

December 17, 2012

Execution of financing documents for Sikar – Bikaner Road Project of Sikar Bikaner Highway Limited (SBHL)

IL&FS Financial Services Ltd (IFIN) has successfully completed the debt syndication for the Sikar Bikaner road project of Sikar Bikaner Highway Limited (SBHL). The Financing Documents were executed in New Delhi on December 17, 2012 with a consortium of 4 banks led by Central Bank of India

The Public Works Department (PWD), Government of Rajasthan (GoR), as part of its initiative to boost infrastructure in the state, has decided to develop the project involving two laning of the Sikar Bikaner via Laxmangarh, Fatehpur, Ratangarh section through the Public Private Partnership (PPP) mechanism

IL&FS Transportation Networks Limited (ITNL) emerged as the preferred bidder for the project based on its offer to seek grant of Rs 247.32 cr. SBHL is the SPV promoted by ITNL for implementation of the project

The Concession for the Project is awarded by the PWD, Government of Rajasthan (GoR), to SBHL for a period of 25 years on a design, build, finance, operate, transfer (DBFOT) (Toll) basis

The Project involves two laning with paved shoulder of the Sikar Bikaner via Laxmangarh, Fatehpur, Ratangarh section along national highways 11 and 89 in the state of Rajasthan at an estimated Project cost of Rs 901 cr. The Project has been financed in a debt equity ratio of 0.8:1. (considering Grant of Rs 247.32 cr from the GoR as equity). The debt was raised for a door to door tenure of 13.75 years, including construction period of 2 years, moratorium of 1.25 years and repayment period of 10.5 years

The other bankers in the consortium, besides Central Bank of India, the lead bank, are Allahabad Bank, Punjab and Sind Bank & Oriental Bank of Commerce