

## ASSIGNMENT OF NON-PERFORMING ASSET ACCOUNTS OF IL&FS FINANCIAL SERVICES LIMITED

This refers to the advertisement issued in, Economic Times, and Navbharat Times, Delhi Edition dated December 2, 2024 regarding the proposed transfer by way of assignment of non-performing asset accounts of IL&FS Financial Services Limited (“IFIN”).

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 along with the addendums thereto dated January 15, 2019 and December 5, 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 by Infrastructure Leasing & Financial Services Limited (“**IL&FS**”) to the Ministry of Corporate Affairs, Government of India, which in turn has filed them with the Hon’ble National Company Law Tribunal Mumbai (Special Bench (“**NCLT**”)/ National Company Law Appellate Tribunal, New Delhi (“**NCLAT**”) and in terms of order dated March 12, 2020 issued by the NCLAT approving the resolution framework envisaged in the Reports, in order to monetise the two term loan facilities (together, referred to as the “**Facilities**”) sanctioned by IFIN to Collage Group Private Limited (“**CGIPL**”) and MNT Infratech Private Limited (“**MNT**”) (collectively, **Collage Group**) that are categorised as non-performing assets (NPAs) by IFIN as on June 30, 2018 in compliance with the directives/guidelines issued by the Reserve Bank of India (“**RBI**”), binding bids are invited from eligible bidders (“**Bidders**”) for the transfer by way of assignment of loan accounts of Collage Group by IFIN, each on an “as is where is” and “as is what is” basis for a full upfront cash consideration (100% cash consideration) basis (together, referred to as the “**Potential Transaction**”), and the consummation whereof will be subject to necessary internal and external approvals, including the approval of New Board (*defined below*) and requisite corporate approvals of other relevant group companies (if applicable), approvals under law or from statutory authorities, and approval of the NCLT, under the overall supervision of Hon’ble Justice D.K. Jain (Retd.) as directed by NCLAT. Kroll has been appointed as the financial and transaction advisor for the Potential Transaction.

The Facilities sanctioned to the Collage Group, has an outstanding principal amount under the Facilities is INR 93.11 Crores, and the total outstanding amount, inclusive of interest is INR 170.80 Crores as of July 31, 2024. Interested Bidders should also note that IFIN has received a binding offer (“**Initial Bid**”) from an initial bidder for the Facilities. Further, IFIN proposes to undertake a ‘Swiss Challenge’ process for the 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 IL&FS appointed pursuant to the orders of the NCLT in October 2018 (“**New Board**”), in part, in evolving the resolution plan(s) outlined in the Reports.

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

- (a) The Bidder must be permitted to acquire the Facilities or any interest therein under applicable laws including the guidelines with respect to assignment of non-performing assets issued by the RBI and any other guidelines issued by the Securities Exchange Board of India or any other regulatory authority;
- (b) The Bidder must not have been debarred or restrained by any regulatory authority from making investments in India or in its jurisdiction of incorporation and operations, and the Bidder should be eligible for consummating the Potential Transaction under the laws of India (subject to such party obtaining all required statutory/ regulatory approvals from the Government of India. If the Bidder is a consortium, none of the members of such consortium shall have been debarred or restrained by any regulatory authority from making investments;
- (c) The Bidder, any person acting in concert with the Bidder (and/or any Affiliate(s)/ Parent/ Ultimate Parent thereof) should be eligible under the provisions of “Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021”, as amended from time to time, to participate in and/or effect the Potential Transaction;
- (d) The Bidder 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. If the Bidder is a consortium, none of the members of such consortium shall have 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
- (e) None of the Bidder, any person acting in concert with the Bidder or their respective Connected Persons (if any) should be ineligible under the provisions of Section 29A of the Insolvency & Bankruptcy Code, 2016 to participate in and/or effect the Potential Transaction. If the Bidder is a consortium, none of the members of such consortium shall be ineligible under the provisions of Section 29A of the Insolvency & Bankruptcy Code, 2016 to participate in and/or effect the Potential Transaction.

Eligible bidders shall be determined by IL&FS at its sole discretion and will be intimated in due course. Such eligible bidders will be provided the request for proposal and other information in relation to the Potential Transaction in the virtual data room.