

## **Expression of Interest (EOI) solicited from Banks/Financial Institutions for financing debt requirement of Kannur Airport Project**

Government of Kerala (GOK) proposes to establish a Greenfield International Airport at Kannur. The Airport will be developed by Kannur International Airport Limited (KIAL), a public limited company, wherein the Government will hold 26% of the equity, while 23% will be held by Public Sector Undertakings of the State or Central Government, 2% by Government-promoted agencies and balance through public participation by QIIs, Individuals, Companies, Co-operative banks/societies and other legal entities. The total land required for Phase-1 is already acquired and available with the Company.

M/s AECOM/CRISIL has been appointed as Consultants for the Project and they have submitted the Detailed Project Reports (DPR). M/s SBI CAPS was engaged as consultants for the preparation of Project Information Memorandum (PIM) and they also have submitted the PIM.

The company has received all essential statutory clearances including environmental clearance for commencement of construction. M/s Larsen & Toubro has been awarded the EPC-1 contract for construction of Runway and Airside Works.

KIAL now proposes to select a bank/financial institution for debt financing the Project and only the bank/financial institution, which offers the most competitive terms will be selected. is requested to submit their Proposal/Expression of Interest (EOI) on or before 16 December 2013 quoting the most competitive interest rate, fees, charges, etc.

Borrower: Kannur International Airport Limited

Facility Required: Rupee Terms Loan

Door to Door Tenor: Minimum 14.50 years including a construction period 2.5 years and moratorium of 12 months.

Repayment Schedule: The loan is proposed to be repaid over 44 structured quarterly instalments.

Upfront Equity: 30% of equity contribution

Security: 1) First pari-passu charge on all immovable and movable assets, both present and future, of the Company.

2) First pari-passu charge on all current assets, both present and future, of the Company.

3) Assignment of all project related documents, contracts, rights, interests, insurance contracts, and all benefits incidental to Project Activities.

4) Charge on DSRA of 6 months debt servicing.

- Those banks/financial institutions who have already submitted their Proposal/Expression of Interest (EOI) need to submit it again to be part of the Bid process.
- The Proposal/EOI shall be sent by letter or by email latest by 17.00 Hrs. on 16 December 2013.
- Please refer to our presentation made on 28 November 2013 about the merits of the Project.

- Any Proposal/EOI received after the period specified will not be considered.
- The Proposal/EOI shall be valid for a period of 90 days from 16 December 2013
- The Proposal/EOI without prepayment penalty only will be considered
- Banks/financial institutions who quote for the entire debt component (INR 1008 Crore) only will be considered. All the Proposals shall be comprehensive and self-containing the various parameters.

***Disclaimer: The Company reserves the right to select or reject any of the Proposals/EOIs at their own discretion without assigning any reasons, whatsoever.***