

## Deal Summary

### **Assignment/Settlement of Outstanding Debt of M/s Green Utility Private Limited and Sale of 36 MW Solar Asset owned by SEFL to eligible Transferees Under Swiss Challenge Method**

SEFL invites Expressions of Interest ("EOI") from ARCs/ NBFCs/ FIs/ Banks/ any other Corporate Entity, to acquire the debt of M/s Green Utility Private Limited and Sale of 36 MW Solar Asset owned by SEFL. SEFL is proposing to undertake a Swiss Challenge Bid Process (the "Bid Process") on "All Cash" basis only. The transfer of outstanding debt and sale of financial asset shall be on "As is where is", "As is what is" "As is how is", "Whatever is there is" and "Without Recourse Basis" without any representation, warranty or indemnity by the SEFL, based on existing offer in hand ("Anchor Bid"). Considering that the process is under the 'Swiss Challenge Method', on the Anchor Bid, the anchor bidder shall have specific preferential rights as set out in the Bid Process Document and further have the right to match the highest bid in the manner as elaborated in the Bid Process Document.

#### Background of the Company:

- Green Utility Private Limited, an entity owned by Power Trust, had proposed to develop a 100 MW Solar Power Project in Mirzapur District at Uttar Pradesh. The proposed project was to be set up on a lease land of ~500 Acres, but the same has not been done till date.
- Details of Shareholding

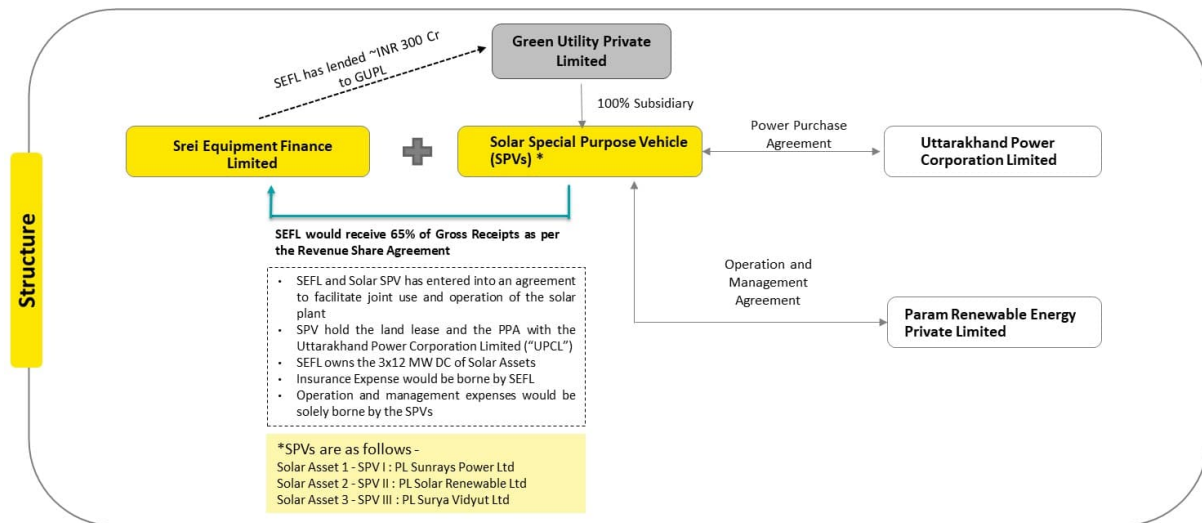
| Sl. No | Name of the shareholder        | No of shares held | % of shares |
|--------|--------------------------------|-------------------|-------------|
| 1.     | Power Trust                    | 1,09,990          | 99.99       |
| 2.     | Others- Nominee of Power Trust | 10                | 0.01        |
| Total  |                                | 1,10,000          | 100.00      |

- GUPL through is 3 wholly owned subsidiaries (PL Solar Renewable Limited, PL Sunrays Power Limited and PL Surya Vidyut Limited) is also managing 36 MW solar Power Plant in Uttarakhand

#### Details of Solar Assets

- SREI has entered into a revenue sharing agreement for the operation of solar plants totaling 36 MW with three different SPVs that are 100% subsidiaries of GUPL. These subsidiaries are PL Solar Renewable Ltd (PSRL), PL Surya Vidyut Ltd (PSVL), and PL Sunrays Power Ltd (PSPL). The revenue-sharing arrangement is in a ratio of 65:35, where SREI receives 65% of the revenue from sale of power through these SPV's and bear the insurance charges
- SEFL owns the Solar assets whereas the SPVs hold the land lease and PPA with the Uttarakhand Power Corporation Limited ("UPCL"). The PPA is for a tenure of 25 years expiring in March 2042
- Underlying solar assets have WDV of about Rs 145.50 Crore as on 31st Dec 2024
- The overall value of the asset as per the discounted cashflow method as on December 31, 2024 is ~Rs 137.15 crore and there are outstanding receivable from this solar asset of INR 13.47 crore

Structure of the above arrangement is presented below :



Bid Process Steps:

1. Expression of Interest ("EOI") along with other documents shall be submitted by all the Prospective Bidders expressing their willingness to participate in the Swiss Challenge Process ("SCP"). Interested Bidders should submit the EOI with Annexures electronically vide email to [pmooffice@srei.com](mailto:pmooffice@srei.com) mentioning the subject as "Assignment/Settlement of Debt and sale of Solar Asset- advertisement dated January 29, 2025" or physically at "SREI Tower, Plot No. Y-10, Block EP, Sector V, Salt Lake City, Kolkata – 700 091". The deadline for submission of EOI with Annexures is February 4, 2025 by 5:30 pm.
2. Non-Disclosure Agreement ("NDA") is to be executed in favor of SEFL in the prescribed format and an Undertaking for Compliance under Sec 29 A of IBC to be provided along with EOI before initiating due diligence. The Prospective Bidders are requested to furnish their complete contact details with E-mail addresses for correspondence along with the EOI.
3. SEFL shall evaluate the EOI, Documents to be submitted with EOI, NDA and Undertakings of the Prospective Bidders and declare the shortlisted eligible Bidders ("Bidders").
4. Upon completion of the above process, the Bidders will be provided with access to Virtual Data Room ("VDR"), which shall contain details of such assignment/settlement of debt and sale of solar asset including but not limited to, the files containing available financial, legal and other information with respect to such assignment/settlement of debt and sale of solar asset.
5. Acceptance of the offers of the Bidders shall be at the sole discretion of SEFL and shall be subject to the approval of the competent authority of SEFL.
6. SEFL reserve the right to modify the terms of sale at any stage without assigning any reason. SEFL reserve the right to reject and/or cancel or defer assignment/settlement of debt and sale of solar asset at any stage without assigning any reason.
7. The terms of the bid as decided by SEFL are as follows:
  - a. The Reserve Price shall be Rs.100.00 crores over and above Rs 13.47 crores for outstanding receivable from the Solar SPVs in line with the Revenue Sharing Agreement
  - b. The starting price for the first challenger bid shall be Rs 120 Crores (approx. 5% over and above the Reserve Price) ("First Challenger Bid")
  - c. In case of multiple bids received, the bid multiplier between the First Challenger Bid and the subsequent challenger bids shall be in the multiples of Rs.1.00 crore
  - d. All bids by Bidders are invited on 100% cash basis only.

8. On the conclusion of the bidding process and on approval of SEFL, the highest bidder ("H1 Bidder") shall be intimated by SEFL.
9. The anchor bidder shall be invited to match H1 Bid. If the anchor bidder matches the H1 Bid or bids higher than the H1 Bid of the process, anchor bidder shall become the winning bidder i.e Highest Bidder
10. The SCP timelines are as follows:

| Sl. No. | Particulars  | Date                                     |
|---------|--|--|
| (i)     | Publication of notification under Swiss Challenge method                                     | 29 <sup>th</sup> January 2025, Wednesday |
| (ii)    | Last date of submission of Expression of Interest (EOI), Non Disclosure Agreement by 5:30 pm | 4 <sup>th</sup> February 2025, Tuesday   |
| (iii)   | Sharing of details of the accounts and asset with applicant for due diligence                | 5 <sup>th</sup> February 2025, Wednesday |
| (iv)    | Closure of due diligence   | 20 <sup>th</sup> February 2025, Thursday |
| (v)     | Submission of Counter Bid/Challenger Bid by 8 pm   | 21 <sup>st</sup> February 2025, Friday   |
| (vi)    | Issuance of Right to Match Notice to Initial bidder  | 21 <sup>st</sup> February 2025, Friday   |
| (vii)   | Declaration of H1 Bidder   | 24 <sup>th</sup> February 2025, Monday   |
| (viii)  | Execution of Definitive Documents  | Will be communicated post approval       |

Above timeline may be changed at the discretion of SEFL

Base Offer (Anchor Bid):

SEFL has received an offer for purchase of solar asset and acquisition of such debt for a base price of Rs. 100 Crore over and above Rs. 13.47 Crore for outstanding receivables from the Solar SPVs in line with revenue sharing agreement. It shall be payable in 30 days on all cash basis.