



Notice Inviting Expression of Interest (EOI)/In Principle Sanction for Provision of a Rupee-Denominated Loan of Up to Rs.4,000 Crore to the Mumbai Metropolitan Region Development Authority (MMRDA) for the Development of a Slum Rehabilitation Project in Ramabai Ambedkar Nagar, Ghatkopar (East), Mumbai.

Mumbai Metropolitan Region Development Authority (“MMRDA”) to invite Expression of Interest (EOI) from Lenders to provide Rupee debt for MMRDA:

- The tender document will be made available on the official website of MMRDA i.e. www.mmrda.maharashtra.gov.in from 05.02.2024 from 11:00 hours which may be downloaded by the applicants.
- Interested Lenders may submit their proposal/EOI in prescribed format latest by 20.02.2024 on or before 15:00 hours as per the process mentioned in the tender document.
- Contact Information: For further queries, contact Dr. Ankush Nawale (Financial Advisor) at fa@mailmmrda.maharashtra.gov.in or +91 22 2659 4005. Note:
- MMRDA reserves the right to cancel or modify any or all quotations without assigning any reasons



Mumbai Metropolitan Region Development Authority

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Feb 2024



To

Respective Lending Institutions

Subject: Proposal Solicitation: Provision of a Rupee-Denominated Loan of Up to Rs.4,000 Crore to the Mumbai Metropolitan Region Development Authority (MMRDA) for the Development of a Slum Rehabilitation Project in Ramabai Ambedkar Nagar, Ghatkopar (East), Mumbai, on the Land Identified by Cadastral Survey Numbers 194 (part) and 195 (part).

We are seeking proposals for the provision of a term loan, denominated in Indian Rupees, amounting to a maximum of Rs.4,000 Crore. This financial assistance is intended for the Mumbai Metropolitan Region Development Authority (MMRDA), which plans to undertake a significant slum rehabilitation initiative. The project's focus is on the development and transformation of the Ramabai Ambedkar Nagar area, located in Ghatkopar (East), Mumbai.

The specific land allocated for this project is partially identified by the cadastral survey numbers 194 and 195. The aim of this rehabilitation scheme is not only to improve the living conditions in this densely populated slum area but also to contribute positively to the urban landscape of Mumbai. The project will involve the construction of adequate housing, provision of essential services, and the overall upliftment of the community's standard of living.

We are inviting detailed proposals from financial institutions and lenders for a term loan in Indian Rupees, capped at Rs.4,000 Crore. This loan is sought by the Mumbai Metropolitan Region Development Authority (MMRDA), a highly regarded entity with an 'IND AA-' rating. The MMRDA, operational since 1975 under the MMRDA Act of 1974, is the principal agency responsible for spearheading urban and transport infrastructure developments within the Mumbai Metropolitan Region (MMR).

Over the years, the MMRDA has successfully executed numerous projects, including the Mumbai Urban Infrastructure Project, which significantly improved the city's road connectivity. It has been instrumental in the completion of major projects like the Eastern Freeway, the Santa Cruz Chembur Link Road, the Mumbai Monorail, and the Sahar elevated road.

Currently, MMRDA is engaged in several transformative projects to upgrade MMR's infrastructure and enhance living standards, encompassing road, bridge, flyover, and metro rail system developments, along with other civic improvements.

The primary objective of this loan is to fund a major slum rehabilitation project in Ramabai Ambedkar Nagar, Ghatkopar (East), Mumbai. The project, located on land identified by parts of cadastral survey numbers 194 and 195, aims to significantly enhance living conditions in this densely populated area and positively impact Mumbai's urban fabric. It involves constructing adequate housing and providing essential services to uplift the community's standard of living.

MMRDA intends to secure a Rupee Term Loan (RTL) from domestic lenders, with a tenure of 8 years, including a 3-year principal & Interest moratorium followed by a 5-year repayment

period. This project is a crucial step in urban redevelopment and social improvement in a vital area of Mumbai. Your involvement can be pivotal in the successful realization of this project and in improving the lives of the inhabitants of Ramabai Ambedkar Nagar.

Upon receiving proposals, MMRDA will review and shortlist lenders for final sanction. The key details of this bid are outlined below.

Evaluation of Bid

The bids submitted will undergo an evaluation process by the borrower to determine the most cost-effective and substantially compliant bid in relation to the Tender Specifications (detailed in Annexure-I). This evaluation will consider various factors such as the amount of loan, the interest rate, and any upfront fees proposed by the bidder. It is incumbent upon the bidder to ensure that all necessary information is comprehensively provided as stipulated in the Specifications. Failure to provide complete details or the submission of insufficient information may lead to the disqualification of the bid.

Instruction to bidders

Lenders are invited to bid for the full amount of the debt requirement or a portion of it, based on their capacity, with a minimum bid amount set at Rs.2,000 Crore. The eligibility criteria for lenders are as follows:

- Possession of a valid license for providing Rupee-denominated debt in India.
 - Compliance with all regulatory requirements for offering Rupee debt.
 - Exclusion from the Reserve Bank of India's Prompt Corrective Action (PCA) list.
 - Absence from any blacklist of Central Government departments, State Government departments, Public Sector Undertakings (PSUs), or any prohibitions imposed by MMRDA regarding participation in its projects.
- During the initial stage of the Request for Proposal (RFP) process, lenders are expected to submit their loan commitments and interest rate spreads over the benchmark rate. This should be done in the form of an in-principle sanction using the bid form provided with the RFP.
 - No processing charges or other fees will be applicable to lenders for the advice of in-principle sanction in response to this RFP.
 - The evaluation of bids will focus on the 'all-in pricing' offered by lenders. The benchmark rate and spread quoted by lenders should be expressed in percentage terms, accurate to three decimal places.
 - Bids that do not adhere to the specified formats or contain deviations are subject to rejection at MMRDA's discretion.
 - MMRDA reserves the right to select the number of lenders for the debt facility. It also holds the option to form a consortium or arrange multiple banking partnerships for the proposed debt facility.

- Final Decision by MMRDA: Any decision made by the Mumbai Metropolitan Region Development Authority (MMRDA) regarding the tender is final and binding. Disputes related to the tender are subject to the jurisdiction of Mumbai's Civil Courts.
- Bid Validity: Bids must remain valid for 180 days after submission.
- No Claim Against MMRDA for Rejected Offers: Bidders cannot claim costs or expenses if their offer is rejected. MMRDA reserves the right to modify, withdraw the tender invitation, or cancel the tender without obligation to the bidders.
- No Responsibility for Transmission Issues: MMRDA is not liable for delays, loss, or non-receipt of bids or communications sent via post, courier, or email. It has the discretion to accept or reject any offer without justification.
- Right to Modify Loan Amount: MMRDA may proceed with documentation for an amount less than the Total Loan Amount, without any additional charges.
- Confidentiality Obligation: Information shared by MMRDA or provided by bidders in connection with the Request for Proposal (RFP) is confidential. Written consent from MMRDA is required for any use of this information, except for purposes related to the RFP.
- Submission Guidelines: A signed and stamped copy of the RFP document, along with the Price Bid (Annexure – I), should be sent in a sealed envelope labeled “OFFER OF TERM LOAN FOR MMRDA” to the Office of Financial Advisor, 4th Floor, New Administrative Building, BKC, Mumbai. The deadline is 20th Feb 2024, 15:00 Hrs. No extensions for bid submissions will be granted.
- **Contact Information: For further queries, contact Dr. Ankush Nawale (Financial Advisor) at fa@mailmmrda.maharashtra.gov.in or +91 22 2659 4005 or Onkar Avinash (Financial Consultant – Envision Next LLP) +91 8879471840**
- The interest rates and terms & conditions proposed by lenders are open to negotiation. Finally, MMRDA retains the authority to reject or accept any bids at any stage of the process.

#	Particular	Date & Time
1	Release of RFP	05 Feb 2024(11:00 AM)
2	Pre-Bid Discussion (Online) (Email on fa@mailmmrda.maharashtra.gov.in to receive link.	13 Feb 2024 (02:00 PM)
3	Final Submission of In-Principal Sanction in prescribed format.	20 Feb 2024 (03:00 PM)

Thanking You

Annexure -1: Bid Form

(To be executed on Letterhead of the Bidder & to be filled by authorized signatory of the Bidder)

No:

Date:

To

**Mumbai Metropolitan Region Development Authority
(MMRDA) New Administrative Building,
Bandra Kurla Complex,
C-14 & 15, E Block, Bandra- East Mumbai- 400051**

Sub: Proposal Solicitation: Provision of a Rupee-Denominated Loan of Up to Rs.4,000 Crore to the Mumbai Metropolitan Region Development Authority (MMRDA) for the Development of a Slum Rehabilitation Project in Ramabai Ambedkar Nagar, Ghatkopar (East), Mumbai, on the Land Identified by Cadastral Survey Numbers 194 (part) and 195 (part).

Dear Sir,

This is with reference to RFP dated 01 Feb 2024 on the above subject. We, as per terms and conditions mentioned in the said letter and its enclosures, submit our bid for the subject facility as under:

SCHEDULE OF RATE (SOR)

SI No	Description	Particulars
1	Quantum of Loan offered (Minimum of Rs1,500 Crore)	Rs _____ Crore
2	Interest Rate	
	(i) Benchmark Type	_____
	(ii) Benchmark Rate	-----%
	(iii) Fixed Spread Rate	-----%
	Effective Rate of Interest (considering ii & iii)	-----%
3	Benchmark Reset	

We hereby confirm the following:

1. We have read the terms and conditions proposed in the Indicative RTL Term Sheet enclosed with the Brief Note and provide our in-principal approval for the same.
2. Our bid shall be valid till 180 days from the last date of bid submission,

3. On being advised of our shortlisting, we agree to communicate the final sanction within the timelines specified in the RFP.
4. We understand that MMRDA reserves the right to reject our bid, without assigning any reason whatsoever.

Name of FIs (along with Address & Contact Person Details)	Name & Designation of Authorized Signatory	Signature & Stamp of Authorized Signatory

Annexure-II: Brief Note on MMRDA & Project

About MMRDA

- Formed under the MMRDA Act of 1974, began operations in 1975.
- Key agency for urban and transport infrastructure in the Mumbai Metropolitan Region (MMR), spanning 6,328 sq. km.
- Covers 9 Municipal Corporations including Greater Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Ulhasnagar, Bhiwandi-Nizamapur, Vasai-Virar, Mira-Bhayandar, Panvel; 9 Municipal Councils like Ambarnath, Kurla, Badlapur, Matheran, Karjat, Khopoli, Pen, Uran, Alibaug, Palghar; and over 1,000 villages in Thane, Raigad, Palghar Districts.
- Acts as a Special Planning Authority for specific areas, like the Bandra-Kurla Complex.
- Has completed significant infrastructure projects:
 - Eastern Freeway: A 16.8 km controlled-access highway in Mumbai connecting P D'Mello Road in South Mumbai to the Eastern Express Highway at Chembur. Opened on June 14, 2013.
 - Santa Cruz Chembur Link Road (SCLR): A 6.45-kilometre arterial road in Mumbai connecting the Western Express Highway in Santa Cruz to the Eastern Express Highway in Chembur. Opened on April 18, 2014.
 - Monorail: Serving 7,500 commuters per hour per direction, connecting parts of the city without suburban or metro rail. Operational since February 2, 2014.
 - Sahar elevated road: A 2.2 km access road providing a direct link from the Western Express Highway to Chhatrapati Shivaji International Airport. Includes multiple entry/exit points, underpass, and a pedestrian subway. Opened on February 12, 2014.
 - Milan Rail Over Bridge at Santacruz: A 700-meter bridge offering East-West connectivity, with a slip road and underpass on WEH. Opened on May 24, 2013.
 - Mumbai Urban Infrastructure Project: Completed numerous roads, highways, elevated roads, flyovers, ROBs, vehicular and pedestrian subways, and skywalks.
- Approved the master plan for the Mumbai Metro in 2004, including nine corridors spanning 146.5 km. Metro line-I (Versova to Ghatkopar, 15 km) became operational on June 8, 2014.
- Designated by the GoM as the implementing agency for remaining metro rail corridors, identified road projects, and the Mumbai Trans Harbour Link.
- MMRDA is chaired by Shri. Eknath Shinde, Honorable Chief Minister and Urban Development Minister of Maharashtra and Chairman, Authority. Metropolitan Commissioner, Dr. Sanjay Mukherjee, IAS, is the CEO of the Authority and is appointed by the State Government. Leadership & Organizational Structure of MMRDA.
- Debt facilities of MMRDA are rated AA- (Negative) by India Ratings.

Current Proposal

The Ramabai Redevelopment Project is a collaborative effort between two government organizations, the Mumbai Metropolitan Region Development Authority (MMRDA) and

the Slum Rehabilitation Authority (SRA), under the supervision of the Government of Maharashtra (GoM). This initiative is vital for the sustainable growth of the Mumbai Metropolitan Region (MMR). The plan involves redeveloping a 30-hectare slum area, with the current inhabitants being relocated to newly constructed rehabilitation buildings on the same site.

A key aspect of this project is its self-sustaining nature. It is designed to generate 75 lakh square feet of Built-Up Area (BUA) for commercial sale. This approach not only aids in funding the project but also contributes to the economic development of the region.

The project has a significant scope, aiming to construct a total rehabilitation area of approximately 81 lakh square feet. This space will be allocated for about 15,000 tenements, ensuring that the existing residents are adequately accommodated in the new development.

Financially, the anticipated cost for the construction of rehabilitation housing and the development of the necessary infrastructure is estimated at INR 4,000 crores. However, the projected revenue from the commercial sale of the developed space is expected to be around INR 10,000 crores. This projection indicates a substantial financial return, making the project not only viable but also potentially profitable.

Given these projections, the MMRDA is exploring financing options to ensure the financial stability of the project and to expedite its development. One strategy under consideration is to seek debt financing, where the entire project would serve as collateral. The value of the project, being more than double the debt value, makes it a secure option for lenders. This approach aims to maintain the financial health of the redevelopment project and to accelerate its progress, prioritizing the redevelopment needs while ensuring economic feasibility.

Particulars	Details
Borrower	Mumbai Metropolitan Region Development Authority ("MMRDA"), formed under the MMRDA Act, 1974
Sponsor/Promoter	MMRDA & SRA
Authority	Authority is the highest policy making body of MMRDA which supervises and controls all the activities of MMRDA
Facility	MMRDA proposes to raise Rupee Term Loan ("RTL") of Rs.4,000 Crore from single or multiple Lenders. Loan amount sanctioned by each of the Lender shall be referred as the Facility.

Purpose of Facility	<p>The Mumbai Metropolitan Region Development Authority (MMRDA) is seeking partial financing for the implementation of Ramabi Development Project which include:</p> <ul style="list-style-type: none"> ▪ Construction of Rehabilitation Spaces: This involves building suitable accommodation for the current residents impacted by the project. The focus is on providing them with new, adequate living spaces. ▪ Development of Infrastructure: This aspect covers the extensive work required to upgrade and build new infrastructure essential for the support and success of the redevelopment project. ▪ Covering Miscellaneous Expenses: This includes various necessary costs that will arise during the project's lifecycle, such as rental payments and other charges associated with obtaining statutory clearances for the project. <p>It is important to note that all these financial outlays will be conducted in strict adherence to established statutory norms. The amount of each payment will be determined and regulated by existing guidelines and regulations, ensuring transparency and adherence to legal requirements in the funding process.</p>
Validity Period of Sanction	<p>The validity period for acceptance and Facility documentation is 6 months from the date of sanction.</p>
Availability Period for Draws	<p>Subject to satisfaction of Pre-Disbursement conditions for the Facility, the Facility shall be available for drawdown till 07 years from sanction or such other extended period as maybe approved by the Lender at its sole discretion.</p>
Disbursement Schedule	<p>The disbursement of funds will occur according to a drawdown schedule supplied by the Borrower, following the fulfillment of the pre-established conditions for each drawdown. This process can be executed in either a single instance or through multiple tranches, with each tranche having a minimum size of Rs. 50 Crore. Additionally, it's important to note that there will be no commitment fees charged.</p>
Tenor and Repayment Schedule	<p>Door to door tenor of 8 years with principal Moratorium (Principal + Interest) of 3 years from the date of first disbursement.</p>
Interest Rate	<p>As per bid</p>

Processing/Upfront Fee	Nil
Prepayment Penalty	Nil
Penal Interest	Non-payment of interest or instalment: 2% per annum on the irregular portion for the period of irregularity.
Security	The Facility (repayment of loan, payment of interest /service charges thereon additional interest, if any and costs, charges, expenses, losses, applicable taxes, statutory duties and other money) provided by the Lenders shall be inter-alia secured by putting project as a mortgage.
Debt Service Reserve Account (DSRA)	Nil
Pre-Commitment Conditions	<p>Given the project's significant benefit to the public, the Mumbai Metropolitan Region Development Authority (MMRDA) anticipates minimal commitment requirements. The following are the key expectations and agreements:</p> <ul style="list-style-type: none"> ▪ MMRDA agrees to cover the costs associated with appointing a legal counsel for the lenders, specifically for handling the facility documentation. However, prior approval of the costs will be required. ▪ MMRDA will provide a copy of the resolution or approval issued by its Authority. This document will confirm the terms of the transactions envisioned by the Financing Agreements and will authorize designated individual(s) to execute, sign, and issue all related documents and notices. ▪ The Borrower commits to regularly supply all necessary information and documents in compliance with the Lenders' Know Your Customer (KYC) policy.

	<p>Should there be any changes in the information pertaining to the borrower, its Beneficial Owners, or Authorized Signatories, these will be promptly updated and provided to the Lenders.</p> <ul style="list-style-type: none"> ▪ MMRDA ensures that there is no redundancy or overlap in the works for which financing is being sought from the Lenders. ▪ MMRDA commits that the funds obtained from banks or Financial Institutions (FIs) will be exclusively used for the intended purposes of the loans. ▪ Throughout the duration of the loans, MMRDA will take responsibility for all applicable imposts, duties, taxes, or any other charges that may be imposed by the government or other authorities.
<p>Condition Precedent to First Disbursement</p>	<p>Prior to disbursement of the Project, the Borrower shall, to the satisfaction of the Lenders, have complied with the following:</p> <ol style="list-style-type: none"> 1) The Borrower has available with it, the borrowing powers as per the Funding Plan, supported by requisite Authority resolutions/ approvals. 2) MMRDA shall furnish a relevant document passed by its competent authority in MMRDA to borrow from Lenders Facility amount as per the terms and conditions of sanction of loan by Lenders. 3) The Borrower shall provide an undertaking that all representations and warranties are true and correct in all material respects. 4) There is no continuing Event of Default under Financing Documents or Project Documents. 5) The Borrower has created/perfected Security and further undertakes to create/perfect Security as per the envisaged Security Clause and within the timeline stipulated therein. 6) No material adverse change in the business, operations or financial condition of the Borrower having a Material Adverse Effect. 7) Ensure that all representations and warranties which are made or repeated on the date of each drawdown are true in all material respects.

Condition Precedent to all subsequent Disbursements	The following conditions must be met to the satisfaction of the Lenders for any subsequent drawdown under Debt facilities: 1) The Borrower shall have submitted an end use certificate from Chartered Accountant regarding utilization of disbursed funds within 3 months of disbursement.
Other Conditions	Waiver required for TEV report. Waiver required for all other costs.
Governing Law	The Proposed Facilities shall be governed by the laws of India with submission to the non-exclusive jurisdiction of the Courts of Mumbai or any other law as may be applicable in relation to the Security created for Proposed Facilities.

Please note that the terms outlined above are suggestive and not definitive. They serve as a preliminary framework for the agreement between the borrower and the lenders. Both parties have the flexibility to engage in negotiations and modify these terms to better align with current market practices and their mutual understanding. This negotiation process is crucial as it allows both sides to discuss and agree upon terms that are fair, practical, and reflective of the prevailing financial environment. It's important for the borrower and the lenders to work collaboratively, ensuring that the final agreement is beneficial and acceptable to all involved parties. This approach will allow for a more tailored and effective financial arrangement that meets the specific needs and expectations of both the borrower and the lenders.