
Suzlon Energy sells 10% stake in Hansen Transmissions

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Suzlon Energy Ltd has announced that AE-Rotor Holding BV, a wholly owned indirect subsidiary of the company, has agreed on December 31st 2008 to sell 67,010,421 shares representing 10% equity interest in Hansen Transmissions International NV to funds managed by Ecofin Ltd, a London based specialized investment firm.

The release said that “Following completion of the acquisition, Ecofin will have a voting and economic interest in Hansen of approximately 11.62%. Ecofin has undertaken to the Company, subject to customary exceptions, not to dispose of the shares acquired from the Company until after June 30th 2009. The lock up is renounceable in certain circumstances, as outlined below. Following this disposal, the Suzlon Group will retain a voting and economic interest in Hansen of approximately 61.28%.”

The release added that “The terms of the relationship agreement entered into between Hansen and Suzlon give Suzlon the right to appoint two non-executive directors to the Board of Hansen for so long as its shareholding in Hansen is a minimum of 26%. Under the terms of the agreement entered into with Ecofin, the Company has granted Ecofin the right to nominate one such director for so long as Ecofin's shareholding in Hansen is a minimum of 8%. Ecofin has indicated that it does not currently intend to exercise this right. This right is renounceable at Ecofin's option within 3 months following completion, in consideration for the release of the lock-up obligation in respect of the shares acquired by Ecofin.”

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