

# PROCESS DOCUMENT

*for sale of*

## 51% EQUITY & PREFERENCE SHARES IN JINDAL INDIA THERMAL POWER LTD. (JITPL)



*(Strictly Private & Confidential)*

*Transaction Advisor*



**SBI Capital Markets Limited**

6th Floor, World Trade Tower, Barakhamba Lane, New Delhi 110 001

Head Office: 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005

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March 2018

## CONTACT PERSONS

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## ABBREVIATIONS

AUM	:	Asset Under Management
CIN	:	Corporate Identification Number
EBITDA	:	Earnings Before Interest, Tax, Depreciation & Amortization
EoI	:	Expression of Interest
GOI	:	Government of India
GST	:	Goods & Services Tax
GSTIN	:	Goods & Services Tax Identification Number
IB	:	Interested Bidder(s)
FI	:	Financial Investor
FY	:	Financial Year
JITPL	:	Jindal India Thermal Power Limited
MW	:	Mega Watt
NBFC	:	Non-Banking Financial Company
NDA	:	Non-Disclosure Agreement
O&M	:	Operations & Management
OCB	:	Other Corporate Bodies
PAT	:	Profit After Tax
PAN	:	Permanent Account Number
PD	:	Process Document
PNB	:	Punjab National Bank
PSU	:	Public Sector Undertaking
RBI	:	Reserve Bank of India
RFP	:	Request for Proposal
SBICAPS	:	SBI Capital Markets Limited
SI	:	Strategic Investor
TNW	:	Tangible Net Worth
TOL	:	Total Outside Liabilities
TPP	:	Thermal Power Project

## Chapter 1 –Proposed Transaction

- 1) Jindal India Thermal Power Limited (“Company” or “JITPL”), an unlisted entity, has set up a 1200 MW Thermal Power Project (TPP), in Phase-I and Phase-II of 600 MW each, of sub-critical technology near Derang village, Angul District in the State of Odisha.
- 2) The security trustee to the lenders of JITPL (“Lenders”) holds 51% of equity shares and 51% preference shares of JITPL on behalf of the Lenders. The Lenders now propose to sell these shares (“Transaction”).
- 3) Punjab National Bank (“PNB” or “Lead Bank” or “Lenders’ Agent”) on behalf of Lenders has engaged SBI Capital Markets Limited (“SBICAPS” or “Advisor”) as Transaction Advisor for the Transaction.
- 4) The proposed Transaction entails induction of a Strategic and/or Financial Investor (“Investor(s)” or “Interested Bidder(s)” or “IB”) in JITPL to take over the 51% equity and preference stake in the Company, held by the security trustee on behalf of the Lenders. IB may also consist of a consortium of interested investors.
- 5) This Process Document (“PD”) contains instructions to the Investor(s) for submitting their Expression of Interest (“EoI”) along with Non-Disclosure Agreement (“NDA”) to the Advisor in order to proceed with the proposed Transaction.
- 6) This PD contains the following:
  - a. Instructions for submission of EoI;
  - b. Qualifying Criteria for evaluation of EoIs;
  - c. Indicative conditions/ circumstances which may lead to disqualifications of IBs;
  - d. Format for EoI;
  - e. Format for statement of legal capacity;
  - f. Form A;
  - g. Format for NDA;
  - h. Format for Affidavit; and
  - i. Advertisement as published in News Papers.
- 7) IBs will be required to sign the NDA and respond in the format as detailed in this PD latest by 5:00 pm on 26-March-2018.
- 8) EoIs shall be liable to be rejected by Lenders if IBs (or any member of the consortium) fail to (i) meet technical or financial or any other qualifying criteria as given in Chapter 3 of this PD; or (ii) strictly adhere to the terms of the PD for submission of EoI; or (iii) provide incomplete or insufficient details in the EoI; or (iv) for any other reason deemed fit, or (v) without assigning any reason whatsoever.
- 9) Post evaluation of the EoIs by the Lenders, shortlisted IBs will be provided with Request

for Proposal (“RFP”) and access to the data room to review the documents pertaining to the Company and to carry out their due diligence of the Company on payment of RFP Processing Fee of Rs. 7,50,000 (Rupees Seven Lakh Fifty Thousand) plus GST (current rate at 18%), to the Lead Bank in the bank account as mentioned below:

Account Name: Jindal India Thermal Power Limited – Escrow Account  
Account Number: 2164002900001229  
Branch: Punjab National Bank, Large Corporate Branch, Delhi (216400)  
IFSC: PUNB0216400  
Swift Code: PUNBINBBIFD

However, the IBs who had paid the requisite RFP Processing Fee for participation in the previous round of bid process initiated pursuant to the Process Document dated 28-August-2017, would not be required to pay the RFP Processing Fee again for the current Bid process.

- 10) The shortlisted IBs would be given access to the data room till bid submission date (“Bid Date”) to review the documents pertaining to the Company to enable them to conduct due diligence of the Company.
- 11) Subsequently, a site visit (cost of which will be borne by the shortlisted IBs) would be scheduled to facilitate the shortlisted IBs to assess the business of the Company. The modalities related to the visit and access to the data room for due diligence will be communicated to the shortlisted IBs separately, in due course.
- 12) The Transaction shall be on ‘as is where is basis’. The shortlisted IBs shall carry out their own due diligence, independent assessment and appraisal of the Company and the Transaction. The Lenders’ Agent, Lenders or the Advisor or their consultants, agents, officials and employees make no representations or warranties in relation to the business of the Company or the Transaction and shall not be liable in any manner whatsoever.
- 13) The shortlisted IBs would be required to give their binding bid (“Bid”) on or before a pre-determined Bid Date which shall be intimated at the time of RFP. The Lenders/Lenders’ Agent reserve the right to accept/reject any and all offers with or without reasons. A committee may also be formed, at the discretion of the Lenders, comprising of member banks of the consortium along with external parties to evaluate the Bid and address any specific complexity in the Transaction. In case there is only one offer, Lenders/Lenders’ Agent may accept the same at its own discretion.
- 14) Lenders’ Agent/Advisor reserves the right to modify/postpone/cancel or call off the proposed Transaction without assigning any reason whatsoever. It also reserves the right to call for any additional document/information from the IBs, which may be considered necessary without any liability to the Lenders’ Agent/Advisor.
- 15) Any clarification, if required, should be submitted in writing or by email to the persons set out in this PD on or before 5.00 pm on 21-March-2018. The Lenders’ Agent/Advisor

## *Process Document*

reserves the right not to respond to questions raised or provide clarifications sought, in their sole discretion. Nothing in this PD shall be taken or read as compelling or requiring the Lenders' Agent/ Advisor to respond to any question or to provide any clarification. No extension of any time and date referred to in this PD shall be granted on the basis or grounds that the Lenders' Agent/Advisor has not responded to any question/ provided any clarification.

- 16) This PD and all related communication and documents shall be subject to the terms of the RFP, which can clarify, modify or amend the process or requirements set out therein. In the event of any conflict, the terms of RFP shall prevail.
- 17) The IB acknowledges that this PD (except NDA) and EoI are legally non-binding documents. In case of any dispute between the parties in respect of interpretation of the terms of the advertisement inviting EoIs, this PD or anything arising there from, such dispute or difference shall be referred to the Lenders' Agent and the Lenders' Agent shall adjudicate and decide the disputes, if any, between the parties and its decision in this regard shall be final, conclusive and binding on the parties. The laws of India shall govern all matters relating to the Transaction. All disputes will be subject to jurisdiction of the Courts at New Delhi (with exclusion of all other Courts).

## Chapter 2 –Instructions for Submission of EoI

The EoI along with signed NDA, conforming to the conditions of this PD shall be submitted latest by 5:00 pm on 26-March-2018 either at the office of SBI Capital Markets Limited (the address of which is given below) by post, courier or hand delivery (at the risk and cost of IBs) in a sealed envelope clearly marked or by emailing it to [mukesh.aggarwal@sbicaps.com](mailto:mukesh.aggarwal@sbicaps.com).

**“Private and Confidential–Expression of Interest for Sale of 51% Equity and Preference Shares in Jindal India Thermal Power Limited - [name, registered address of IB]”**

**Designated Official:**

Mr. Mukesh Aggarwal  
Vice President  
Project Advisory & Structured Finance  
SBI Capital Markets Ltd.  
5th Floor, World Trade Tower,  
Barakhamba Road  
New Delhi -110001

Applications received by any other means will not be accepted.

- 1) Advisor shall bear no responsibility for non-receipt of EoIs/any other correspondence sent by post/courier. EoIs submitted after the above-mentioned date will not be accepted.
- 2) The IBs shall bear all costs associated with the preparation and submission of the EoI. The Advisor shall not, under any circumstances be responsible or liable for any such costs, whether direct, incidental or consequential.
- 3) The EoIs to be submitted shall consist of the following :
  - A. Description: Brief overview of the business operations of the Investor and strategic objectives for pursuing this Transaction. Also please set out your past experience in investing, operating and/or managing power plants/ related business(es).
  - B. Principal: Confirmation that your EoI is made as principal for your own account and in the case of a consortium, the identities of all other principals is provided for in your EoI.
- 4) IBs shall also sign and submit the Non-Disclosure Agreement (NDA) along with the EoI.
- 5) IBs (in case of a consortium, each member of such consortium) have to submit duly executed Affidavit in the format set-out in Annexure 7 of this PD, along with the EoI or along with the Bid pursuant to the RFP.



**6) Important Timelines:**

*Table 1: Indicative Timeline*

<b>Event</b>	<b>Date</b>
Submission of queries, if any, & receipt of same by Advisor	5:00 PM (IST), 21-March-2018
Last date & time for Submission of EoIs	5:00 PM (IST), 26-March-2018
Declaration of shortlisted IBs	29-March-2018

## Chapter 3 –Qualifying Criteria

- 1) The EoI submitted by the IB shall be examined and evaluated by the Lenders based on the information and documents furnished by the IB, as part of the EoI, and in accordance with the terms and conditions detailed in this PD.
- 2) IB may include any individual (resident of India, Foreign national, non-resident Indian or a person of Indian origin, as defined under Foreign Exchange Management Act, 1999 and any related amendments), trust, co-operative society, private limited company, public limited company, sole proprietary firm or a partnership firm, all registered in India or a company registered outside India, which is eligible to invest in India under the laws of India (subject to such parties obtaining all statutory approvals from GoI/ RBI etc. by themselves).
- 3) IBs can be Strategic Investors (SIs) and/ or Financial Investors (FIs). Eligibility Criterion for both SI and FI has been detailed below. SIs may include Corporates having experience in similar sectors with domestic or global experience or both. FIs may include Private Equity Funds, Investment Funds etc. Please note that this is an indicative list and is not exhaustive and has been presented for illustration purposes only.
- 4) The IB should demonstrate the following technical and financial capacity (“**Qualifying Criteria**”):

### A. Technical Capacity

- IB, directly or through an Affiliate, should either have developed and/or is currently operating a thermal power plant capacity of at least 300 MW as on the date of submission of EoI. Affiliate for this purpose would be defined as under:

“**Affiliate**” with respect to any Person shall mean any other Person which, directly or indirectly: (1) Controls such Person; or (2) is Controlled by such Person; or (3) is Controlled by the same Person who, directly or indirectly, Controls such Person;

“**Control**” shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. Provided that a person shall be deemed to be in control of another person only if it holds at least 26% of voting/ownership rights.

Or,

- In case where the IB does not have experience in developing or operating a thermal

power project, such IB may enter into a tie-up with a technical partner who meets the above technical criteria (with a minimum of 20% equity in such joint venture/consortium) or engage an operations and management (O&M) contractor who meets the above technical criteria, for a period of at least five (5) years.

Interested bidders shall submit an undertaking to engage an O&M contractor (along with tentative names of such parties) while submitting the EoI. The appropriate agreement/MoU however would be required to be submitted at the time of submission of the Bid.

B. Financial Capacity

i. Financial Capacity of a SI

- Consolidated net worth of Rs. 500 Crore or more in the immediately preceding financial year (*self-certified*); where

Net worth = (paid up equity share capital) + (reserves & surplus) - (revaluation reserves) - (intangible assets) - (miscellaneous expenditure to the extent not written off & carry forward losses)

ii. Financial Capacity of a FI

- Minimum Asset Under Management (AUM) of Rs. 2000 Crore in the immediately preceding completed financial (*self-certified*), OR
- Committed funds available for investment/deployment in Indian companies or Indian assets of Rs. 1000 Crore or more in the immediately preceding completed financial year (*self-certified*).

5) In the event the IB is a consortium, it should fulfill the following requirements:

- i. The consortium shall consist of not more than 3 (three) members with shareholding of an individual member not being less than 20% (twenty percent). The consortium would be required to have a lead consortium member.
- ii. In the event the consortium is made up of body corporates, the net worth of the consortium shall be calculated as the weighted average of the net worth of the individual member (value of any negative parameter shall be considered as nil). *Provided that* only such portion of their net worth as is proportionate to their shareholding in the consortium will be considered towards the qualification criteria under the EoI.
- iii. In the event the consortium is made up of FI/funds/private equity investors/non-banking financial companies/any other such applicants, the minimum AUM of

- consortium shall be calculated as weighted average of individual member's AUM or committed funds available for investment/deployment in Indian companies shall be calculated as weighted average of individual member's committed fund to investment/deployment in Indian companies. Provided that only such portion of their AUM/committed funds as is proportionate to their shareholding in the consortium will be considered towards the qualification criteria under the EoI.
- iv. In the event the consortium is made up of a mix of Strategic Investors & Financial Investors viz. comprising body corporates, FIs/funds/private equity investors/non-banking financial institutions/any other applicants, the qualifying criteria applicable to the lead member shall be considered under the EoI and calculated based on weighted share of members of the Lead members' category i.e. either SIs or FIs.
  - v. Any fund/corporate entity can participate in only 1 (one) consortium or can submit only 1 (one) EoI.
  - vi. Incorporation of a special purpose vehicle (in the form of a company) in India shall be mandatory, prior to entering into definitive agreements, in accordance with the terms of the RFP.
- 6) State Entities/Public Sector Undertakings (PSU) with a minimum operational power capacity of 300 MW or net worth of Rs. 500 Crore shall not be required to respond to EoI and would be eligible to directly procure RFP free of cost and submit their bids till the last day announced for submission of Bids.
- 7) Government promoted funds/Quasi sovereign wealth funds shall not be required to meet the technical/financial criteria, as stated above. Further, such funds shall not be required to respond to EoI and would be eligible to directly procure RFP free of cost and submit their bids till the last day announced for submission of Bids.

## Chapter 4 -Disqualifications

- 1) The Advisor/Lenders' Agent shall not consider for the purpose of qualification, any EoI which has been found to be incomplete in content or attachments.
- 2) Without prejudice, an IB may be disqualified and its EoI excluded from further consideration for non-compliance with the terms hereof or for any of the reasons (including without limitation) listed below. Where IB is a consortium, none of the members should be subject to disqualification under the terms of this PD.
  - a. Material misrepresentation by an IB in the EoI.
  - b. Failure by IB to provide the information required to be provided (including signed NDA) in the EoI.
  - c. Submission of EoI in respect of any IB/ its consortium, where such IB or member of a consortium had already submitted an EoI either independently or is a member of another consortium which has already submitted an EoI.
  - d. Lenders decide that the IB is not satisfying criteria and hence not being eligible. Without prejudice to the generality of the above, the criteria may include among others, the track record (financial, operational strength, turnaround experience or otherwise) of the IB, its financial strength, etc.
  - e. Failure to comply with any request of Advisor/Lenders' Agent in relation to the Transaction including further documents, details or information in relation to the EoI or documents submitted in relation to the EoI.
  - f. If it is discovered at any time that an IB is subject matter of winding up/insolvency proceedings or has taken any step to apply for it or any analogous proceedings.
  - g. The IB is unable to pay its debts or is otherwise insolvent or has entered into any discussions with its lenders for rescheduling of its debts or for any arrangement or compromise in relation to a debt.
  - h. If execution or distress is levied on or any receiver is appointed in respect of any material assets of the IB.
  - i. Any information regarding the IB which becomes known to Lenders' Agent/Advisor which is detrimental to the Transaction and/or the interests of the Lenders.
  - j. Initiation or existence of any legal proceedings, by or against the IB in respect of the Company or its affiliates or group, which proceeding may be prejudiced by the

participation of the IB in the selection process or the Transaction by the Advisor, in consultation with Lenders' Agent.

- k. Non fulfilment of any other condition as listed in the PD.
- 3) If any information becomes known after the IB has been qualified, which information would have entitled Advisor/ Lenders' Agent to reject the EoI of relevant IB, Lenders' Agent reserves the right to reject the IB at the time such information becomes known to the Advisor/Lenders' Agent. Where such party is a consortium, Lenders' Agent, would disqualify the entire consortium, even if it is applicable to only one member of such consortium.
- 4) The Lenders' determination that 1 (one) or more of the events specified herein above has occurred shall be final and conclusive.

**Annexure 1: Format for Letter of EoI, in case of a Sole IB**

**(To be typed on the letterhead of the IB submitting the EoI)**

Reference No. \_\_\_\_\_ Date \_\_\_\_\_

To,

Mr. Mukesh Aggarwal  
Vice President  
Project Advisory & Structured Finance  
SBI Capital Markets Limited  
5th Floor World Trade Tower  
Connaught Place, Barakhamba Lane  
New Delhi - 110001  
India.

**Sub: INVITATION OF EXPRESSION OF INTEREST FOR SALE OF 51% EQUITY & PREFERENCE SHARES OF JINDAL INDIA THERMAL POWER LIMITED**

Sir,

This is with reference to the Advertisement dated ----- inviting Expression of Interest for sale of 51% equity and preference shares of Jindal India Thermal Power Limited.

As specified in the Advertisement, we have read and understood the contents of the Process Document (PD) and are desirous of participating in the above sale process, and for this purpose:

We propose to submit our EoI in individual capacity as \_\_\_\_\_ (insert name of interested bidder) having its registered office at \_\_\_\_\_ (insert office address).

We understand that 51% equity and preference shares are proposed to be sold and we are interested in bidding for the same.

We believe that we satisfy the Qualifying Criteria set out in relevant sections of the PD.

We certify that in regard to matters other than security and integrity of the country (India), we have not been convicted by a Court of law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to manage the Company if we are selected or which relates to a grave offence that outrages the moral sense of the community.

We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our group concerns.

We further certify that no investigation by a regulatory authority is pending either against us or against our group concerns or against our Key Managerial Personnel.

We undertake that in case due to any change in facts or circumstances during the pendency of the sale process, if we incur any disqualification in terms of the PD; we would intimate Advisor of the same immediately.

We have also attached information according to the standard form. The information furnished by us in this EoI is true, correct and accurate. Based on this information we understand you would be able to evaluate our preliminary proposal in order to qualify for the above mentioned proposal.

We however, understand and acknowledge Lenders/ Lender's Agent right to decide whether or not to qualify our proposal without assigning any reason whatsoever and without any liability.

The Statement of Legal Capacity, Form A, duly certified Financial Capacity criteria, Non-Disclosure Agreement and the Affidavit as per formats given in the relevant annexures of the PD, duly signed/ executed by us are enclosed.

We shall be glad to receive further communication on the subject.

Yours faithfully,

Authorized Signatory  
For and on behalf of IB

Enclosure:

1. Statement of Legal Capacity
2. Duly certified Financial Capacity criteria
3. Form A
4. Non-Disclosure Agreement
5. Affidavit



**Annexure 2: Format for Letter of EoI, in case there is a Consortium of IBs**

**(To be typed on the letterhead of Lead Member of the Consortium submitting the EoI)**

Reference No. \_\_\_\_\_ Date \_\_\_\_\_

To,  
Mr. Mukesh Aggarwal  
Vice President  
Project Advisory & Structured Finance  
SBI Capital Markets Ltd.  
5th Floor, World Trade Tower,  
Barakhamba Road  
New Delhi -110001

**Sub: INVITATION OF EXPRESSION OF INTEREST FOR SALE OF 51% EQUITY & PREFERENCE SHARES OF JINDAL INDIA THERMAL POWER LIMITED**

Sir,

This is with reference to the Advertisement dated ----- inviting Expression of Interest for Sale of 51% equity and preference shares of Jindal India Thermal Power Limited.

As specified in the Advertisement, we have read and understood the contents of the Process Document (PD) and are desirous of participating in the above sale process, and for this purpose:

We have formed/propose to form a consortium comprising of ..... members as follows:

1. \_\_\_\_\_(Insert name)/ % of Shareholding in the Consortium
2. \_\_\_\_\_(Insert name)/ % of Shareholding in the Consortium
3. \_\_\_\_\_(Insert name)/ % of Shareholding in the Consortium

.....will be the Lead Member of the Consortium.

We understand that 51% equity and preference shares are proposed to be sold and we are interested in bidding for the same.

We represent that we satisfy the Qualifying Criteria set out in relevant sections of the PD.

We certify that in regard to matters other than security and integrity of the country (India), we have not been convicted by a Court of law or indicted or adverse orders passed by a

regulatory authority which would cast a doubt on our ability to manage the Company if we are selected or which relates to a grave offence that outrages the moral sense of the community.

We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our group concerns.

We further certify that no investigation by a regulatory authority is pending against either of our members of the consortium or against their respective group concerns or against their respective Key Managerial Personnel.

We undertake that in case due to any change in facts or circumstances during the pendency of the sale process, if we incur any disqualification in terms of the PD; we would intimate Advisor of the same immediately.

We have also attached information according to the standard form. The information furnished by us in this EoI is true, correct and accurate. Based on this information we understand you would be able to evaluate our preliminary proposal in order to qualify for the above mentioned proposal.

We however, understand and acknowledge that Lenders/ Lender's Agent reserve the right to decide whether or not to qualify our proposal without assigning any reason whatsoever and without any liability.

The Statement of Legal Capacity, Form A, duly certified Financial Capacity Criteria, Non-Disclosure Agreement and the Affidavit as per formats given in the relevant annexures of the PD, duly signed/ executed by us are enclosed.

We shall be glad to receive further communication on the subject.

Yours faithfully,  
Authorized Signatory  
For and on behalf of the IB

Enclosure:

1. Statement of Legal Capacity
2. Duly certified Financial Capacity criteria
3. Form A
4. Non-Disclosure Agreement
5. Affidavits

**Annexure 3: Statement of Legal Capacity for sole Interested Bidder**  
**(To be forwarded on the letterhead of the interested bidder submitting the EoI)**

Reference No. \_\_\_\_\_ Date \_\_\_\_\_

Mr. Mukesh Aggarwal Vice President  
Project Advisory & Structured Finance  
SBI Capital Markets Ltd.  
5th Floor, World Trade Tower,  
Barakhamba Road  
New Delhi -110001

**Sub: INVITATION OF EXPRESSION OF INTEREST FOR SALE OF 51% EQUITY & PREFERENCE SHARES OF JINDAL INDIA THERMAL POWER LIMITED**

Sir,

This is with reference to the Advertisement dated ----- inviting “Expression of Interest for Sale of 51% equity & preference shares of Jindal India Thermal Power Limited”.

We have read and understood the contents of the PD and the Advertisement and pursuant to this hereby confirm that:

We satisfy the Qualifying Criteria laid out in the PD and the Advertisement.

We agree that \_\_\_\_\_ (insert individual’s name and designation) will act as our representative on our behalf and has been duly authorized to submit the EoI, NDA and Affidavit. Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully

Authorized Signatory  
For and on behalf of the IB

**Annexure 4: Statement of Legal Capacity for Consortium Members**

(To be forwarded on the letterhead of each member of the consortium submitting the EoI)

Reference No. \_\_\_\_\_ Date \_\_\_\_\_

Mr. Mukesh Aggarwal Vice President  
Project Advisory & Structured Finance  
SBI Capital Markets Ltd.  
5th Floor, World Trade Tower,  
Barakhamba Road  
New Delhi -110001

**Sub: INVITATION OF EXPRESSION OF INTEREST FOR SALE OF 51% EQUITY & PREFERENCE SHARES OF JINDAL INDIA THERMAL POWER LIMITED**

Sir,

This is with reference to the Advertisement dated ..... inviting “Expression of Interest for Sale of 51% equity & preference shares of Jindal India Thermal Power Limited”.

We have read and understood the contents of the PD and the Advertisement and pursuant to this hereby confirm that:

We satisfy the Qualifying Criteria laid out in the PD and the Advertisement.

We are members of a consortium - [●] (constitution of which has been described in the Expression of Interest), which jointly satisfies the Qualifying Criteria as detailed in the PD.

We have agreed that \_\_\_\_\_ (insert member’s name) will act as the lead member of our consortium.

We have agreed that \_\_\_\_\_ (insert the name of the individual and designation) be chosen as representative of our consortium and on our behalf and has been duly authorized to submit the EoI, NDA and Affidavit. Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

Authorized Signatory  
For and on behalf of member

**Annexure 5: Form A (this Form A is an integral part of the EoI)**

Individual Bidder							
1.	<b>Name of the Firm/ Company/ Organization:</b> Constitution details: Corporate Address: Registered Address: Telephone No: Fax: Email:						
2.	<b>Contact Person:</b> Name: Designation: Telephone No: Email:						
3.	<b>Company Profile</b> Date of incorporation: CIN: GSTIN: PAN: Shareholding Pattern: <i>(or similar documents along with the supporting documents)</i>						
4.	<b>Core area of expertise of the Firm/Company/Organization:</b>						
5.	<b>Key operations/Financials parameters of last three years</b> <i>(Tentative – Investors to fill in the relevant parameters as applicable)</i>  <i>Financial parameters to be submitted on standalone as well as consolidated)</i>	<b>FY</b>	<b>Unit</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	
		<b>Operational</b>					
		Installed Capacity*	MW				
		Utilization*	%				
		Sector Experience/ Man-years of Experience	Yrs				
		Assets Under Management	Rs Crs/ USD Mn				
		Committed funds available for investment/ deployment in Indian companies or Indian assets	Rs Crs/ USD Mn				
		<b>Financial</b>					
		Sales					

		EBITDA	Rs Cr/US D Mn			
		PAT				
		Net Worth				
		TOL/TNW				
		Credit Rating				
		Return on Assets	%			
		<p><i>* Relevant parameters may be included in case bidder is from other industry</i></p> <p>Investors may incorporate other suitably relevant parameters supporting technical expertise/ financial strength</p>				
6	<b>Experience/ major projects handled by the Firm/Company/Organization</b> (Along with value and time of completion/award):					
7	<b>Company Credentials</b> (especially related to 1. Turnaround/power sector/operations to establish the case for qualification) 2. Technical collaborations with Power sector experts					
<b>Consortium of Bidders - Provide details of</b>						
1.	<b>Consortium Leader Details</b> Name of the Company: Name & Designation of the contact person: Corporate/ Registered Address: Telephone No: Fax: Email:					
2.	<b>Other Consortium Member's Details</b> Name of the Company: Name & Designation of the contact person: Corporate/ Registered Address: Telephone No: Fax: Email:					
3.	<b>Profile of the consortium / Including leader</b> Date of incorporation: CIN: GSTIN: PAN: Shareholding Pattern: (or similar documents along with the supporting documents)					

Process Document

4.	<b>Core area of expertise of consortium members</b> <i>(include other, if from related industry)</i>					
5.	<b>Key operations/Financials parameters of last three years for Consortium members</b> <i>(Tentative – Investors to fill in the relevant parameters as per applicable)</i>  <i>Financial parameters to be submitted on standalone as well as consolidated basis)</i>	<b>FY</b>	<b>Unit</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
		<b>Operational</b>				
		Installed Capacity*	MW			
		Utilization*	%			
		Sector Experience/ Man-years of Experience	Yrs			
		Assets Under Management	Rs Crs/ USD Mn			
		Committed funds available for investment/ deployment in Indian	Rs Crs/ USD Mn			
		<b>Financial</b>				
		Sales				
		EBITDA	Rs			
		PAT	Cr/USD			
		Net Worth	Mn			
		TOL/TNW				
		Credit Rating				
		Return on Assets	%			
		Investors may incorporate other suitably relevant parameters supporting technical expertise/ financial strength				
6.	<b>Experience/ major projects handled by the consortium members</b> <i>(include other, if from related industry)</i>					
7.	<b>Company Credentials</b> <i>(especially related to</i> <ol style="list-style-type: none"> <li>1. Turnaround/power sector/operations to establish the case for qualification)</li> <li>2. Technical collaborations with Power sector experts</li> </ol> <i>(include other, if from related industry)</i>					

Further, following details/documents shall be incorporated for respective bidder/consortium members where ever applicable -

- 1) If the interested party is a foreign company/ OCB, specify list of statutory approvals from

**Process Document**

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GOI/ RBI applied for/ obtained/awaited.

- 2) Memorandum and Articles of Association/Document of Constitution, i.e., Partnership Deed, Trust Deed, etc., as may be applicable.
- 3) Audited Financial Statements/ Annual Reports for the previous three financial years.
- 4) Role/ Interest of each Member in the Consortium (if applicable).
- 5) Details of Team (in case of Financial Investor(s)) along with experience and details of experience in specific sector.
- 6) Please provide details of all contingent liabilities which, if materialized, have or would reasonably be expected to have a material adverse effect on the business, operations (or results of operations), assets, liabilities, prospects and/or condition (financial or otherwise) of the company, or other similar business combination or sale.

Yours faithfully,

Authorized Signatory

For and on behalf of the consortium (party/ member)

Place:

Date:

**Note:** *Please follow the order adopted in the Format provided. If the interested party is unable to respond to a particular question/ request, the relevant number must be nonetheless be set out with the words "No response given" against it.*



Annexure 6: Non-Disclosure Agreement

CONFIDENTIALITY AND NON DISCLOSURE AGREEMENT

This **CONFIDENTIALITY AND NON DISCLOSURE AGREEMENT** (hereinafter referred as "**Agreement**") is made on this ----- day of \_\_\_\_\_ 2018 (hereinafter referred as "**Effective Date**") by and between

**SBI Capital Markets Limited**, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 202 Maker Tower 'E', Cuffe Parade, Mumbai 400005 and regional office at 6<sup>th</sup> Floor, World Trade Tower, Barakhamba Lane, New Delhi 110001 (hereinafter referred to as the "**SBICAPS**" which expression shall, unless repugnant to or inconsistent with the context or meaning thereof and mean include its successors and permitted assigns) of the **FIRST PART**;

AND

**Jindal India Thermal Power Limited**, a company incorporated under the Companies Act, 1956 and having its registered office at Plot No. 12, B-1, Local Shopping Complex, Vasant Kunj, Delhi 110070, India (hereinafter referred to as the "**Company**" or "**JITPL**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof mean and include its successors and permitted assigns), of the **SECOND PART**;

AND

-----, a company incorporated under the Companies Act, [●] and having its registered office at ----- (hereinafter referred to as the "**Receiving Party**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof mean and include its successors and permitted assigns), of the **THIRD PART**.

JITPL and SBICAPS shall be collectively referred to as the "**Disclosing Parties**" and individually as a "**Disclosing Party**" as the context may require.

The Disclosing Party and the Receiving Party are hereinafter collectively referred to as "**Parties**" and individually as "**Party**".

**WHEREAS:**

- A. SBICAPS is engaged in the business of, inter alia, investment banking, project advisory and financial services.
- B. JITPL is engaged in the business of, inter alia, implementation and operation of 1200 MW (2x600 MW) Thermal Power Project (TPP) in the State of Odisha, India.
- C. The Receiving Party is engaged in the business of -----.
- D. The security trustee to the Lenders holds 51% of equity shares and 51% preference shares of JITPL on behalf of the Lenders. The Lenders now propose to sell these shares ("**Transaction**").

## *Process Document*

- E. SBICAPS has been mandated by the Lead Bank/ Lenders of JITPL, to assist in identifying prospective buyer for 51% equity & preference shares in JITPL. Receiving Party has accordingly been identified as prospective buyer for the said proposal. SBICAPS is assigned the mandate to carry the necessary activities required for the purpose of stake sale.
- F. In respect of exploring and evaluating the Transaction, Disclosing Parties shall disclose certain confidential information (hereinafter defined) to the Receiving Party in respect of the Transaction.

**NOW, THEREFORE**, in consideration for the mutual promises and covenants hereunder SBICAPS and JITPL and the Receiving Party agree as follows:

### **1. DEFINITIONS**

- 1.1 "**Affiliate**" means, with respect to a person, any of that person's holding companies, subsidiaries, or entities under common control as that person, or entities managed or advised by that person, that person's holding company or subsidiaries or any of their financing providers.
- 1.2 "**Confidential Information**" means the information of the Disclosing Party or any of its client's, disclosed or submitted to the Receiving Party by the Disclosing Party in written, representational, electronic, verbal or other form and includes all data, materials, products, technology, computer programs, specifications, manuals, business plans, software, marketing plans, financial information, human resource information and any other information disclosed or submitted about the Transaction prior to the Effective Date of this Agreement or thereafter including without limitation information on the contents and existence of this Agreement and analyses, compilations, studies and other documents prepared by either Party or its Representative or which contain or otherwise reflect or are generated from any Confidential Information and conspicuously designated as "Confidential" or "Proprietary" at the time of written disclosure by the Disclosing Party.
- 1.3 "**Representative**" of the any Party means its Affiliate, or the Party's or its Affiliates' any officer, employee, director, advisor, affiliate, investor, potential financing source, or any other person concerned or other person acting on its behalf.
- 1.4 "**Transaction**" shall have such meaning as ascribed to it in Recital D.
- 1.5 "**Disclosing Party**" shall mean party disclosing Confidential Information to the Receiving Party or any person acting on behalf of the Receiving Party.
- 1.6 "**Receiving Party**" shall mean party receiving Confidential Information from the Disclosing Party or from any person acting on behalf of the Disclosing Party.

### **2. NON DISCLOSURE**

- 2.1 Confidential Information divulged by the Disclosing Party to the Receiving Party will be received and treated by the Receiving Party as strictly confidential and the Receiving Party shall not, without the prior written consent of the Disclosing Party or as expressly permitted herein, disclose, publish or reveal or cause it to be disclosed, published or make available to any other person, or use or allow others to disclose or use, the Confidential Information in any manner whatsoever other than for the sole purpose as described in clause 2.2 below.

- 2.2 Notwithstanding the provisions of Clause 2.1 above, the Receiving Party may disclose the Confidential Information disclosed under this Agreement to its Representatives on a "need to know" basis, for the sole purpose of enabling assessment and evaluate the Transaction subject to such Representative being bound the confidentiality obligation hereunder.
- 2.3 The Receiving Party and its Representatives shall exercise no lesser security or degree of care than it applies to its own Confidential Information of an equivalent nature, but in any event not less than the degree of care which a reasonable person with knowledge of the confidential nature of the information would exercise.
- 2.4 The Confidentiality Information shall not be copied or reproduced by the Receiving Party or its Representatives at any time except on a "need basis" for the purpose of evaluation of the Transaction.
- 2.5 The Disclosing Party will direct its Personnel not to disclose or announce to any person (a) that the Confidential information has been made available to the Receiving Party or its Personnel, (b) that discussions or negotiations are taking place concerning a possible Transaction between the Receiving Party and the Disclosing Party or (c) any terms, conditions or other facts with respect to any such possible Transaction, including the status thereof.

### 3. EXCEPTIONS

The Receiving Party's obligations hereunder, shall not apply to Confidential Information if the same:

- 3.1 at the time of its disclosure, is in public domain or which after disclosure becomes part of public domain through no fault of the Receiving Party or its Representatives; or
- 3.2 prior to its disclosure to the Receiving Party in connection with the Transaction was lawfully in the possession of the Receiving Party or thereafter becomes known to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party
- 3.3 is or has been developed independently by the Receiving Party without reference to or reliance on the Disclosing Party's Confidential Information;
- 3.4 is approved for disclosure in writing by an authorized representative of the Disclosing Party

### 4. NON DISCLOSURE OF TRANSACTION

- 4.1 Unless disclosure is required under applicable laws, court orders or any order from a regulatory or governmental authority or as permitted under Clause 2.2 above, it is agreed that without the prior written consent of the Disclosing Party, the Receiving Party shall not disclose or direct its Representatives to disclose to any person or entity (a) that the Confidential Information has been made available to the Receiving Party or its Representatives, (b) that discussions or negotiations are taking place concerning a possible Transaction between JITPL and the Receiving Party or (c) any terms, conditions or other facts with respect to any such possible Transaction, including the status thereof.
- 4.2 The Parties understand and acknowledge that the Confidential Information is being provided by the Disclosing Party without any representation or warranty, express or implied, as to the

accuracy or completeness of the Confidential Information.

- 4.3 The Disclosing Party represents and agrees to the Receiving Party that the Confidential Information is in its lawful possession and it has the right and authority to disclose the Confidential Information and is not in breach of any agreement or obligation with respect to the confidentiality of third parties' confidential or proprietary information.
- 4.4 The Parties agree that unless and until a definitive agreement regarding the Transaction between JITPL and the Receiving Party has been executed, neither Party will be under any legal obligation of any kind whatsoever with respect to a Transaction by virtue of this Agreement except for the matters specifically agreed to herein. The Parties further acknowledge and agree that each Party reserves the right, in its sole discretion, to reject any and all proposals made by the other Party/(ies) or any of its Representatives with regard to a Transaction and to terminate discussions and negotiations at any time.

5. **COMPELLED DISCLOSURE**

The Receiving Party may disclose Confidential Information to the extent necessary pursuant to applicable laws, regulation, court order, or other legal process, or is required by rules of any stock exchange on which shares or other securities of the Receiving Party are listed, provided the Receiving Party notifies the Disclosing Party of the existence, terms and circumstances surrounding such requirement of disclosure so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement.

6. **PROPERTY OF CONFIDENTIAL INFORMATION**

All Confidential Information disclosed or made available shall be and shall remain the property of the Disclosing Party.

7. **RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION**

Within fifteen (15) days of being so requested in writing by the Disclosing Party, the Receiving Party shall return or destroy the Confidential Information and all copies thereof, save for such copies as may be required to be retained by law or for compliance with corporate governance requirements and internal policies and copies of electronically exchanged Confidential Information made as a matter of routine information technology backup. The Receiving Party shall be obligated to inform the Disclosing Parties in writing, the information retained by it in this regard. Any Confidential Information that is not returned or destroyed shall remain subject to the confidentiality obligations set forth in this Agreement.

8. **INJUNCTIVE RELIEF**

Without prejudice to any other rights or remedies that the Disclosing Parties may have, the Parties agree and acknowledge that in the event of a breach or threatened breach by the Receiving Party of the provisions of this Agreement, money or damages may not be an adequate remedy for a breach of any of the provisions of this Agreement and it is reasonable that the Disclosing Party(ies) shall be entitled to the injunctive relief, specific performance and other equitable relief for any threatened or actual breach of the provisions of this Agreement.

9. **NO LICENSES**

Nothing contained herein shall be construed as granting or conferring any rights by license or otherwise in any Confidential Information. It is understood and agreed that neither Party solicits any change in the organization, business practice, service or products of the other Party, and that the disclosure of Confidential Information shall not be construed as evidencing any intent by a Party to purchase any products or services of the other Party nor as an encouragement to expend funds in development or research efforts. Confidential Information may pertain to prospective business(es) of JITPL. Receiving Party agrees not to use any Confidential Information as a basis for carrying out same or similar business competing with JITPL.

**10. TERM**

This Agreement shall remain valid and binding on the Parties until one (1) year from the Effective Date of this Agreement or signing of definitive agreement in relation to the Transaction, whichever is earlier. Notwithstanding the term of this Agreement, the obligation of confidentiality agreed to between the Parties in terms of this Agreement in relation to the Confidential Information shall survive for two (2) years.

**11. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of India and the courts in New Delhi shall have exclusive jurisdiction.

**12. MISCELLANEOUS**

- 12.1 This Agreement constitutes the entire agreement amongst the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, representations, and understandings, whether written or oral, except obligations imposed by law which shall be deemed a part of this Agreement. This Agreement may not be amended except in writing signed by all the Parties hereto. No failure or delay by any Party in exercising any right hereunder or any partial exercise thereof shall operate as a waiver thereof or preclude any other or further exercise of any right hereunder. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect. Nothing in this Agreement shall be implied, except as required under statute.
- 12.2 The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties. The obligations under this Agreement shall not be assigned or otherwise transferred in whole or in part by either Party without the prior written consent of the other Parties.
- 12.3 Any breach of any provision of this Agreement by a Disclosing Party hereto shall not affect the Receiving Party's non-disclosure and non-use obligations under this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of SBICAPS, JITPL and Receiving Party.

*Process Document*

---

**By: Jindal India Thermal Power Ltd.**  
**Name:**  
**Designation:**

**By: SBI Capital Markets Ltd.**  
**Name: Mukesh Agarwal**  
**Designation: Vice President**

**By:**  
**Name:**  
**Designation:**

**Annexure 7: Format for Affidavit<sup>1</sup> (to be submitted along with EoI or at the time of submission of Bid pursuant to RFP)**

**(To be executed on appropriate stamp paper)**

I, [●], son/ daughter of [●], aged [●] years, residing at [●], director/ authorized signatory/ partner of [●] ("**Interested Bidder**") having its registered office at [●] do solemnly affirm, say, certify, confirm and represent that the Interested Bidder and any other person acting jointly or in concert with us and any person who is a 'connected person' (as defined under the IBC) to us -:

- (i) is not an undischarged insolvent;
- (ii) has not at any point of time, been identified as wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949;
- (iii) is not a person, whose account or account of a corporate debtor under its management and control or of whom such person is a promoter, has been classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 and continued for a period of one year or more from the date of such classification and such person and/or the connected persons (as defined under the IBC) has failed to make the payment of all overdue amounts with interest thereon and charges relating to such non-performing asset accounts;
- (iv) has not been disqualified to act as a director under Companies Act, 2013;
- (v) has not been convicted of any offence punishable with imprisonment for two years or more;
- (vi) has not, at any point of time, been prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- (vii) has not been a promoter or in the management or control of a corporate debtor in which any preferential transaction or undervalued transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Hon'ble National Company Law Tribunal (or its appellate tribunal / court) under the IBC;
- (viii) has not executed an enforceable guarantee in favour of a creditor, in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under the IBC; and
- (ix) is not subject to any of the aforesaid conditions under any law in a jurisdiction outside India.

Solemnly affirmed

[●]

Deponent

**VERIFICATION**

I, the above named deponent, do hereby verify that the contents of the above paragraph are true and correct to the best of my knowledge and belief, no part of it is false and nothing material has been concealed therefrom.

Verified at [●], [●] day of [●], 2018.

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<sup>1</sup> To be suitably modified for individuals

Annexure 8: Advertisement



**INVITATION FOR EXPRESSION OF INTEREST (EoI) FOR TAKING OVER 51% EQUITY & PREFERENCE SHARES OF JINDAL INDIA THERMAL POWER LIMITED**

1. Expressions of Interest (EoI) are invited from investors / consortium of investors having adequate financial and technical capability as per qualifying criteria for taking over the 51% equity and preference shares of Jindal India Thermal Power Limited (“**JITPL**” or “**Company**”).
2. JITPL, an unlisted entity, has set up a 1200 MW (600 MW x 2) Thermal Power Project of sub-critical technology near Derang village, Angul District in the State of Odisha.
3. The security trustee to the lenders of JITPL (“**Lenders**”) holds 51% equity and preference shares of JITPL on behalf of the Lenders and the Lenders now propose to sell these shares.
4. SBI Capital Markets Limited (“**SBICAPS**”) has been mandated by Punjab National Bank, the Lead Bank, on behalf of consortium of Lenders, as the Transaction Advisor for the proposed stake sale.
5. Interested bidders may refer to Brief Profile of the Company and Bidding Process Document uploaded on the SBICAP website ([www.sbicaps.com](http://www.sbicaps.com)) and submit their Eols as per the format provided therein, latest by **5:00 p.m.** on **26-March-2018**. The EoI can be submitted by emailing it to [mukesh.aggarwal@sbicaps.com](mailto:mukesh.aggarwal@sbicaps.com) or delivering it in a sealed envelope to Mr. Mukesh Aggarwal, Vice President, SBI Capital Markets Limited, 5<sup>th</sup> Floor World Trade Tower, Connaught Place, Barakhamba Lane, New Delhi - 110001.
6. Request for Proposal (RFP) / other documents for the bid would be issued to shortlisted bidders and will be provided access to further detailed information as may be required for submission of detailed proposal / bid.
7. Shortlisted bidders would be required to submit their bid within stipulated timelines along with Bid Bond of Rs. 10 Crore (Rupees Ten Crore).
8. In case of any clarifications, please contact the following:

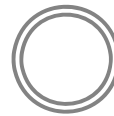
Contact Person	Telephone No.	E-mail ID
Mr. Mukesh Aggarwal (VP, SBICAP)	+91-11-23416294	Mukesh.aggarwal@sbicaps.com
Ms. Neha Gupta (AVP, SBICAP)	+91-11-23485313	Neha.gupta@sbicaps.com

Note: Lenders reserve the right to cancel or modify the process without assigning any reason and without any liability. This is not an offer document. Applicants should regularly visit the above website to keep themselves updated regarding clarifications / amendments/time-extensions, if any.



# Jindal India Thermal Power Ltd.

## *Proposal for Majority Stake Sale (51%)*



**By Lenders' Consortium**

**March 2018**

*Strictly Private and Confidential*

# Proposal for Majority Stake Sale

<b>1</b>	<b>Overview</b>
<b>2</b>	<b>Project Details</b>
<b>3</b>	<b>Financial Details</b>
<b>4</b>	<b>Stake Sale</b>
<b>5</b>	<b>Offer highlights &amp; Status of Transaction</b>

# Overview

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## Background

- ▶ Jindal India Thermal Power Ltd. (JITPL) is a Special Purpose Vehicle established in 2001 for development of coal based thermal plant

## Capacity

- ▶ 1200 MW coal based thermal power plant, set up in 2 phases of 600 MW each

## Implementation arrangement

- ▶ Memorandum of Understanding (MoU) with Govt. of Odisha on September 26, 2006 for development of the Project

## Current Status

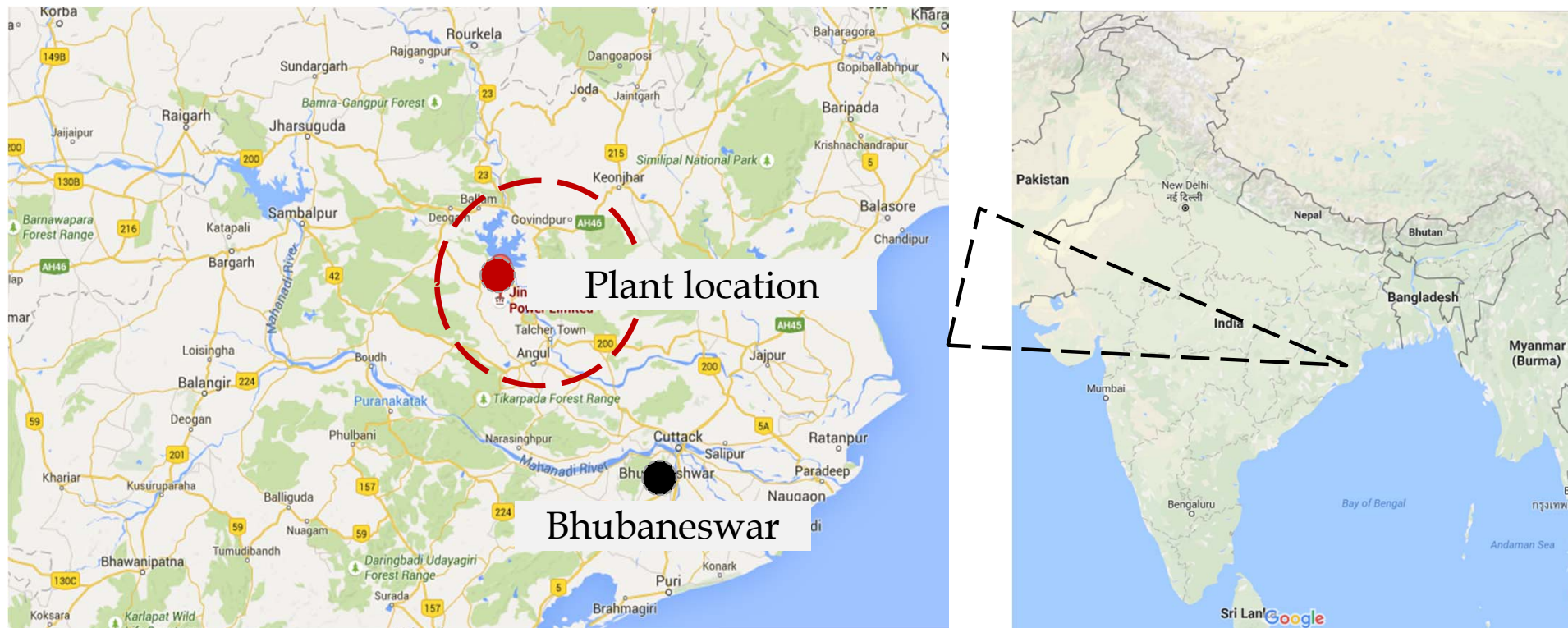
- ▶ Phase I and Phase II commissioned in FY 2015

## Land

- ▶ Aggregate land area acquired is 1,149.32 acres, including 1,071.89 acres for main plant area along with additional land for water corridor, road for coal transportation and conveyor for coal procurement; land mortgaged in favour of the project lenders

# Location Map and Connectivity

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Site located near Derang village in Angul district of Orissa:

- NH-23 is about 30 km from the project site
- Talcher (Broad Gauge), the nearest railway station, is about 35 km from the site
- Nearest airport, in Bhubaneswar, is about 130 km away from the site
- Source of water, Brahmani river flows at a distance of 12 kms from the site

# Plant Configuration and Operations

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## Plant configuration

- 2 identical units each comprising one Steam Generator and one Steam Turbine Generator (BTG) along with their auxiliaries corresponding to 600 MW capacity
- Supplied, erected and commissioned by Bharat Heavy Electricals Limited (BHEL) (BTG Contract); civil works by Shapoorji Pallonji, chimney & transmission line by Gammon, electrical works by Siemens
- Balance of Plant (BoP) includes 400 kV switchyard, coal handling (CHP), ash handling (AHP), river water intake system and storage facility

## Operations and Maintenance- carried out by JITPL through O&M contractors

System	Contractor
BTG, BoP	M/S Power Mech Project Ltd.
CHP	M/S Chennai Radha Engineering Works (P) Ltd.
AHP	M/S Melco India Ltd.
Transmission Line	M/S Abhishek Contech (I) Private Ltd.

# Project Cost

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Description	Approved Cost (Rs. Crore)		Total
	Phase-I	Phase-II	
Land Cost (incl. R & R)	41	71	112
Civil Works incl. site enabling works	474	530	1,004
Balance of Plant	504	637	1,141
Boiler Turbine Generator	1,438	1,441	2,879
<b>Total Hard Cost</b>	<b>2,457</b>	<b>2,679</b>	<b>5,136</b>
IDC, design, consultancy, pre-operatives, insurance, start-up expenses & margin money, etc.	1,019	906	1,925
<b>Total</b>	<b>3,476</b>	<b>3,585</b>	<b>7,061</b>
<b>Cost Per Mega Watt</b>	<b>5.80</b>	<b>5.98</b>	<b>5.88</b>

## Means of Finance

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- Project cost for Phase I and Phase II was Rs. 3,476 Crore and Rs. 3,585 Crore respectively funded as per below:

Particulars	Phase I		Phase II		Phase I & II	
	Rs. Crore	%	Rs. Crore	%	Rs. Crore	%
Equity	739.00	21.26	755.30	21.07	1,494.30	21.16
Senior RTL	2,220.95	63.89	2,337.60	65.21	4,558.55	64.56
ECB	373.05	10.73	337.10	9.40	710.15	10.06
Sub. Debt	143.00	4.11	155.00	4.32	298.00	4.22
<b>Total</b>	<b>3,476.00</b>	<b>100.00</b>	<b>3,585.00</b>	<b>100.00</b>	<b>7,061.00</b>	<b>100.00</b>

## Approvals and clearances

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Clearance	Approving Authority	Status	Validity
Consent To Operate under Water Act and Air Act	State Pollution Control Board, Odisha	Available	Up to 31/03/2018
Boiler License Renewal	Assistant Director of Factories and Boilers, Angul Zone, Nalconagar	Provisional Order Available	For 6 months from Boiler No. 1611 - 15/09/2016 Boiler No. 1610 - 10/11/2016
Environment Clearance	MoEF, Govt. of India	Available	Valid till 28/09/2018
Factories License to Work	Inspector of Factories (Odisha)	Available	Renewed on 18/11/2016 for the year 2017
Registration under the Provident Funds Act, 1952	EPFO	Available	Issued on 11/06/2008
Coal dispatch from Kaniha Mines	Director of Mines, Odisha	Available	24/05/2014 -Permission for round the clock dispatch from Kaniha mine of MCL to JITPL

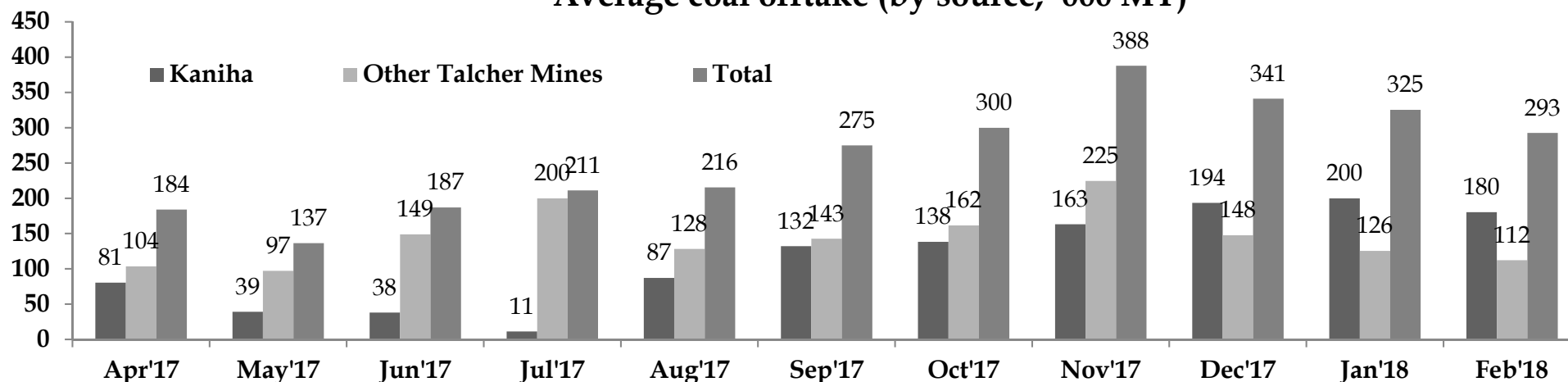


## Existing Fuel Arrangement

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- Linkage from CIL for 600 MW (MCL located at a distance of ~4-60 kms) - for supply of 2.661 MMTPA of Grade 'F' coal of GCV 3400 - 4060 kCal/kg - FSA based on long term PPA
- Presently, FSA entered into for 1.927 MMTPA (against power sale of 72 MW to Gridco, 95 MW to KSEB and 228 MW to Bihar discom)
- Balance coal being procured from E-auction and Special forward e-auction from Talcher mines, including Kaniha mine (located at a distance of ~4 kms)
- From April-2017 to February-2018, the Company procured 2.86 MMT of coal through linkage and e-auctions
- Coal cost of ~Rs. 2,100/MT for linkage coal & ~Rs. 2,170/MT for coal from other sources

Average coal offtake (by source, '000 MT)



# Long Term Power Offtake

- Long term power purchase agreements executed for 544 MW

Utility	MW	Gross Tariff (Rs./kWh)	Supply Period	Scheduled supply
GRIDCO	144 MW	Variable Cost#	25 Years	Commenced
KSEB SEB	100 MW	4.29* (FC of 3.54)	25 Years	Commenced
Bihar Discom	300 MW	3.84* (FC of 2.93)	13 Years	195 MW commenced from January 18, 2018

*\*Indicates first year gross tariffs (including variable cost to be paid on actuals basis)*

*#Cost of fuel required for energy generation shall be reimbursed to the Company*

- Untied power sold through - Medium term PPA (3 years) with the Indian Railways for total of 577 MW
- Balance power is currently being sold in the short term market through bilateral contracts and on power exchange

## Medium Term Power Offtake

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- PPA for 3 years with Indian Railways at effective weighted average net tariff is Rs. 2.95/Kwh
- JITPL is in the process of procuring medium term open access and no objection certificates in various states for supply to the Railways across the transmission network
- Power is to be supplied to the Railways in the following states:

State	Capacity (MW)	Status
Rajasthan	55	Power sale commenced
Madhya Pradesh	135	Power sale commenced
Odisha	110	Application for open access filed
Chhattisgarh	70	Application for open access filed
Bihar	50	Bihar quantum shall be shifted in Odisha
Delhi	9	Application for open access filed
Uttar Pradesh	83	Application for open access filed
Haryana	40	Power sale commenced
Punjab	25	Application for open access filed
<b>Total</b>	<b>577 MW</b>	

## Other Project Features

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### Power Evacuation

- Power generated from the plant is being evacuated through 72 km long 400 kV Quad D/c transmission lines connected to 765 kV/ 400 kV substation of PGCIL at Angul
- For transmitting power to utilities located in other states (under medium term power sale arrangement and short term power sale arrangement) the company obtains open access approval from the concerned utilities

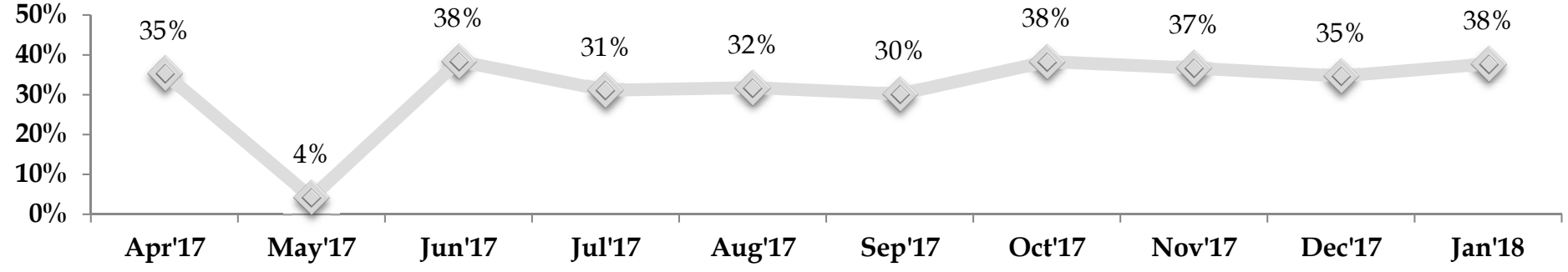
### Water Arrangement

- Water requirement of 30 cusecs
- Agreement with WRD, Orissa for ground water removal to the extent of 300m<sup>3</sup>/day
- Construction of water corridor and water intake system is complete and the company has been able to draw water from river and utilise it for its operation

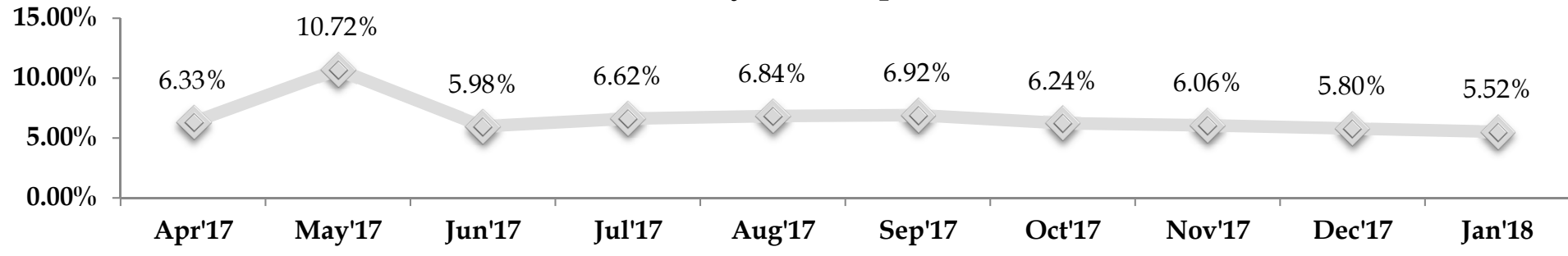
# Operational Performance(1/2)

13

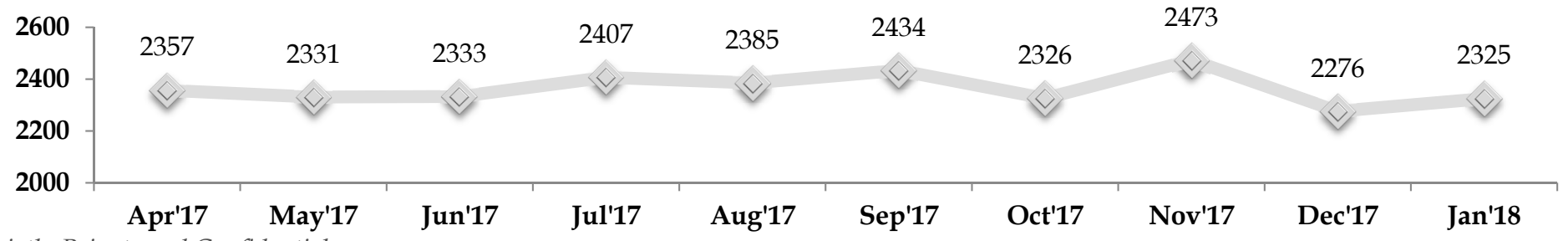
### Plant Load Factor %



### Auxiliary Consumption %



### Station Heat Rate (Kcal/kWh)



# Financial Performance

*Rs. Crore*

Particulars	FY 2015	FY 2016	FY 2017
Revenue	19.98	1,420.86	1,495.39
Operating Expenses	20.64	1,194.83	1,330.15
EBIDTA	(0.66)	226.03	165.24
Other income	0.16	149.26	65.70
PBT	(23.83)	(529.18)	(706.22)
PAT	(23.83)	(165.77)	(470.46)
Gross cash accruals	(19.21)	3.34	(296.13)
Net worth	1,202.53	1,037.00	566.62
Long term loans (secured and unsecured)	4,716.55	5,616.26	5,528.98
Net Block (incl. CWIP)	6,716.60	6,768.11	6,620.58

## Lender Details as on December 31, 2017

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Rs. Crore

#	Lenders	FB*	NFB*	Total*	% share
1	State Bank of India	1274.45	118.43	1392.88	24.13%
2	Punjab National Bank	754.61	119.00	873.61	15.13%
3	United Bank of India	278.28		278.28	4.82%
4	Bank of Baroda	337.73		337.73	5.85%
5	Indian Overseas Bank	160.37		160.37	2.78%
6	UCO Bank	295.45		295.45	5.12%
7	Vijaya Bank	91.24		91.24	1.58%
8	Indian Bank	164.02		164.02	2.84%
9	Punjab & Sind Bank	147.66		147.66	2.56%
10	Canara Bank	234.61		234.61	4.06%
11	Union Bank of India	289.67		289.67	5.02%
12	ICICI Bank Limited	406.05		406.05	7.03%
13	Axis Bank Limited	584.89		584.89	10.13%
14	LIC	194.49		194.49	3.37%
15	Allahabad Bank	121.39		121.39	2.10%
16	Andhra Bank	120.53		120.53	2.09%
17	Dena Bank	79.95		79.95	1.38%
	<b>Total</b>	<b>5535.39</b>	<b>237.43</b>	<b>5772.82</b>	<b>100.00%</b>

# Stake Sale

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- Security Trustee to the Lenders holds 51% equity shares and 51% preference shares of JITPL
- The Lenders now propose to sell these shares in JITPL
- SBICAP engaged for selection of new promoter and subsequent change in ownership of JITPL by sale of the stake held by the security trustee
- Transaction proposed by way of 2 staged bidding process
- Debt on balance sheet of JITPL may be refinanced based on discussion/proposal submitted by the prospective investors

## OFFER DETAILS

<i>Name of the Company</i>	:	Jindal India Thermal Power Limited
<i>Equity Shares</i>	:	51%
<i>Preference Shares</i>	:	51%
<i>Face Value</i>	:	Rs. 10.00
<i>Effective Equity Stake</i>	:	Controlling stake in JITPL
<i>Seller</i>	:	Consortium of Lenders of JITPL



# Offer Highlights

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## Technical advantages

- Project completed at competitive cost of Rs. 5.88 Crore per MW
- Both units have technically stabilised
- Project has received all the clearances required for operating the plant
- Project setup with BTG equipment supplied, erected and commissioned by BHEL
- The equipment is able to achieve low level of SHR and auxiliary consumption

## Company specific advantages

- Commenced supply under long term PPAs to Gridco (144 MW), KSEB (95 MW) & Bihar discom (190 MW out of 228 MW commenced from Jan-18)
- Executed FSA for 72 MW to be supplied to Gridco, 95 MW to KSEB & 228 MW to Bihar discom
- Executed medium term PPA with Indian Railways for offtake of 577 MW in various states for a period of 3 years; commenced supply of 230 MW

## Locational advantages

- Located in close proximity of Mahanadi Talcher coal blocks belt in Odisha

## Proposed investment

- Investor to take controlling stake in JITPL

Thank You

## Annexure I - Contingent Liabilities as on March 31, 2017

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Rs. Crore

Particular	Amount	Status
Guarantees issued by company's bankers on behalf of the company (Net of Margin)	348.37	
Outstanding Letters of Credit	8.72	
Disputed demand of Royalty	3.82	Pending before Odisha High Court
Demand of Electricity Duty	26.98	Stay granted by Odisha High Court
Demand of Odisha Environment Management Fund	27.82	Stay granted by Odisha High Court
Demand of Water Conservation fund	120.00	Stay granted by Odisha High Court
Demand of District Mineral Foundation	12.86	Stay granted by Odisha High Court
Demand of Techpro System Limited	548.66	Case is sub-judice before Arbitration Tribunal
Demand of Quartz Infra & Engg. Private Limited	9.71	Objection filed before district court at Angul, which was admitted on June 30, 2017
Demand of KSS Petron Private Limited	91.41	Case at stage of arguments before Arbitral Tribunal
Surrender of Long Term Open Access (Liability yet to be determined by CERC, BG of 52.20Cr submitted)		Pending before CERC
Demand of Siemens Limited	19.97	Siemens has appointed their arbitrator
Demand of PGCIL	12.40	
Contingent Liability for non-utilization of fly ash	43.76	
<b>Total</b>	<b>1,274.48</b>	

*Strictly Private and Confidential*

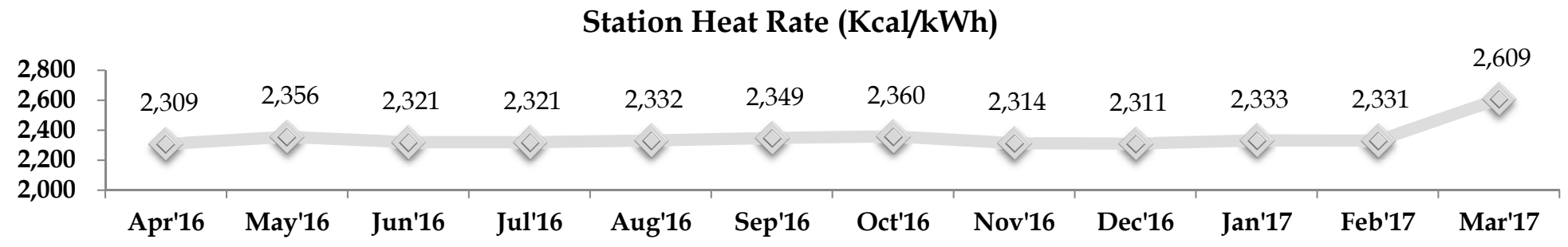
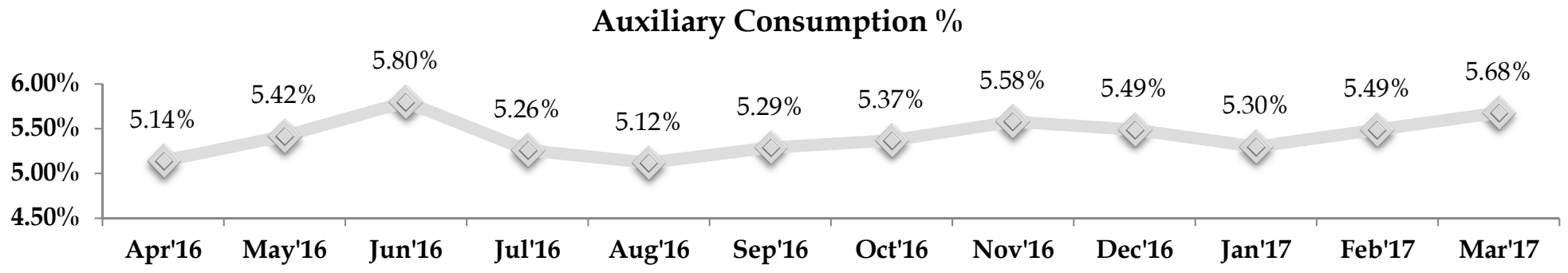
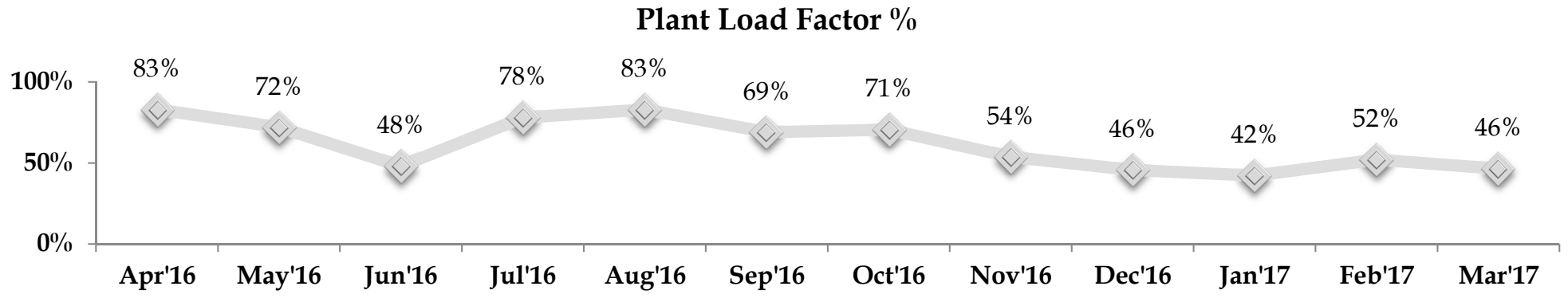
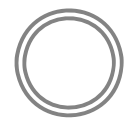
## Annexure II – Capex Creditors as on March 31, 2017

20

Rs. Crore

Vendor Name	Amount O/s
BHEL	398.14
Techpro Engineers Pvt. Ltd.	45.57
Gammon India Ltd.	38.79
Shapoorji Pallonji	13.79
Kazstroy Service	11.09
Siemens Ltd.	10.12
Sinhotia Metals	7.46
Monalisha Construction	7.38
Paharpur Cooling Tower	6.88
Macawber Beekay Pvt. Ltd.	5.49
Ion Exchange India Ltd.	3.44
R.K. Associates	3.42
New Fire Engineers	2.94
Quartz Infra & Engineering	2.72
Others	12.53
<b>Total</b>	<b>569.76</b>

# Annexure III - Historical Operational Performance (Apr-16 to Mar-17)



# Annexure IV - Historical Coal Off-take (Apr-16 to Mar-17)

Average coal offtake (by source, '000 MT)

