of the Applicant]

January [●], 2020

To,  
The Board of Directors,  
Infrastructure Leasing & Financial Services Limited (“**IL&FS**”),  
The IL&FS Financial Centre,  
Plot C-22, G Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai 400 051

**Sub:** Acknowledgements, Confidentiality and Non-Disclosure (“**Undertaking**”)

Dear Sir/ Madam,

1. Vide this Undertaking, we, [*insert name of Applicant*] (the “**Receiving Party**”), hereby agree, undertake, acknowledge and confirm that:
  - (a) The Receiving Party would be receiving Confidential Information (*as defined below*) in relation (i) GRICL Rail Bridge Development Company Limited (“**GRBDCL**”); (ii) IL&FS Transportation Networks Limited (“**ITNL**”); and (iii) IL&FS, collectively referred to as the (“**Identified Assets**”) in relation to the acquisition of 100% (one hundred per cent) of the issued, subscribed and paid up equity shares of GRBDCL (“**Potential Transaction**”) subject to a bid process (the “**Process**”), from ITNL, its shareholders, Affiliates, directors, officers, employees, agents or advisors (individually referred to as “**Disclosing Party**”, and collectively referred to as “**Disclosing Parties**”);
  - (b) “**Confidential Information**” includes: (i) all information, discussions, progress and status with respect to the Process and/ or the Potential Transaction; (ii) all information, data, reports, analyses, advices, interpretations, studies, forecasts, records, documents and/ or materials, whether made available in writing or electronically to the Receiving Party by the Disclosing Parties in relation to the Identified Assets, or the Potential Transaction or the intended parties to the Potential Transaction or becoming available to the Representatives (*as defined below*) of the Receiving Party; (iii) any financial, technical, business, operational, assets and liabilities related information, any analysis that integrally incorporates and/or discloses any Confidential Information; and (iv) any information exchanged between parties to the Potential Transaction, in respect of any Disclosing Party(ies), or documents reflecting or generated from such information, and any information or document that the Disclosing Party considers confidential, but excluding information that:

- (i) at the time of supply to the Receiving Party is in the public domain or otherwise lawfully known to the Receiving Party;
  - (ii) becomes lawfully available to the Receiving Party or its Representatives (*as defined below*) from a third party who to the best of the Receiving Party's knowledge does not owe any party an obligation of confidence in relation to such information;
  - (iii) is independently developed by the Receiving Party or its Representatives without any reference to the Confidential Information, and without violating any obligations hereunder; or
  - (iv) is approved for disclosure in writing by the Disclosing Parties or a Disclosing Party; and
- (c) The Confidential Information shall be shared only with Affiliates or partners of the Receiving Party who shall be potentially participating in equity or debt funding and the directors, shareholders, partners (including operational alliances), officers, agents, employees or advisors (such as financial advisors, attorneys, bankers, consultants and accountants) of the Receiving Party/ their Affiliates/ partners (including operational alliances) who need to know such information for the purpose of evaluating the Potential Transactions (collectively referred to as the “**Representatives**”), on a strictly “need to know” basis; provided, such Representatives are also similarly restricted by the confidential obligations and conditions set forth in this Undertaking. The Receiving Party agrees that the Receiving Party will be responsible for any breach of the confidentiality and other terms of this Undertaking by any of the Receiving Party's Representatives.
- (d) The term “**Affiliate**” with respect to any Person, means any other Person which, directly or indirectly: (i) Controls such Person; (ii) is Controlled by such Person; or (iii) is Controlled by the same Person who, directly or indirectly, Controls such Person. In case where any of the share capital of the Receiving Party is held, directly or indirectly, by an investment entity, in addition to the above, the term Affiliate shall also include: (a) any alternative investment or co-investment fund, entity or company (including without limitation, any investment trust, limited partnership or general partnership) Controlled or managed by such investing entity; (b) any successor investment fund, vehicle or company of the investing entity; and (c) any Person that, directly or indirectly Controls, is Controlled by or is under the common Control with any Person referred in (a) and (b) above. For the purposes of this definition, an investing entity shall include a foreign venture capital investor, alternate investment fund, non-banking financial company, a core investment company or any entity engaged solely in holding investments in other companies/ entities. It is clarified that where the Receiving Party is directly owned by an alternate investment fund, registered with the Securities Exchange Board of India (an “**AIF**”), then in such a case any other funds or Persons managed by or advised by the manager to such AIF shall not be considered as an Affiliate of the Receiving Party.



- (e) The term “**Control**” shall have the meaning given in Companies Act, 2013 and terms “**Controlled**” or “**Controlling**” shall have the meaning accordingly.
  - (f) The term “**Person**” includes any individual, firm (registered or otherwise), company, corporation, body corporate, government, state or agency of a state or any association, trust, joint venture, consortium, partnership (including limited liability partnership) or other entity (whether or not having separate legal personality).
2. The Receiving Party agrees and undertakes that it shall, and it shall ensure that its Representatives shall:
- (a) keep confidential all Confidential Information provided to the Receiving Party, unless disclosure is required to satisfy the requirements of any law, legal process, court of competent jurisdiction or any governmental or regulatory agency having the authority to regulate any aspect of the Receiving Party’s business. Provided that the Receiving Party may disclose only such Confidential Information that is required to be disclosed to comply with a regulatory requirement, and to the extent legally permissible, the Receiving Party shall notify the Disclosing Parties of such requirements promptly, in advance of the disclosure, so that the Disclosing Parties may seek protective order(s) or other appropriate remedy to protect the secrecy of the Confidential Information at the cost of the Disclosing Parties;
  - (b) use Confidential Information solely for the purpose of evaluating, negotiating or, if selected as the preferred applicant, carrying out the Potential Transaction;
  - (c) not use the Confidential Information to cause an undue gain or undue loss to itself or any other person and comply with the principles stipulated under section 29(2) of the Insolvency and Bankruptcy Code, 2016 (as amended from time to time);
  - (d) not engage with or solicit or attempt to solicit, in any manner whatsoever, any client or customer of the Identified Assets; and
  - (e) not, directly or indirectly:
    - (i) induce for employment, employ or engage as a consultant or independent contractor any employee of the Disclosing Party(ies) to leave his or her employment and/ or terms of service with the applicable Disclosing Party, or in any way interfere with the relationship between the Disclosing Party and any such employee thereof;
    - (ii) induce or hire any person engaged by the Disclosing Party(ies), with whom the Receiving Party or any of its Representatives have been directly or indirectly introduced or otherwise had contact with in connection with the Potential Transaction, so long as such persons are employed or engaged by the applicable Disclosing Party, or upon

cessation of such employment or engagement with the applicable Disclosing Party, for a period of 6 (six) months after such cessation, unless otherwise agreed by the applicable Disclosing Party in writing,

Provided that the aforesaid conditions do not prevent the Receiving Party from offering employment: (A) pursuant to a general solicitation or advertisement not specifically directed towards employees of the Disclosing Party(ies), in the news media of general circulation; (B) through a recruitment agency or other similar entities who have not been specifically instructed by the Receiving Party to solicit such employees of the Disclosing Party(ies); or (C) to persons who approach the Receiving Party on their own volition, without any solicitation by the Receiving Party or its Representatives.

3. Further, the Receiving Party acknowledges and agrees that:
  - (a) the Confidential Information disclosed under this Undertaking is delivered “as is” and the Disclosing Parties do not make any representation or warranty as to the accuracy, timeliness or completeness of the Confidential Information or its suitability for any particular purpose. The Disclosing Party shall not have any liability to the Receiving Party or its Representatives relating to or resulting from the use of the Confidential Information or any omissions or errors therein; and
  - (b) the opportunity to participate in the Process or grant of access to Confidential Information cannot be construed:
    - (i) to grant any rights over the Identified Asset(s) to the Receiving Party or any person;
    - (ii) to be a commitment or agreement by the Disclosing Parties to undertake or consummate any or all the Potential Transaction with the Receiving Party or any other party; or
    - (iii) to refrain the Disclosing Party from consummating the Potential Transaction or any transaction pertaining thereto with any other party.
4. The Receiving Party acknowledges and confirms that:
  - (a) the Confidential Information is the property of the relevant Disclosing Party;
  - (b) in case of any actual or suspected loss, theft, unauthorized disclosure, use or access of Confidential Information in breach hereof or other non-compliance with this Undertaking, to notify the Disclosing Party in writing (including electronically) (along with relevant details), and shall provide all reasonable assistance to the Disclosing Party in connection with any proceedings which the Disclosing Party may institute to protect such Confidential Information; and



- (c) in the event the Disclosing Parties decide not to proceed with the Potential Transaction either with the Receiving Party or at all, the Receiving Party shall promptly return (if requested by the Disclosing Party) or destroy (if no such request is made) all physical copies of Confidential Information (and delete or make inaccessible all electronic copies thereof). Provided, that the Receiving Party may retain Confidential Information that is required to be retained by: (i) law, regulation, legal or judicial process or any governmental or regulatory authority or document retention policy; and/ or (ii) tax, audit or compliance purposes with a prior intimation to the Disclosing Party.
- 5. The Receiving Party understands and agrees that monetary damages would not be sufficient remedy for any actual or threatened breach of this Undertaking by the Receiving Party or any of its Representatives and that, in addition to all other remedies available at law and/or in equity, the Disclosing Parties shall be entitled to seek equitable relief, including both preliminary and permanent injunctions and specific performance, as a remedy for any such actual or threatened breach of this Undertaking by the Receiving Party or any of its Representatives.
- 6. This Undertaking is governed by, and construed in accordance with, the laws of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai, India.
- 7. This Undertaking comes into effect upon execution and the obligations set forth herein shall remain irrevocable and binding upon the Receiving Party until the earlier of:
  - (a) the date on which the definitive agreement(s), if any, are executed in respect of the Potential Transaction; or
  - (b) 12 (twelve) months from the date of execution of this Undertaking.

For [*insert name of Applicant*]

Signature:

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**Name:** [*insert details*]

**Designation:** [*insert details*]