

September 8, 2017

To

The General Manager
 BSE Limited
 P.J. Towers, Dalal Street,
Mumbai- 400 001

The Manager
 Listing Department
 National Stock Exchange of India Limited
 Exchange Plaza, 5th Floor,
 Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Scrip Code: IL&FSENGG

Scrip Code: 532907

Sub: Termination of Rural Electrification Contract of PVVNL

Ref: Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sir/Madam,

This is to inform that IL&FS Engineering and Construction Company Limited (“the Company”) has received letter from Paschimahal Vidyut Vitran Nigam Limited, Meerut (PVVNL) for termination of contract for rural electrification works (RE works) of villages of Moradabad district

Further, in terms of Para B of Part A of Schedule III of Listing Regulations, following are the details with respect to termination of contracts of RE works of PVVNL:

S.No.	Particulars	Details
1	Name of the parties to the order(s)/contract(s)	Paschimahal Vidyut Vitran Nigam Limited: Employer IL&FS Engineering and Construction Company Limited: Contractor
2.	Nature of the order(s)/contract(s)	Rural electrification work of villages/majre of Moradabad district in Uttar Pradesh under Deen Dayal Upadhyay Grayam Jyoti 12 th Plan (Formerly Rajiv Gandhi Grameen Jyoti Vidyutikaran Yojna)
3.	Date of execution of the order(s)/contract(s)	LOA: 01-11-2014 and Contract Agreement: 16-02-2015



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4.	Reason for terminations and impact thereof (to the extent possible)	The Company has completed work in 929 villages against scope of 1028 villages about 89% of awarded works. Client terminated the contract assigning reasons: "slow progress/ stoppage of balance works". Company stopped work due to payments held up by PVVNL IMPACT: (i) Rs 46 Crore bank guarantees held by client; and (ii) Unpaid bills of Rs 57 Crore
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As per the Company, the termination is illegal. Accordingly, the Company is in the process of initiating legal/ contractual actions against the said termination to protect its rights and entitlements in terms of the provisions of the Contract

This is for your information and records

Thanking you,

Yours faithfully,

For IL&FS Engineering and Construction Company Limited



Sushil Dudeja
Company Secretary