

June 5, 2010

IFIN Syndication team achieves another important milestone Financial Closure – Rapid MetroRail Gurgaon Ltd. (RMGL)



IL&FS Financial Services Ltd (IFIN) has successfully completed the senior debt syndication for Rapid MetroRail Gurgaon Ltd., India's first fully privately financed Metro project. RMGL is a special purpose vehicle sponsored by IL&FS Transportation Networks Limited (ITNL) and ITNL Enso Rail Systems Ltd. (IERS), in partnership with DLF Metro Ltd (DLF)

RMGL has been formed for development of a Metro rail link from Delhi Metro's Sikanderpur Station to National Highway-08 in Gurgaon, under a Public Private Partnership with the Government of Haryana

RMGL has entered into a long term Concession Contract with Haryana Urban Development Authority (HUDA) in December, 2009 for a period of 99 years under design, build, finance, construct, install, commission, operate and maintain basis. The project is expected to be implemented over a period of 30 months, and is scheduled to achieve commercial operations by January 2013

IFIN is the Sole Advisor and Arranger for the senior debt requirement of the project.



Seated left to right: Mr. Rajesh Kotian, Executive Director IFIN, Mr. Sabyasachi Mukherjee, Head Project Debt Syndication Distribution IFIN, Mr. Sanjiv Rai, Mr. P. Srinivas

The total project cost has been estimated at Rs. 1088 crore to be funded in debt: equity ratio of 70:30, aggregating debt finance of Rs. 761.60 crore. The senior debt facility has been syndicated on a consortium banking format consisting of eight banks. The Financing documents have been executed with the participating banks on June 5, 2010 at New Delhi. The project finance has been successfully arranged at a very competitive and fine rate of 10.50% pa within the shortest span of time, given the long tenor of the Loan facility - door-to-door loan tenor of 17 years and 9 months

RMGL has achieved significant progress in terms of project development. RMGL has finalized Maytas Infra Ltd. for carrying out the Civil works contract and has also issued a Letter of Intent (LoI) to a consortium of Siemens, Germany and Siemens, India for supply of integrated package of Rolling Stock, Signaling and Traction power system. RMGL proposes to assign the task of O&M to the project contractors or any reputed outsourced agency for the first 2-3 years of operation and subsequently may take-up the task on its own