

July 29, 2012

Execution of financing documents of Novotel Hotel, Mumbai - Blue Ridge Hotels Private Limited (BRHPL)

IL&FS Financial Services Limited (IFIN) has successfully completed the syndication of fund based and non fund based credit facilities aggregating to Rs. 495 cr for Blue Ridge Hotels Private Limited (BRHPL) a 5-Star Business Hotel under the “*NOVOTEL*” brand in Andheri, Mumbai. The financing documents were executed on July 29, 2012 in Mumbai, with a consortium of five banks led by Bank of India

The hotel is being set up by Blue Ridge Hotel Private Limited (BRHPL), a Joint Venture between Accor Group (26%) and India Blue Mountains Limited (74%). Accor is amongst the world’s largest groups involved in the tourism and hospitality industries. India Blue Mountains Ltd is a fund engaged in investing in companies owning, acquiring, designing and financing real estate properties across India

The project envisages setting up of up a 543 Rooms, 5-Star business hotel, located on the Andheri Kurla Road within close proximity of the international and domestic airports of Mumbai, under a Hotel Management Agreement with Accor

The total project cost of Rs 714 cr has been financed in a Debt Equity ratio of 1.64:1 with Rs 444 cr raised as Senior Term Loan and the balance amount of Rs 270 cr infused as promoters' contribution. The Senior Debt has been raised by way of a mix of Rupee Term Loan and External Commercial Borrowings (ECB) in US Dollars. The term loan facility, syndicated with domestic banks on a project recourse basis, carries a door-to-door tenure of 12.75 years. The ECB facilities carry the same tenor of 12.75 years. IFIN has also structured Bank Guarantee facilities of Rs. 18 cr and foreign currency hedging facilities of Rs. 33 cr for the project

The project land, admeasuring 82,609 sq. ft. has already been acquired and the construction work has already started. The project is scheduled to achieve commercial operations by October 30, 2015

The bankers in the consortium, besides Bank of India, the lead bank, are State Bank of Patiala, State Bank of Travancore, Central Bank of India and Axis Bank Ltd

IFIN is the Sole Financial Advisor and Arranger for the project financing