



The Singareni Collieries Company Ltd.
(A Government Company)
(Regd. Office Kothagudem Collieries)
Kothagudem – 507 101
Bhadradri Kothagudem Dist. (Telangana State)

Phone: 08744-242452 & 244116

Fax: 08744-243613

Ref.No.CRP/FAD/GM/PP1X800/2017-18/854

Dt.22.01.2018

Dear Sir,

Sub: Setting up of 1 x 800 MW Thermal Power plant at Pegadapalli Village, Jaipur Mandal, Mancherial District – Request for submission of proposal for debt financing of Rs.4116 crores -Reg.

The Government of Telangana has accorded approval for DPR for expansion of the existing 2X 600MW STPP by setting up an additional 1X800MW 3rd Unit (Stage II) coal based thermal power plant at a cost of **Rs.5879.62 through a debt equity ratio of 70:30**. Debt portion of Rs. 4116 crores would be met through Loans from Banks / FIs and Equity portion Rs. 1764 crores would be met by SCCL with internal resources..

1. **Location of Power Plant:** Pegadapalli Village, Jaipur Mandal, Mancherial District
2. **Project Details:** The project is situated on National Highway and 13 Kms east of Manchiryal Town and also connected by equal distance road from Godavarikhani Town.
 - a) Land acquired for existing 2x600 MW STPP would be sufficiently accommodate 1X800 MW Plant also.
 - b) Investment approval is given by the competent authority.
 - c) Power Purchase Agreement is to be signed with TSDISCOMS.
 - d) Water requirement can be met from surplus availability of Water meant for existing 2X600 MW Power Plant.
 - e) MOC, Govt. Of India allotted Naini Coal Block in Odisha. This mine is under development and is expected production after Four years. Meanwhile, MOC is requested for bridge linkage from SCCL mines.
 - f) MoEF has issued ToR for EIA. Final approval is awaited.



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- g) Clearance from Airport authority of India is obtained.
- h) SCCL Board approved to place the Order on M/s.BHEL for BTG & BOP on ECP basis. Enquiry has been floated.Offer is yet to be submitted.

3. Project cost and proposed model of financing.

| Sl. No. | Particulars | Period/Rs. |
|---------|--|---------------------------------|
| 1. | Total cost of additional super critical unit 1X800MW 3rd Unit of Power plant | Rs.5879.62 crores |
| 2. | Debit equity ratio | 70:30 |
| 3. | Rupee loan | Rs. 4116 crores ** |
| 4. | Tenure of Loan repayment | 48 quarters |
| 5. | Moratorium Period | 2 quarters from the date of COD |
| 6. | Installments/year (quarterly) | 4 |
| 7. | Payment of Interest | Quarterly |
| 8. | Repayment period | 12 years |

Considering the above details, please submit your proposal for financing the above debt requirement. Your proposal shall cover the following broad terms and conditions:

| Sl. No. | Terms & conditions | Remarks |
|---------|--|--|
| 1. | Applicable rate of interest | Please give details of base rate and spread. Frequency of interest rests i.e. monthly/quarterly shall be clearly mentioned. |
| 2. | Spread reset interval | SCCL have interest reset on COD and in every 3 years thereafter. Please confirm this. If this is not acceptable, please mention spread reset mechanism proposed by you clearly. |
| 3. | Upfront fee(% of Loan Amount-One time) | |
| 4. | Debt Syndication Charges | |
| 5. | Commitment fees | |
| 6. | Security | First Charge on Movable and Immovable Assets Of the Proposed Project (1X800MW). |
| 7. | Nature of offer | Offers can be standalone or by Consortium. In case offer is by a consortium, SCCL shall enter the loan agreement with the lead banker or leader of the syndicate/consortium and disbursement of loan shall |



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| | | |
|-----|--|--|
| | | be by the lead banker and repayment of loan to the lead banker. Bidder has to specify the name of the lead banker/leader of syndicate. It is the responsibility of the consortium leader to ensure that the contractual terms are met on time. SCCL will deal with the consortium leader only. |
| 8. | Nature of Interest | Floating Rate- in respect of offers by banks or consortium of banks base rate can be base rate of the lead bank. It may also be the generally accepted Bench Mark rate. Spread will be quoted separately which will be fixed throughout the Loan period. |
| 9. | Pre closure of the loan (partly or fully) | |
| 10. | Other Charges | Please indicate the charges applicable for appointing the Agencies associated in financing arrangement. Frequency i.e., (one time/yearly) to be clearly indicated. |
| a. | Lender's legal advisor/Legal Consulate fee | |
| b. | Security Trustee | |
| c. | Lender's Agent | |
| d. | Lender's Insurance Advisor | |
| e. | Lender's Independent Engineer | |
| 11. | Credit rating | Presently SCCL is holding Corporate Credit rating issued by CARE as "AA-" for 2015-16, Rating for 2016-17 is under process. In view of improved performance, better rating is anticipated. Job is assigned to the External agency and the Company's rating is expected by the end of January 2018. |
| 12. | Validity of the offer | Validity of the offer should be 45 days from the Date of opening. |
| 13. | Evaluation procedure | The total commitment towards Upfront fee, Legal fee etc and annualized rate of Interest for the initial year will be considered for the evaluation of the offer. The bidder with the least quote put together will be considered as L1. SCCL will deal with L1 only. |
| 14. | Anticipated Draw down Schedule | 15% of the Loan amount in 2018-19, 30% in 2019-20, 30% in 2020-21 and 25% in the year 2021-22. |
| 15. | Any other terms & conditions | |

The offer containing the detailed terms & conditions may be submitted, in a sealed cover subscribing thereon the reference number, to the following address:



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General Manager (F&A)/Corporate
The Singareni Collieries Co.Ltd.
Head Office,
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Phone No. (08744) 242452
Fax No. (08744) 243613
e-mail: gm_fad@scclmines.com , agm_fad_crp@scclmines.com

Last date for submission of offers is **22.02.2018**. The offers will be opened on **23.02.2018** at **11:00 am** in the chambers of the undersigned. You may send your representative to witness the opening of tenders.

SCCL will not accept offers sent through E-mail or FAX. SCCL is not responsible for the postal delay or loss of or damage to the offers. Offers received after the scheduled date and time shall be summarily rejected.

The Singareni Collieries Company Limited reserves the right to accept/reject any offer in full or part or all the offers without assigning any reasons, whatsoever.

Yours faithfully,
for THE SINGARENI COLLIERIES COMPANY LIMITED


DIRECTOR (FINANCE)