

**STRICTLY PRIVATE AND CONFIDENTIAL**

**INVITATION FOR EXPRESSIONS OF INTEREST FOR  
THE ACQUISITION OF WINDMILL ASSETS**

IDFC Limited (“IDFC”, “Company”, or “Seller”) is proposing to divest 100% of its investment in Windmill Asset (“Asset”) (collectively the “Proposed Transaction”).

This invitation sets out the details of the intended process and certain key terms for the Proposed Transaction.

**A. Background**

The Company owns 20MWh Windmill asset situated in Rajasthan. The asset was commissioned in 2008 and it generates 24 Mn units p.a. on an average. Company has entered into a PPA arrangement for 20 years from January 2008 with Jaipur Vidyut Vitran Nigam Limited. The Asset is operated by WindWorld India.

The interested party should drop an email expressing their interest in the asset within 2 days of publication. Upon receipt of the email, the Company will share an information deck (brief background, divisional financials and power generation details for past 3 years) post signing of a non-disclosure agreement. Post which Company expects to receive a definitive, fully financed and unconditional offer (the “Binding Offer”)

**B. The Process and Timeline for the Transaction**

We request you to submit your Binding Offer in English by 5:00 PM IST on 10<sup>th</sup> July 2020. Your duly authorised Binding Offer may be submitted in an electronic format to below mentioned email ids

Kind Attn – Mr Bipin Gemani (CFO); [Bipin.Gemani@idfc.com](mailto:Bipin.Gemani@idfc.com) and  
Mr Mahendra Shah (CS); [Mahendra.shah@idfc.com](mailto:Mahendra.shah@idfc.com)

The Binding Offer should address the following matters at a minimum:

- 1. Company Description:** A summary description of the potential acquirer including principal business activities, legal name, shareholding and management structure, operational and financial qualifications and headquarters location. Please include details of the acquiring entity(ies), and the immediate and ultimate shareholder(s). Please confirm that your Binding Offer is made as principal for your own account.

2. **Purchase Price:** A binding price of the cash consideration that you are prepared to pay for the Proposed Transaction. The sale of the asset is on as is where basis. Further, monthly generation and billing till the Closing of the Proposed Transaction will belong to the Company. Closing means receipt of the purchase Price by the Company. The Binding Offer should expressly mention any adjustments to the Purchase Price. The Purchase Price should be fixed and not expressed in form of a range. Further it will be settled in INR, therefore please provide your exchange rate assumptions (if applicable).
3. **Financing:** Confirmation that your Binding Offer is fully financed along with supporting documentary evidence of all funds necessary to consummate the Proposed Transaction. Please include any and all information including Latest Net worth Certificate that will demonstrate financing certainty. In determining your sources of financing, you should be advised that the Seller will not entertain any Binding Offer that is conditional upon obtaining financing.
4. **Rationale and synergies:** A summary of the reasons for your interest in the Target Company and your future intentions as well as an explanation as to why you believe you would be the best owner of the Target Company going forward.
5. **Regulatory Licenses:** A confirmation that you hold all relevant regulatory licenses, required to consummate the Proposed Transaction and to the extent that you do not hold the relevant regulatory license(s), please provide your plan to obtain the relevant regulatory licenses including indicative views on timing.
6. **Internal Approvals:** A confirmation that, where appropriate, all internal committee and board approvals have been obtained for the submission of your Binding Offer and provide copies of required approvals for signing of definitive transaction documents.
7. **External Approvals:** Any governmental or other approvals or conditions precedent required for your Binding Offer and the period of time required to obtain such regulatory approvals, satisfy such conditions. For the avoidance of doubt, Seller will not accept any conditions to closing other than regulatory approvals. Please note that the level of conditionality and consequently execution risk will form a key part of the assessment of accepting or rejecting your Binding Offer.
8. **Transaction Team and Advisors:** The key deal team members and their respective functions, as well as the names and contact information of financial advisors, accountants, legal counsel and transition advisors or other persons that you have engaged.

9. **Due Diligence Process:** As is customary in a transaction of this nature, the bidder / acquirer along with external vendors/advisors, will be allowed to carry out limited business, legal commercial, accounting, tax and other aspects of due diligence.
10. **No Commitment:** Please be reminded that this is an invitation for you to submit a Binding Offer only. The Seller reserves the right in its sole discretion and without liability to you or anyone else to evaluate and negotiate the terms and conditions of any proposals and to reject, with or without prior negotiation or reason, your Binding Offer and any and all other offers without assigning any reasons therefore regardless of their terms and pricing. The Seller further reserves the right without further notice to amend, modify or terminate any or all of its procedures for evaluating bids and to amend, modify or withdraw all or any material or information furnished or made available to you in any manner. In no event will the Seller have any obligation to notify any prospective purchaser of any matter negotiated with any other prospective purchaser or to reopen the bidding as a result thereof.
11. **Transaction Documents:** The process for further milestones such as, Definitive Agreements and Closing will be shared upon receipt and the acceptance of the Binding Offer
12. **Other Matters:** Any other factors that would be material to Seller in evaluating your Binding Offer. In assessing the Binding Offer, Seller will primarily focus on value, certainty and the ability to close the Proposed Transaction (including ability to obtain shareholders' and other corporate and regulatory approvals, and ability to carry out successful migration) in a timely manner. Seller reserves the right to move forward with one or more parties with the intention of working expeditiously toward executing a definitive agreement with the party that submits the Binding Offer
13. **Risk and Expense:** Your participation in this sale process is at your own risk and expense. You will bear all costs of your evaluation of the Asset, participation in the sale process, review and negotiation of the transaction documents and otherwise in connection with the Proposed Transaction, including all fees and disbursements to your legal counsel, advisors and representatives.

Please do not hesitate to contact us if you have any questions regarding the contents of this letter or process.

For **IDFC Limited**

Sd/-

**Bipin Gemani**

**Chief Financial Officer**