

SECI/FA/ 22014(11)/2/2023 -FIN/01

December 29, 2023

To,

All Scheduled Commercial Banks/Financial Institutions

Sub: Request for proposal for sanction of term loan of Rs. 1000 crores for 300MW Solar PV Power Plant at Ramagiri, Andhra Pradesh

Dear Sir/Madam,

Solar Energy Corporation of India Ltd (SECI) is a Govt. of India (GoI) enterprise under the administration of Ministry of New & Renewable Energy (MNRE). SECI has been appointed as REIA (Renewable Energy Implementing Agency) to implement Solar, Wind and Hybrid Power Projects, through issuance of tenders for purchase of power at the competitive rates as per the standard bidding guideline issued by Government of India. As of 30th November 2023, SECI has successfully awarded over 61.27 GW capacity of renewable energy projects across the country, out of which 37.68 GW is Solar power, 15.12 GW is Wind power and 7.97 GW is Hybrid power. SECI has operational Solar projects of 21 MW capacity under its ownership and the company is looking to expand its portfolio in renewable energy. The Company has been rated as 'AAA' by ICRA Ltd.

SECI has been awarded 1200 MW capacity by IREDA (Indian Renewable Energy Development Agency Limited) with Viability Gap Funding (VGF) of 44.72 Lakhs/MW under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme). Out of the 1200 MW capacity, 300 MW is proposed to be developed in Ramagiri & Muthuvakuntla Villages of Sri Sathyasai District of Andhra Pradesh. Salient features of the 300MW projects are as under:

- The proposal for setting up the project of 300MW has got in-principle approval from the Board of SECI and the approval from the Government of India for setting-up the project is under process.



पंजीकृत कार्यालय : 6 वी मंजिल, प्लेट-बी, एनबीसीसी कार्यालय ब्लॉक टावर-2, Regd. Office : 6th Floor, Plate-B, NBCC Office Block Tower-2,
पूर्वी किदवई नगर, नई दिल्ली -110023 East Kidwai Nagar, New Delhi-110023

दूरभाष / Phone: (011) 24666200, ई-मेल / Email: corporate@seci.co.in, वेबसाइट / Website: www.seci.co.in

(An ISO 9001:2015 "QMS", ISO 14001:2015, "EMS", ISO 45001:2018, "OH&SMS" Certified Company)

सीआईएन/CIN : U40106DL2011GOI225263

- Power generated from the project will be sold to Madhya Pradesh Power Management Company Limited (MPPMCL) at a tariff of ₹ 2.57 per kWh.
- SECI has identified 907.87 acres of land for the project, out of which possession of 899.43 acres has been taken.
- To evacuate the power generated from the 300 MW Solar PV project, SECI has obtained in-principle grant of connectivity for 300 MW at 220 kV level of Pavagada, 400/220 kV CTU Substation.
- SECI has floated a tender for selection of Contractor for supply of modules for the project and the tender for selection of EPC Contractor for carrying out the balance work for commissioning of the project is expected to be floated soon.
- As per MoP order on waiver of ISTS charges dated 23rd November, 2021, ISTS charges are not considered for the proposed 300 MW Solar PV project assuming that the project will be commissioned on or before 30th June 2025.
- The total project cost has been estimated at Rs. 1418.65 crore (including IDC) and is proposed to be funded at a debt-equity ratio of 70:30, which is the generally accepted financing norm considered by banks and financial institutions for financing power projects. However, Debt: Equity ratio may be varied upto 75:25.
- The equity would be met by SECI from internal Accruals/VGF to be received from IREDA and the debt requirement is proposed to be arranged by way of Rupee Term Loan from Banks / FIs.

The Detailed Project Report (DPR) of proposed 300 MW Solar PV Power Project at Ramagiri, AP has been prepared by inhouse engineering team of SECI and the Financial Due Diligence (FDD) has been done by M/s Dun & Bradstreet Information Services India Pvt Ltd.

SECI invites proposal for sanction of term loan of upto Rs. 1000 crores for the project from Scheduled Commercial Banks / Financial Institutions on single/multiple Bank lending basis at competitive rate of interest for a period of 20 years (including moratorium period of 2 years). Annual Report of SECI for the financial year 2022-23 is available on the website of the Company. Detailed Project Report (DPR) and other documents of the project shall be provided to the Banks over e-mail, if they require so.

Signature

The Company may decide to reduce the quantum or scrape the entire process altogether at its sole discretion.

In view of the above, it is requested to kindly submit your proposal as per **Annexure-A** in a sealed envelope at SECI Office by 21st January, 2024. In case any other clarification is required, please contact the following officials: -

- (i) Sh. S K Gupta,
General Manager (Fin.),
E-mail: shaileshgupta@seci.co.in
Phone No.: 011-24666214
- (ii) Sh. Ishwar Madiwal
Addl. General Manager (Fin.)
Email: ishwar@seci.co.in
Phone No.: 011-24666219
- (iii) Ms. Nidhi Jain
Manager (Finance)
E-mail: nidhijain@seci.co.in
Phone No.: 011-24666241

The proposal by the Bank/FI shall be sealed in an envelope super scribed as "**Bid for Funding the Credit requirement of SECI of Rs. 1000 Crores**" and submitted to SECI Office on or before 21st January, 2024.

Thanking you

Yours Faithfully,

For and on Behalf of Solar Energy Corporation of India Ltd.

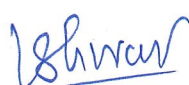


(Ishwar Madiwal)

Addl. General Manager (Finance)

Detailed Terms & Conditions

S. No.	Particulars	Description																																
1	Borrower	Solar Energy Corporation of India Ltd. with 100% holding by Government of India (GoI) under the administrative control of Ministry of New & Renewable Energy (MNRE).																																
2	Project	Design, Engineering, Manufacture, Procurement & Supply Erection, Testing, Commissioning and Comprehensive Operation & Maintenance for 5 (Five) years of 300MW (AC) Solar PV Plant under CPSU (Govt. Producer scheme) Phase-II, at Ramagiri, Sri Satya Sai District, Andhra Pradesh																																
3	Project Cost & Means of Finance	<table><tr><th>S. No.</th><th>Particulars</th><th>Amount (Rs. Cr.)</th><th>Share (%)</th></tr><tr><td>A</td><td>Total Project Cost</td><td>1454.66</td><td>-</td></tr><tr><td>B</td><td>Solar Park Subsidy from MNRE</td><td>36.00</td><td>-</td></tr><tr><td>C</td><td>Net Project Cost (A – B)</td><td>1418.66</td><td>100%</td></tr><tr><td>D</td><td>Domestic commercial borrowings</td><td>993.07</td><td>70%</td></tr><tr><td>E</td><td>Equity / Internal resources (F + G)</td><td>425.59</td><td>30%</td></tr><tr><td>F</td><td>Viability Gap Funding</td><td>134.16</td><td>9%</td></tr><tr><td>G</td><td>Net Equity</td><td>291.43</td><td>21%</td></tr></table>	S. No.	Particulars	Amount (Rs. Cr.)	Share (%)	A	Total Project Cost	1454.66	-	B	Solar Park Subsidy from MNRE	36.00	-	C	Net Project Cost (A – B)	1418.66	100%	D	Domestic commercial borrowings	993.07	70%	E	Equity / Internal resources (F + G)	425.59	30%	F	Viability Gap Funding	134.16	9%	G	Net Equity	291.43	21%
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4	Purpose of the facility	To meet the capital expenditure requirement of the Borrower for the project.																																
5	Loan Amount (Minimum amount to be offered by the Bank will be Rs. 250 crores and multiples of Rs. 250 crores thereafter)																																
6	Interest Rate (Interest rate may be linked with any benchmark rate. The lowest rate as on date of evaluation will be considered further for acceptance by the Borrower)																																



S. No.	Particulars	Description
7	Reset Period	----- (Reset period can not be less than 1 month).
8	Commitment Fees	NIL
9	Tenor	Moratorium Period - Repayment Period - Note: Minimum moratorium period required for the loan is 2 years and repayment period is 18 years.
10	Disbursement	The Disbursement of debt shall be as per the requirement of SECI. The loan will be drawn within 2 years from the date of loan agreement.
11	Frequency of Repayment	Principal- Interest – (to be indicated by the Bank)
12	Upfront Fee/Processing Fee/Legal Fee/Documents Fee	NIL
13	Prepayment Premium/Charges	NIL
14	Security	The Term Loan would be secured by only: First Pari-passu charge on the fixed assets (moveable and immovable), both present and future related to the 300MW Solar PV power plant of the company.
15	Ranking of Security	The above security for Lenders will rank pari-passu with charges created in favour of all Term Lenders participating in financing the Project.

Vishwan