

Mahindra Group and Ontario Teachers' co-sponsor India's largest renewable energy listed InvIT* with offer size of INR 2262.8 Crore (USD 273 Million)

Renewables

Author : mahindraadmin Category : Renewables Published : 1/15/2024

Mumbai, January 15, 2024: Mahindra Group, a leader in farm equipment, utility vehicles, information technology and financial services businesses in India, and Ontario Teachers' Pension Plan Board (Ontario Teachers'), a leading global institutional investor, through their associates have co-sponsored an Infrastructure Investment Trust (InvIT) holding assets in the renewable energy space. The InvIT, 'Sustainable Energy Infra Trust' (SEIT), is India's largest InvIT in the renewable energy space*. SEIT has raised primary capital of INR 1365 Crore (USD 165 Million) as part of the initial offer of units (Offer). The Offer was subscribed by marquee global and Indian investors, including Asian Infrastructure Investment Bank (AIIB). SEIT made its debut on the National Stock Exchange of India Limited today.

As announced earlier, and in line with the commitment made by Mahindra Group and Ontario Teachers', SEIT has been set up to focus on the growth of the renewable energy sector in India at scale. SEIT holds operational

renewable power assets seeded by Mahindra Susten with a generation capacity of approximately 1.54 GWp. The capital of INR 897.8 Crore (USD 108 Million) made available to Mahindra Susten by way of an offer for sale of units of SEIT as a part of the Offer will position Mahindra Susten for the next level of growth and development of a future pipeline of renewable energy assets. Mahindra Susten and SEIT, as a part of their growth strategy, have entered into a Right Of First Offer (ROFO) arrangement, in compliance with InvIT Regulations, whereby renewable energy assets developed by Mahindra Susten will be offered for sale to SEIT. As previously announced, both Mahindra Group and Ontario Teachers' had committed to invest up to INR 3050 Crore (USD 368 Million) and INR 3550 Crore (USD 428 Million) respectively into Mahindra Susten and SEIT.

Dr. Anish Shah, Group CEO & MD, Mahindra Group, said, "The Government of India has laid down ambitious targets to reduce the carbon intensity of the nation's economy by 45% by the end of the decade and achieve net-zero carbon emissions by 2070. The listing of SEIT is a testament to the Group's ability to attract strong external investors. Mahindra Susten has ambitious plans to achieve 5X growth in the next five years and will contribute to both the Groups' and the nation's green energy goals. The renewable energy sector will continue to grow and attract investments and we are excited about both Susten's and SEIT's role in developing the right ecosystem."

Deb Hajara, Managing Director, Infrastructure & Natural Resources at Ontario Teachers' added, "We are proud to co-sponsor the SEIT alongside our partner Mahindra Susten and to contribute to India's renewable energy ambitions. This milestone not only reinforces our commitment to invest globally in green and transition assets but also demonstrates the attractiveness of renewable energy investment opportunities in India."

Avinash Rao, CEO of the Investment Manager to SEIT, commented, "Renewable energy is a core sector for India with significant growth potential. The Government's focus on renewable and sustainable energy makes the industry very attractive for investments thereby enabling further growth of our portfolio. An InvIT as an instrument is investor friendly and attracts significant interest in operating renewable energy and infrastructure investments in India. We are delighted to have strong sponsors such as Mahindra Group, Ontario Teachers' as well as AIIIB and other marquee investors on board for current assets, and for building our pipeline of future assets."

Kotak Mahindra Capital Company Limited, Axis Capital Limited and Avendus Capital Private Limited acted as Placement Agents to the transaction. Cyril Amarchand Mangaldas acted as legal counsels to SEIT and the Sponsors. S&R Associates acted as legal counsels to the Placement Agents.

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality, and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

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About Ontario Teachers'

Ontario Teachers' Pension Plan Board (Ontario Teachers') is a global investor with net assets of \$249.8 billion as at June 30, 2023. We invest in more than 50 countries in a broad array of assets including public and private equities, fixed income, credit, commodities, natural resources, infrastructure, real estate and venture growth to deliver retirement income for 336,000 working members and pensioners.

With offices in Toronto, London, Hong Kong, Singapore, Mumbai, San Francisco, New York, Dallas, and São Paulo, our more than 400 investment professionals bring deep expertise in a broad range of sectors and industries.

We are a fully funded defined benefit pension plan and have earned an annual total-fund net return of 9.4% since the plan's founding in 1990. At Ontario Teachers', we don't just invest to make a return, we invest to shape a better future for the teachers we serve, the businesses we back, and the world we live in. For more information, visit otpp.com and follow us on [LinkedIn](#).

** The report entitled 'Renewable power market in India' dated December, 2023, prepared by CRISIL*

Tags :

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