

## **Corrigendum-II**

Date: 03.08.2023

**Name of Work: Borrowing of Rs 2000 Crore through Term Loan from the scheduled private/public sector banks and financial institutions**

**E-Tender No. : 2023\_ NHPC\_763295\_1**

**Tender Ref No: NH/CCW/CC-II/CO262/PR10023/145 dtd. 24.07.23**

### **Frequently asked questions (FAQs)**

With respect to the RFQ issued on 24.07.2023 for borrowing of Rs. 2000 crore from Banks/FIs, a pre-bid meeting was held on 31.07.2023 at 11.00 a.m. During the meeting, prospective bidders had raised queries regarding interest rate applicability and moratorium period. For better clarity, the same has been explained below:

**Q no. 1:** Whether the 24 months of moratorium period shall be counted for each disbursement from the date of respective disbursement.

**Answer:** No. The moratorium period of loan of 24 Months shall be counted from the date of first disbursement. Suppose, first disbursement of Rs.1000 crore takes place on 25.08.2023 and second disbursement of Rs. 1000 crore take place on 10.10.2023, the moratorium period of 24 months for the whole loan amount of Rs. 2000 crore shall be calculated from 25.08.2023, the first disbursement date.

**Q no. 2:** As given in clause 17 (Interest rate reset) of RFQ that the first applicable interest rate shall be calculated based on benchmark rate one day before the first disbursement plus quoted spread, if any. This rate shall be applicable till the date of first reset. Whether the above methodology shall be followed for first disbursement only or at the time of subsequent disbursement(s) also.

**Answer:** The first applicable interest rate shall be calculated based on benchmark rate one day before the first disbursement plus quoted spread, if any. This rate shall be applicable till the date of first reset. There shall be no subsequent reset at the time of next disbursement. For example, if the first disbursement of Rs. 1000 crore takes place on 25.08.2023, the applicable interest rate shall be benchmark prevailing on 24.08.2023 (previous working day if 24.08.2023 happens to be holiday) plus quoted spread. If the said interest rate works out to be 7.50% p.a. (for simplicity) based on quoted benchmark say 1M-MCLR plus spread, the subsequent reset shall be as under:

<b>Date of disbursement/reset</b>	<b>Rate of interest</b>
25.08.2023 (1 <sup>st</sup> disbursement of Rs. 1000 crore)	7.50% p.a.
01.09.2023 (1 <sup>st</sup> reset)	For simplicity say 7.55% p.a. (Benchmark prevailing on 31.08.2023* plus spread)

01.10.2023 (2 <sup>nd</sup> reset)	For simplicity say 7.52% p.a. (Benchmark prevailing on 30.09.2023* plus spread)*
10.10.2023 (2 <sup>nd</sup> disbursement Rs. 500 crore)	7.52% p.a. (no change in interest rate)
01.11.2023 (3 <sup>rd</sup> reset)	For simplicity say 7.42% p.a. (Benchmark prevailing on 31.10.2023* plus spread)*
01.12.2023 (4 <sup>th</sup> reset)	For simplicity say 7.48% p.a. (Benchmark prevailing on 30.11.2023* plus spread)*
15.12.2023 (3 <sup>rd</sup> disbursement Rs. 500 crore)	7.48% p.a. (no change in interest rate)
Further, w.e.f. 01.01.2024 onwards the reset of interest rate shall be effected on monthly rest for total loan amount of Rs. 2000 crore/outstanding loan amount.	

\*Previous working day if this day happens to be holiday

**In case of other benchmarks also, depending on their reset periodicity, the applicable interest rate shall be worked out on the same line as exemplified above.**

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