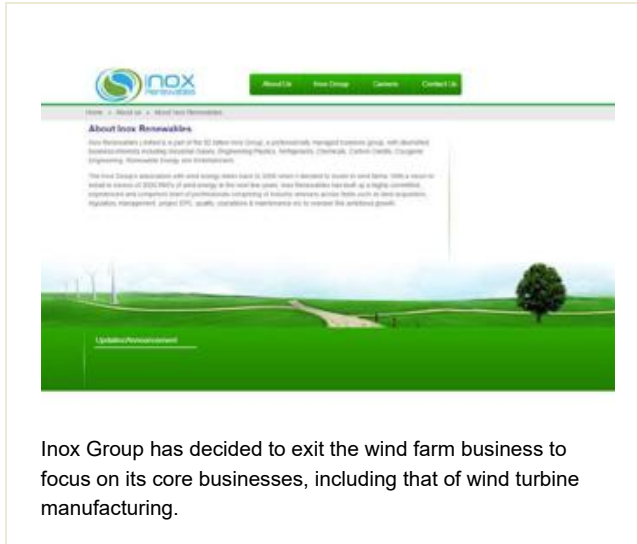


Inox Renewables to sell wind power assets to Leap Green Energy

Leap Green Energy said the acquisition will help it increase its operating capacity to 762MW across four states



Mumbai: Renewable energy firm Inox Renewables Ltd on Tuesday said it has agreed to sell its operating wind power farms to Chennai-based wind power company Leap Green Energy Pvt. Ltd. The company did not disclose the value of the deal.

These assets, adding up to a total of 260 megawatts (MW), are located in Rajasthan, Maharashtra, Madhya Pradesh and Tamil Nadu. Inox Renewables, a wholly owned subsidiary of Gujarat Fluorochemicals Ltd and a part of the Inox Group, said the transaction is subject to fulfilment of "certain conditions precedent", and is expected to be completed over the next few months.

Inox Group has decided to exit the wind farm business to focus on its core businesses, including that of wind turbine manufacturing, said Deepak Asher, director and group head (corporate finance) of the Inox Group of companies.

"This transaction will decrease the leverage of GFL (Gujarat Fluorochemicals) at a consolidated level, by reducing debt of around Rs800 crore that was attributable to the wind farming business, and free up management time to focus on our core businesses," Asher said.

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The \$3 billion Inox Group is a diversified conglomerate, operating in industrial gases, chloromethanes, refrigerants, fluoropolymers, multiplexes, wind turbine manufacturing and cryogenic engineering.

Group firm Inox Wind Ltd is India's second largest wind-turbine maker by market share while Gujarat Fluorochemicals is the flagship company of Inox Group. Inox Renewables was incorporated in 2010 to hold Inox Group's wind farming business, which was started within Gujarat Fluorochemicals in 2007.

Leap Green Energy said the acquisition will help it increase its operating capacity to 762MW across four states, making it one of the largest independent power producers in the wind energy sector. It plans to have a total operating capacity of 2,000 MW or 2 gigawatts (GW) by 2019. UBS was financial adviser for the transaction while Khaitan and Co. was the legal adviser to the Inox Group. Law firm MD&T Partners advised Leap Green Energy and its subsidiaries.

JPMorgan holds about 75% stake in Leap Green Energy, acquired in tranches since 2010. The renewable energy firm is promoted by the family of former Formula 1 driver Narain Karthikeyan.

