



AYANA
RENEWABLE POWER PRIVATE LIMITED

इरकॉन रिन्यूएबल पॉवर लिमिटेड
IRCON RENEWABLE POWER LIMITED

Information Memorandum

Date: 26.10.2022

Subject: Request for In-Principal Bid: (i) Rupee Term Loan of INR 2,078.2 Crores (ii) Working Capital Facility of Rs. 35.6 Crores and (iii) Performance Bank Guarantee of INR 250 Cr for IRCON Renewable Power Ltd. (IRPL)

Brief Background on the Project:

MNRE has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" vide No. 302/4/2017-GRID SOLAR dated 05.03.2019. These Guidelines have been issued under the provisions of Section 63 of the Electricity Act, 2003 for long term procurement of electricity by the 'Procurers', from grid-connected Solar PV Power Projects. 12,000 MW capacity will be added in 4 years' period i.e. from financial year 2019-20 to 2022-23.

As part of the Government of India's target to achieve a cumulative capacity of 100 GW Solar PV installation by the year 2022, Indian Renewable Energy Development Agency ('IREDA') invited proposals for setting up of Grid Connected Solar PV projects anywhere in India on "Build Own Operate" (B-O-O) basis for an aggregate capacity of 5,000 MW under Phase-II (Tranche-III) vide request for selection (RFS) No. 23016/1/2020-IREDA/RFS/5000 MW/012021.

Ircon International Limited ('IRCON', "IIL") and Ayana Renewable Power Private Limited ('Ayana', "ARPP") had signed a memorandum of understanding ('MOU') in May 2020 to explore and collaborate on opportunities in the solar energy sector. Subsequently, IRCON had participated in the CPSU bid floated by IREDA on 31st August 2021, and upon qualifying, had won the bid via an e-reverse auction (e-RA, conducted on 23.09.2021) for setting up solar power capacity of 500 MWac ('Project') at a tariff of Rs. 2.45/unit As per the provisions of the RFS, the successful bidder can also execute the project through a Special Purpose Vehicle (SPV). For this purpose, IRCON had formed the SPV – IRCON Renewable Power Limited ('IRPL') with Ayana with a shareholding pattern of 76:24 (together referred as "Shareholders"). As per the terms of the RFS, the selected bidders under this scheme shall also be eligible for a viability gap funding (VGF) support and the VGF support to IRPL determined through reverse e-auction shall be Rs. 44.94 Lakhs/MW.

A. Project Overview

Brief details of the Project are provided below.

Particular	INR (crores)
Project Scheme	5000 MW Grid connected solar PV power projects in India (Tranche III) under CPSU scheme Phase-II (govt. producer scheme). Indian Renewable Energy Development Agency Limit *IREDA') is the nodal agency for this scheme

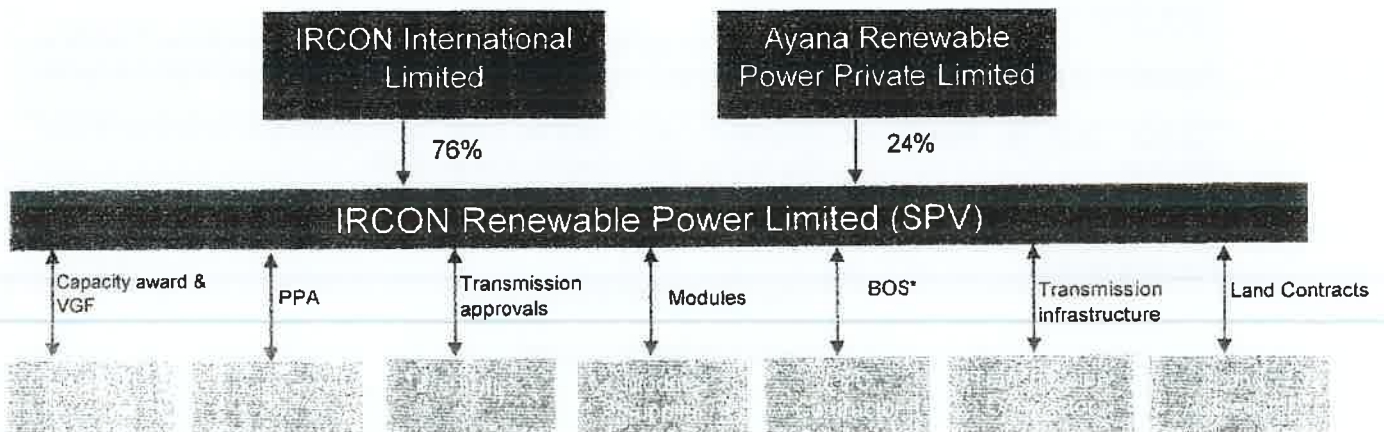
Project Capacity	500 MW AC (600 MWp). Tracker technology will be used for the Project.
Letter of Award (LOA) Date	LOA for the project received from IREDA on 04th Oct 2021
Project SPV	IRCON Renewable Power Limited, a Joint venture between IRCON International Limited ('IRCON', 'IIL') & Ayana Renewable Power Private Limited ('Ayana', 'ARPPL') has been incorporated to develop the Project. IRPL is held by IIL and ARPPL in the ratio of 76:24
Details of Shareholders	<p>IRCON</p> <ul style="list-style-type: none"> IRCON is a Government of India undertaking incorporated by the Ministry of Railways and is a leading turnkey construction company. IRCON is held ~73% by Govt. of India and is externally rated AAA by CARE as on date. <p>ARPPL</p> <ul style="list-style-type: none"> ARPPL is held 51% by National Investment & Infrastructure Fund (NIIF) and balance by British International Investment ("BII") (earlier name was CDC) (100% subsidiary of Govt. of UK) and Green Growth Equity Fund. ARPPL is currently having a renewable energy portfolio of ~3.5 GW of solar and wind energy projects out of which ~1.3 GW of assets are operational as on date. ARPPL is externally rated AA by ICRA as on date.
PPA counterparty	25 year power purchase agreement signed with South Western Railway on 4th May, 2022.
PPA Tariff	₹ 2.45 /kWh fixed for 25 years
Project SCOD	04th April 2024 (30 Months from Letter of Award)
Project Location & Land	Project is located at Pavagada in the State of Karnataka. Project land shall consist of private land parcels of ~ 2280 Acres which shall be acquired by the land aggregator selected through the tender process.
Power Arrangement Evacuation	At 400 KV through PCGIL grid sub-station (GSS) located at Pavagada. Distance of the GSS from project pooling sub-station will be ~ 8-10 KMs.
Viability Gap Funding (VGF)	<p>As per the terms of RFS & LOA, SPV is eligible for viable gap funding (VGF) support of INR 44,94,000/MW amounting to INR 224.70 Cr which shall be used towards project equity. VGF shall be provided by IREDA as per the following payment milestones:</p> <p>Payment milestones for VGF:</p> <ul style="list-style-type: none"> 1st tranche of 50% of VGF amount will be released by IREDA on signing of EPC agreement Balance 50 % of VGF amount will be released on COD of project. PBG equivalent to 50% of VGF for a tenure of 39 months from date of issuance of LOA to be submitted before VGF disbursement.
Modules	<ul style="list-style-type: none"> As per the terms of the RFS, both solar cells and modules to be used for the project must be manufactured in India preferably from the manufacturers listed in ALMM list published & updated by MNRE from time to time. It is envisaged to 530 - 560 Wp mono PERC bifacial modules for the project.
EPC Structure	EPC scope of work will include (i) procurement of equipment including solar modules & tracker and balance of system works including the internal transmission system.

	Contract for external transmission line including the bay extension and land aggregator contract has been awarded separately.																				
Method of selection of Project Contractors	All the project contractors to be selected through tendering process.																				
Project Cost & Means of Finance	<p>Project Cost</p> <ul style="list-style-type: none"> Estimated Project Cost is INR 2,771 Crores, detailed break-up shall be available under the financial model <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (in Crores)</th> </tr> </thead> <tbody> <tr> <td>EPC/Hard Costs</td> <td>2,512.4</td> </tr> <tr> <td>Soft Costs</td> <td>258.6</td> </tr> <tr> <td>Total Project Cost</td> <td>2,771</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Soft Costs shall include contingency, project development fees payable to Promoter/Sponsor, interest during construction, Funded DSRA. Project Development Fees (budgeted under Project Cost) to be allowed to be paid to Promoter/Sponsor post project COD without requiring compliance with Restricted Payment Conditions <p>Means of Finance</p> <ul style="list-style-type: none"> Means of Finance: Project cost is envisaged to be financed in the ratio of D:E of 75:25 <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (In Crores)</th> </tr> </thead> <tbody> <tr> <td>A. Debt -75%</td> <td>2,078.2</td> </tr> <tr> <td>B. Equity (including VGF)-25%</td> <td>692.8</td> </tr> <tr> <td>- Sponsor Contribution</td> <td>468.1</td> </tr> <tr> <td>- Viability Gap Funding</td> <td>224.7</td> </tr> <tr> <td>Total Means of Finance</td> <td>2,771</td> </tr> </tbody> </table> <ul style="list-style-type: none"> 25% of the overall Sponsor contribution should be in the form of pure equity/compulsory convertible debentures and remaining shall be in the form of optionally convertible debentures/unsecured loans. 	Particulars	Amount (in Crores)	EPC/Hard Costs	2,512.4	Soft Costs	258.6	Total Project Cost	2,771	Particulars	Amount (In Crores)	A. Debt -75%	2,078.2	B. Equity (including VGF)-25%	692.8	- Sponsor Contribution	468.1	- Viability Gap Funding	224.7	Total Means of Finance	2,771
Particulars	Amount (in Crores)																				
EPC/Hard Costs	2,512.4																				
Soft Costs	258.6																				
Total Project Cost	2,771																				
Particulars	Amount (In Crores)																				
A. Debt -75%	2,078.2																				
B. Equity (including VGF)-25%	692.8																				
- Sponsor Contribution	468.1																				
- Viability Gap Funding	224.7																				
Total Means of Finance	2,771																				

B. Project Contractual Structure

IIL and Ayana shall oversee the project implementation on a joint basis. Key decision making to happen through the Board of the SPV and project investment committee having representation from both ARPPL and IIL.

Schematic diagram for project contractual structure is as follows:



*Including Switchyard + Bay extension and Tracker

C. Current status of Project

Parameter	Current Status
Power Purchase Agreement	25 year PPA executed with South Western Railway on May 4 th , 2022 at a fixed tariff of Rs. 2.45/unit
Evacuation Approvals	Stage I and Stage II connectivity obtained from CTUIL
Land Aggregator	<ul style="list-style-type: none"> Land Aggregator finalized through tender process and Letter of Award (LOA) issued to land aggregator Extent of land ordered through LOA is 2,280 acres which is to be obtained on lease hold basis
Owner's Engineer	Tender is under finalisation.
Modules Procurement	<p>Module supply will be part of EPC package</p> <p>Module Specifications:</p> <ul style="list-style-type: none"> Project requires use of DCR modules both cell and module manufactured in India 530 - 560 Wp mono PERC bifacial modules will be used in project
EPC Contract	<ul style="list-style-type: none"> EPC shall include supply of modules & tracker and balance of system. Tender is under finalisation. EPC contract likely to be awarded by end of Q3 FY 23. Indicative list of EPC contractors include Sterling Wilson Solar, BHEL, KEC, Jackson, Waree, Amara Raja though the final selection shall happen through the tender process.
External Transmission line	Contractor for external transmission line has been finalized through tender process and Letter of award has been issued.

D. Debt Requirements

A. Project Finance Facility- Rupee Term Debt with Capex LC Sub-limit

Provided below are the terms and conditions for the Rupee Term Loan:

Parameters	Terms
Borrower	IRCON Renewable Power Limited (IRPL), a Joint venture between IRCON International Limited ('IRCON', 'IIL') & Ayana Renewable Power Private Limited ('Ayana', 'ARPPL')
Promoter/ Sponsor	IIL & ARPPL (in proportionate to the Shareholding in borrower)
Scheduled Commercial Operations Date	April 04, 2024 or any other date as extended by the off-taker/ bidding agency
Commercial Operation Date	COD will be earlier of SCOD or date on which Completion Certificate or Provisional Certificate as certified by Lenders' Independent Engineer is received.
Project Cost & Means of Finance	Estimate Project Cost is Rs. 2,771 Crores which is to be funded in Debt: Equity (inc. VGF amount) ratio of 75: 25
Promoter/Sponsor Contribution & Viability Gap Funding (VGF)	<p>Total Equity contribution of Rs. 692.8 Cr shall be brought in the following manner:</p> <p>1. Promoter/Sponsor Contribution</p> <p>Amount: INR 468.1 Crores.</p>

	<p>25% of the overall Sponsor contribution should be in the form of pure equity/compulsory convertible debentures and remaining contribution is allowed be in the form of optionally convertible debentures/unsecured loan. Borrower shall be free to decide the coupon on such instruments (convertible/optionally convertible/unsecured loans)</p> <p>2. Viability Gap Funding (VGF) Support: INR 224.7 Crores to be received from IREDA</p>
Upfront Promoter Contribution	Upfront Equity to an extent 25% in case of Fund based or NFB limit of the total requirement is infused. Any further disbursement shall be proportionate to the amount of Promoter contribution maintaining the sanctioned D:E of 75:25
Facility Amount	<p>Rupee Term Loan (TL) of ~ Rs. 2,078.2 Cr with the following sub-limit:</p> <p>Letter of Credit Sub-limit</p> <ul style="list-style-type: none"> Capex LC Sub-limit for upto 90% of the TL limit (Tenor/usance of LC will be 36 months from the date of shipment) LC Commission: 0.50% + GST, LC commission shall be payable upfront on a quarterly basis <p>Borrower shall be allowed to avail LC Bill discounting Facility either from the lender issuing the LC or any other lender (including the lender outside the consortium)</p>
Purpose	The proposed Rupee Term Loan (FB facility and sub-limit of Capex LCs) would be utilized for part financing the implementation of solar power project, reimbursement of any amount brought in by the promoter/other group entities
Debt Sizing Criteria	<ol style="list-style-type: none"> Average Debt Service Coverage Ratio: 1.20x Tenure: 20 years from Project COD including the moratorium period of upto 9 months. This shall be excluding the construction period as applicable from the date of documentation till Project COD. Repayment in 77 quarterly installments as per agreed financial model, last repayment in March 2044.
Interest Rate	<ul style="list-style-type: none"> Pre COD: Benchmark (i.e. 6 M MCLR) + Spread Post COD: Benchmark (i.e. 6 M MCLR) + Spread <p>The benchmark 6 M MCLR would be as prevalent on the date of the first disbursement and would be reset every 12 months thereafter. The spread would remain unchanged during the tenor of the facility (except as provided elsewhere or on account of change in provisions norms by RBI).</p> <p>In case there are more than one lenders, each Lender of the consortium shall at the time of disbursement link its Interest Rate to the Benchmark of the Lead Lender to ensure that the subsequent movement of Interest Rate is uniform across all the Lenders of the consortium.</p> <p>Committed Reduction of Spread: Spread to be reduced by 25 bps on COD and additional 25 bps on upward revision of credit rating to AA category</p>
	No deviation will be allowed from the terms & conditions mentioned above

Availability Period	The Facility shall be available for drawdown for 12 months from COD unless extended by the Lender except the debt disbursement required for retirement of LCs or LCBD Facility which shall be allowed post the expiry of availability period
Upfront/Processing fee	0.15% + GST on debt amount of INR 2078.2 Cr, payable one time prior to disbursement
Commitment Fee	NIL
Lead Bank charges / Facility Agent Fee	Rs.3 Lacs + applicable taxes, payable annually at the start of the financial year. For the first year the charges would be recovered pro-rata to the number of months residual in financial year.
TRA agent Fee	Rs. 3 Lacs per annum + applicable taxes payable annually at the start of the financial year, For the first year the charges would be recovered pro-rata to the number of months residual in financial year.
Other Charges	All charges including Processing, Vetting, Documentation, review etc to be capped at Rs. 1 Lakh/annum. All other charges like LLC, LIA, NEFT/RTGS, Stamp Duty etc will be reimbursed on actual basis by the borrower.
Security	<p>The Facility for the project, all interest, fees, commission and other monies in respect thereof shall be secured by way of:</p> <ol style="list-style-type: none"> i. Pari-passu first charge by way of mortgage on the freehold/leasehold right of the Borrower on entire immovable properties pertaining to the Project ii. Pari-passu first charge by way of hypothecation of entire movable properties of the Borrower, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles raw material, stock-in-trade, inventory and all other movable properties of whatsoever nature; iii. Pari-passu first charge on the entire cashflows, receivables, book debts and revenues of the Borrower, of whatsoever nature and wherever arising, both present and future; iv. Pari-passu first charge on entire intangible assets of the Borrower, including but not limited to, goodwill and uncalled capital, intellectual property, both present and future; v. Pari-passu first charge by way of hypothecation, as the case may be, of - (a) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents (except the charge on transmission agreements with CTUIL for which consent from CTUIL will not be provided)), all as amended, varied or supplemented from time to time; (b) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Clearances, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee, performance bond, bank guarantee provided by any party to the Project Documents; (d) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower under all Insurance Contracts; vi. Pari-passu first charge on the Trust and Retention Account (TRA), Debt Service Reserve and any other reserves and other bank accounts of the Project wherever maintained except distribution sub-account; vii. Pari-passu first charge on all the monies receivable by Promoter/Sponsor from the Borrower under the unsecured loans/ sub-debt granted by promoter/sponsor to the Borrower brought in for the Promoters Contribution.

	<p>Security Interest set out above shall rank pari-passu between Lenders to the Facility, working capital lenders as per base case and hedging facility lenders (if any). Charge on DSRA account will be available only to Senior Lenders (Not available for Working Capital Facility).</p> <p>Timeline for Security</p> <p>The Borrower shall create entire Security Interest as stipulated above including the assignment of rights under PPA upfront while the perfection to be done within 45 days of security creation except assignment of rights under PPA for which 90 days is provided.</p> <p>Security on immovable Property</p> <ul style="list-style-type: none"> • The Borrower shall create and perfect mortgage/assignment/any other form acceptable to Lender on entire immovable properties within 18 months from the date of initial disbursement. • Title Search Report for the immovable property shall be provided prior to the date of mortgage creation. <p>Pledge of shares of SPV: Not available</p>
Voluntary Prepayment	<ul style="list-style-type: none"> • Full or part prepayment to be allowed, prepayment of a specific lender should be allowed • Borrower shall be allowed to prepay the debt anytime in part/full at the end of every quarter without payment of any prepayment charges subject to a prior notice of 30 days. • No prepayment charges shall be applicable in case of prepayment within 90 days of Benchmark reset date subject to prior notice of 30 days • • No prepayment penalty in case of prepayment from proceeds of bonds issuance/InvIT/IPO at Borrower/Promoter/Affiliates level subject to a prior notice of 30 days
Mandatory prepayment	<ul style="list-style-type: none"> • No mandatory prepayment events apart from the standard requirements in case of additional insurance proceeds, liquidated damages, sale of any movable assets etc. Mandatory prepayment amounts shall be capped to the extent of amounts required to maintain base case DSCR and any excess amount shall be reimbursed to the Promoter through distribution sub-account without requiring compliance with restricted payment conditions. Further, in case of liquidated damages, insurance proceeds etc, if the Promoter has already infused funds towards any rectification, restoration work and proceeds are received subsequently, such proceeds shall be first utilized for reimbursement to the Promoter to the extent of amounts infused. • No prepayment charges to be applicable in case of mandatory prepayments • All mandatory prepayments (if any) shall be applied proportionately to all the repayment installments. • Proceeds from any arbitral award/change in law compensation which is over and above the base case of lenders shall be reimbursed to the Promoter without requiring compliance with Restricted Payment Conditions
Promoter/Sponsor Undertaking	<ul style="list-style-type: none"> • For infusion of required Promoter Contribution • overrun support till Project COD capped to the 10% of Project Cost • IIL and ARPPL shall on a cumulative basis maintain 51% shareholding of the SPV and retain management control in it

Corporate Guarantee from Promoter/Sponsor	None
Debt Service Reserve Account (DSRA)	<p>The Borrower shall, to the satisfaction of the Facility Agent, create and maintain, Debt Service Reserve Account ("DSRA") in accordance with the terms of the Trust and Retention Account Agreement, equivalent to 1 quarter of ensuing debt obligations.</p> <p>The Borrower will have an option to create/ replace DSRA (if applicable) from Bank Guarantee without recourse to the Borrower assets except amounts lying in distribution account. In case the DSRA BG is provided from Sponsor lines, Sponsor shall be reimbursed the corresponding cash DSRA amounts.</p> <p>No other reserve apart from DSRA to be stipulated.</p>
Financial Covenants	<p>The Borrower shall comply with the following financial covenants with the first testing done from first full financial year of operations.</p> <ul style="list-style-type: none"> - The borrower shall maintain a minimum Debt Service Coverage Ratio (DSCR) of 1.05 times during the tenor of the Bank's loan. DSCR shall mean, for any financial year, the ratio of (A) to (B) below: <ul style="list-style-type: none"> A. the aggregate of (a) profit after tax computed for that period; (b) depreciation for such period; and other non-cash items (including management fee)/any notional or IND-AS adjustment/any expense (including provisions) funded or committed to be funded by the Promoter or distribution sub-account/any equity infusion other than agreed capex (c) all interest or financing cost payable to Senior Lenders, working capital lenders and interest on subordinated loans or quasi equity instruments; B. an amount equal to the sum of interest, principal repayment, and other financing costs payable to Senior Lenders including interest on working capital borrowings. - The borrower shall maintain a minimum Interest Coverage Ratio (ICR) of 1.25 times during the tenor of the Bank's loan. ICR shall mean, for any financial year, the ratio of (A) to (B) below: <ul style="list-style-type: none"> A. the aggregate of (a) EBITDA; (b) depreciation for such period; and other non-cash items (including management fee)/any notional or IND-AS adjustment/any expense (including provisions) funded or committed to be funded by the Promoter or distribution sub-account/any equity infusion other than agreed capex; B. an amount equal to the sum of interest payable to Senior Lenders including interest on working capital borrowings. <p>Financial covenants for the purpose of default check shall be tested on annual basis i.e. for period ending on March 31st of every financial year will be basis Annual audited report of that financial year end.</p> <p>In case the Borrower intends to make Restricted Payments on semi-annual basis, above financial covenant shall be checked on the basis of rolling 12 months provisional financials.</p> <p>In case of any breach in financial covenants, Sponsor shall have the option but not obligation to rectify it by funds infusion</p>




Availability Period/ Last date of drawdown	Disbursement under the Facility shall not be permitted beyond 12 months from the date of COD except for LC Bill discounting availed. Any disbursement request from Borrower after this date shall be on such terms and conditions as acceptable to the Bank and shall not be unreasonably withheld.
Restricted Payments	<p>Restricted Payments shall mean</p> <ol style="list-style-type: none"> a) the authorisation, declaration or payment of any dividends (either in cash or property) or distributions or return on equity; or b) the redemption, retirement, buyback, purchase or other acquisition, directly or indirectly of any shares of any class of its equity (including preference shares) now or hereafter outstanding (or any options or warrants issued by the Borrower with respect to its equity); or c) payment of interest / coupon or any other distributions (including the repayment/redemption of quasi-equity or unsecured loans) to the Promoter/ Sponsor in relation to the monies infused by them in the form of quasi equity instruments; or d) Repayment of any indebtedness of the Borrower that is subordinated to the Facility e) Investments (equity or debt)/loans to group companies of either of the Promoter (s)/Sponsor (s) (provided on account of such investment there is no adverse impact on this Facility & no additional obligation on the Borrower). If required, Borrower shall be allowed to create charge on such investments which shall be limited to the extent of investment amounts f)
Restricted Conditions	<p>Only the following conditions to be complied to make Restricted Payment</p> <ol style="list-style-type: none"> a) the first Repayment Instalment in respect of RTL Facility shall have been paid b) there is no Event of Default that has occurred and is continuing under financing documents; c) the Borrower has paid the repayment instalment and has fulfilled all its obligations to pay interest and all other monies due to the Lenders as on the relevant date; d) DSRA reserve as per terms of sanction has been created e) Financial Covenants are met for the period of Restricted Payment f) COD is achieved <p>The Restricted Payments shall be made on semi-annual basis post the compliance of the above conditions. The Borrower to provide a CA certificate for compliance of Restricted Payment conditions to the Lender. DSCR for semi-annual period, i.e., September will be calculated basis 12 months trailing financials based on management account while for annual, i.e., March will be basis Annual report of that financial year end.</p> <p>Period of 21 days to be provided to Lenders for approval of the Restricted Payment Conditions, post which it shall be construed as deemed approval of Lenders if no queries or concerns are raised by Lenders within the 21 day period and Borrower shall be allowed to transfer the surplus funds to distribution sub-account. Once monies are received in distribution sub-account, no further approval shall be required from lenders while transferring the amounts to other accounts of Promoter/Sponsor/Group Companies for making Restricted Payments.</p>

	No Restriction on D:E shall be kept for making Restricted Payments.
Land related clause	Debt disbursement shall be in proportion to the land (i.e. % of land) acquired/obtained on lease by way of agreement to sale/sale deed/agreement to lease/lease deed either by the land aggregator or by the Borrower. Before mortgage creation entire land to be obtained by the Borrower directly on leasehold/freehold basis.
Assignment/Novation	Any assignment/novation by Lender shall be done on the same terms & conditions and commercials and with prior approval of the Borrower. Cost of such assignment/novation (i.e. upfront/processing/similar fee/LC commission) shall be on the account of the Lender except the documentation and legal charges (capped at INR 10 Lakhs) which can be borne by the Borrower.
Validity of Sanction	The Sanction shall be valid for a period of 6 months from the date of issuance of final sanction.
Cross Default	To be limited with respect to facilities of the Borrower, no cross default with respect to facilities of Promoter/Sponsor to be stipulated
Project Cost Certificate	To be provided from CA and not from Statutory auditor
Cash Sweep	NIL
PUT/Call Option	Not to be kept during initial 10 years tenure of Rupee Term Loan

Terms and Conditions for Capex Letter of Credit Sub-Limit

Facility	Letter of Credit (sub-limit of TL)
Limit	90 % of the term loan amount.
Purpose	LC: Opening Letter of Credits (Inland), for procuring Project related equipment and services
Tenure	Maximum usance up to 3 years for capital goods & EPC works from the date of shipment. Borrower shall be allowed to avail LC Bill discounting Facility either from the lender issuing the LC or any other lender (including the lender outside the consortium). At any point of time, Borrower shall have the option to avail fund-based disbursement and retire the LC BD Facility.
Security	Same as available for Term Loan Facility
Special Conditions	a. The LC facility shall be utilized for Project related activities only b. LC component shall be retired out of disbursement from corresponding RTL Facility – LC Bill Discounting c. Terms and Conditions of the RTL facility shall apply to the LC facility. d. In case of early cancellation of LC, Lender shall refund/adjust the excess commission paid by the Borrower for the cancellation period

B. Working Capital Facility

Key Terms and Conditions for the Working capital are provided below:

Facility (Working Capital)	Overdraft / Cash Credit
Limit	INR 35.6 Crores (Equivalent to 60 days receivables)
Purpose	To meet the routine working capital requirements (including debt servicing payments) of the project during operational period
Margin	25%
Interest	Benchmark (i.e. 1Y MCLR) + spread; payable at monthly intervals. Rate of Interest on working capital Facility shall be same Applicable Rate of Interest on Rupee Term Loan
Repayment	On Demand and upon the receipt of payments, working capital loan can be paid immediately
Security	Same as Rupee Term Loan (except the charge on DSRA)

C. Non-Fund Based Facility (Performance Bank Guarantee)

IRPL is required to furnish Bank Guarantees in favour Govt./regulatory agencies in terms of the contracts entered into/to be entered in future. Total Non-Fund Based facility limit of Rs 240.00 Crore for issuing Performance Bank Guarantees for a period up to 39 months from the date of issuance of LOA shall be required. Details of same is given below.

Sr No.	Purpose	Beneficiary	Amount (Rs. Crores)	Tenure (approx.)
1	PPA Performance PBG	Southern Western Railways	40.00	Up to 39 Months from date of issuance of LOA
2	PBG under various transmission contracts	CTUIL	37.00	
3	PBG towards VGF	IREDA	113.00	
4	As per renewable energy policy of Karnataka Government	Karnataka Renewable Energy Development Limited	50.00	
Total			240.00	

Key Terms and Conditions for the PBG lines are provided below:

Type of Facility	Performance Bank Guarantee
Limit	INR 240 Crores
Purpose	As mentioned in the table above
Margin	NIL
Commission	0.5% + GST, commission to be paid upfront on a quarterly basis, in case of early cancellation/release of the PBG, excess commission paid to be refunded to the Borrower

Type of Facility	Performance Bank Guarantee
Tenure	Up to 39 Months from date of issuance of LOA
Security	Same as Rupee Term Loan (except the charge on DSRA)

E. Evaluation Criteria of the Bid:

The bids received will be evaluated by the borrower solely based on the interest rates proposed by Lender. Other Commercials shall be as per the amounts mentioned under the terms and conditions of the respective Facility/sub-limit. The Bidder has to prudently furnish all information as required. Any incomplete information or changes at a later stage will disqualify the bid.

Basic Conditions:

1. Interest Rates should be linked to MCLR of respective Bank.
2. The rates quoted by the bidder should reflect the breakup of Basic MCLR plus Spread.
3. Spread will be fixed for the tenure of the construction (i.e Pre COD) and post construction period (i.e. Post COD) quoted by bidder. Spread to be reduced as per conditions mentioned in the Interest Rate clause.
4. Bidder is eligible subject to (i) Participation in Rupee Term Loan Facility is for a minimum amount of INR 300 crore, there is no cap on the maximum amount (ii) Proportionate Participation in Non- Fund Based Facility.
5. Lender having the largest share in Rupee Term Loan shall act as Lead Lender and shall maintain the Trust and Retention accounts of the Project subject to sanctioning the Working Capital Facility.
6. No upfront/processing fee/other fees/commitment fees/documentation charges or any other fee shall be paid except as specifically provided for in above terms.
7. Any material terms and conditions should be explicitly brought about by the bidder.
8. In case of consortium, applicable interest rate to be linked to lead bank MCLR
9. No deviation across proposed terms & conditions mentioned above.

Disputes:

In case of all tender conditions, the decision of IRCON Renewable Power Limited (SPV) shall be final and binding. In case of any dispute arising out of the bid, such will be subject to jurisdiction in New Delhi.

General Terms and Conditions:

1. It is to be duly noted that the submission of offers has no cause of action or claim against either the Borrower or the Promoter. Any bidder, whose offer has not been accepted shall not be entitled to claim any costs, charges and expenses incidental to or incurred by them in connection with submission of their offer or its consideration by Borrower.
2. Borrower, in its full capacity, shall have the rights to modify/withdraw the Invitation to Tender or has the right to not accept the offer or cancel the Tender as a whole.
3. The Borrower/Promoter does not take any responsibility for delays in transmission, loss or non-receipt of the bids by email/courier/post.
4. The Borrower shall be at liberty to accept or reject any offer or offers or part at its sole discretion and the same shall not be claimable at the behest of the bid.
5. After the issuance of acceptance to the successful bids, Final sanctions would have to be submitted within a period of 60 calendar days unless extended due to unforeseen circumstances. In case the total amount of final sanctions received is higher than the amount of Rupee Term Loan, successful bidders will be allotted final debt amounts in proportional to their EOI amounts.
6. Borrower and Promoter reserves the right to reject any tenders or all tenders received at its discretion without assigning any reason whatsoever.

7. By participating in the bid, the prospective bid is understood to abide by the ethics of confidentiality.

Other Conditions:

1. Last date for receiving the offer is 25th November, 2022 by 3:00 p.m. IST.
2. The offers should be sent through sealed envelopes **by the above-mentioned timings**. Sealed Envelopes should be addressed to Sh. Abhishek, JGM/Fin, Ircan International Limited, C-4 District Centre, Saket, New Delhi-110017. The offers can also be sent via password protected document and emailed to abhishek.raghuvanshi@ircon.org by no later than 3:00 p.m (IST) on 25th November 2022. The passwords should be emailed to the same email address between 3:15 p.m. (IST) to 3:30 p.m. (IST) with a SPOC name and number mentioned who shall be contacted in case of any password issues.

Bid opening time shall be 3:30 p.m. (IST) on 25th November,2022. Interested parties shall (with prior information) be allowed to witness the tender opening

3. No further extensions to the bids will be provided.

4. All queries to the bid will be addressed jointly to abhishek.raghuvanshi@ircon.org; priya.chauhan@ircon.org; atul@ayanapower.com; and mayank@ayanapower.com

Enclosed: Bid Submission form.



(Annexure 1) (to be submitted on the letterhead of the bank)

BID FORM

Ref No: _____

Date: _____

Bidding for Fund based facility of INR 2,078.2 Crores for IRCON Renewable Power Ltd. (IRPL)

SNo	Description	Particulars
1	Quantum of Loan *	Rs. _____ Crore
2	<u>Interest Rate during Construction period (i.e Pre COD)</u>	
	(i) MCLR of Bank (as applicable on date)	_____ %
	(ii) Fixed Spread	_____ %
	Effective Rate of Interest (considering i + ii)	_____ %
3	<u>Interest Rate post Construction period (i.e Post COD)</u>	
	MCLR of Bank (as applicable on date)	_____ %
	Fixed Spread	_____ %
	Effective Rate of Interest (considering i + ii)	_____ %

The bids should be sent along with the signed acceptance of the Information Memorandum.

* Should not be less than INR 300 Cr

