

Expression of Interest

For

**Raising Debt for the Land Acquisition for Expansion of
Kangra Airport at Gaggal**

Issued by

HP INFRASTRUCTURE DEVELOPMENT BOARD, SHIMLA, HP

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EXPRESSION OF INTEREST (EOI) FOR RAISING DEBT FOR THE LAND ACQUISITION FOR EXPANSION OF KANGRA AIRPORT

1. Government of Himachal Pradesh through HPIDB invites Expressions of Interest from eligible Commercial Banks/NBFCs (IFC) for providing a term loan to fund the land acquisition for expansion of Kangra Airport at Gaggal.
The estimated cost of the Project for land acquisition is approximately ₹ 3000cr.

2. **Background:** The Project is a strategic initiative of the State Government to enhance air connectivity, improve airport infrastructure, boost tourism, create employment opportunities and boost local economy.
The Board has been entrusted with the mandate to explore opportunities & facilitating the Government in raising debt for acquisition of land to expand the airport.

3. **Proposed Financial Structure:**

The loan is sought on the following basis:

- **Purpose:** The debt will be utilized exclusively for the land acquisitions purposes of the Project.
- **Proposed Loan Amount:** Approximately ₹ 3000cr.
- **Tenure:** A term loan for a period of **20-25 years**, with a moratorium period of **(3-4) years** on principal repayment. (Subject to negotiations)
- **Repayment Source:** The debt will be serviced through a dedicated and committed revenue stream to the Board from power share proportional to its equity share from the HPPCL.
- **Security and Guarantee:** While the loan will be backed by a sovereign guarantee from the State Government, the Board proposes the following credit enhancements and risk mitigants:
 - **Escrow Account:** Requisite revenues accrued to HPIDB shall be committed for debt servicing and will be deposited directly into a designated escrow account held with the designated bank. This account will be exclusively used for debt servicing obligations for this project only.
 - **Tripartite Agreement:** A legally binding tripartite agreement will be executed among the Board, the State Government, and the HPPCL guaranteeing the timely and specified transfer of funds to the escrow account.
 - **Debt Service Reserve.** A debt reserve equivalent to **6 months** of principal and interest payments will be created from the loan proceeds & kept aside to be held in the escrow account.

4. **Eligibility Criteria:**

For a scheduled Commercial Bank/NBFC (IFC) to participate in Expression of Interest (EOI) for the project, it must meet the following eligibility criteria:

- **Incorporation and Regulation:** The bank must be incorporated as a Scheduled Commercial Bank by the Reserve Bank of India.

A Non-Banking Financial Company (NBFC) registered under the Companies Act, 2013 engaged in the business of loans and advances, acquisitions of/stocks/bonds/debentures/securities issued by Government or local authority, etc. and regulated by RBI and included in NBFC- IFC category.

- Commercial Bank should have a Minimum Assets and market capitalization of 1 lac Crore.

- Compliance and Reputation: The commercial bank/NBFC must not have been debarred or blacklisted by any regulatory authority, such as the RBI or a financial regulator.
- Relevant Experience: The bank /NBFC needs to show a proven track record of handling similar projects, this means having experience in project finance, government lending, and managing large-scale, long-term loans.
- Operational Capability: The bank/NBFC must have the necessary operational and technical infrastructure to support the project.
- Dedicated Team: The bank to propose a dedicated team with relevant expertise in project management, risk assessment, and legal due diligence.

5. Submission of EOI:

Interested Banks/ NBFCs (IFC) are requested to submit their Expression of Interest, along with a preliminary term sheet, outlining the following:

- Benchmark rate.
- Any additional charges (e.g., processing fees, prepayment charges).
- Proposed loan conditions.
- Any specific conditions or information required from the Board.

Please submit your EOI to the undersigned by 09.09.2025

The Board reserves the right to accept or reject any or all proposals without assigning any reason.

Chief General Manager
HPIDB

EOI Submission Forms and Pro-forma

A. Letter of Expression of Interest

(On Official Letterhead of the Bank/NBFC)

To

The Chief General Manager

Himachal Pradesh Infrastructure Development Board (HPIDB)

Subject: Expression of Interest for Raising Debt for Land Acquisition for Kangra Airport Expansion.

Sir,

With reference to your Expression of Interest (EOI) dated -----, we, [Name of Bank/NBFC], hereby submit our EOI for providing a term loan to fund the land acquisition for the expansion of Kangra Airport at Gaggal.

We have read and understood the EOI document and all its annexures. We confirm our eligibility based on the criteria outlined in the EOI document, including our incorporation, regulatory standing, and relevant experience in handling large-scale infrastructure and government-backed projects.

We understand the strategic importance of this project to the Government of Himachal Pradesh and are keen to partner with the HPIDB to ensure its successful implementation.

We have enclosed the required information and a preliminary term sheet, which outlines our proposed financial offer and terms, as requested in the EOI document. We confirm that all information provided in our submission is accurate and complete to the best of our knowledge.

We look forward to the opportunity to discuss this project further with the HPIDB.

Yours faithfully,

(Signature of Authorized Signatory)

(Name of Authorized Signatory) (Designation)

(Name of Bank/NBFC)

(Seal of the Bank/NBFC)

B. Submission Forms and Supporting Documents

Form I: Applicant's Profile

S. No.	Particulars	Details
1.	Name of the Bank/NBFC	
2.	Type of Entity	Scheduled Commercial Bank / NBFC (IFC)
3.	Corporate Headquarters Address	
4.	Registration Details	RBI Registration Number: Corporate Identity Number (CIN):
5.	Point of Contact for this EOI	Name: Designation: Email: Phone Number:
6.	Website	
7.	Date of Incorporation	
8.	Authorized Signatory for this EOI	Name: Designation: Email: Phone Number:

Documents to be attached:

- Certified copy of RBI Registration Certificate.
- Certified copy of PAN Card and GST Registration.
- Certified copies of the Memorandum of Association (MOA) and Articles of Association (AOA).
- Board Resolution/Power of Attorney authorizing the signatory to submit the EOI.

Form II: Financial and Operational Capability

S. No.	Particulars	Details <i>(for the last 3 financial years)</i>
1.	Total Assets (in ₹ crore)	
2.	Market Capitalization (in ₹ crore)	
3.	Net Worth (in ₹ crore)	
4.	Annual Turnover (in ₹ crore)	

Documents to be attached:

- Audited financial statements (Balance Sheet, Profit & Loss Account, and Cash Flow Statement) for the last three financial years.
- Certificate from a Statutory Auditor confirming the total assets and market capitalization as of the latest financial year-end.

Form III: Relevant Experience

S. No.	Project Details	Description of Involvement	Amount (in ₹ crore)
1.	Project Name: Client: Period: <i>(Please provide details for at least 3 similar projects, i.e., large-scale project finance or government lending projects.)</i>	Briefly describe your role and the scope of work (e.g., Lead Arranger, Syndication Partner).	
2.			
3.			

Documents to be attached:

- Project summaries or experience certificates from clients for the listed projects.

Form IV: Undertakings and Declarations

Undertaking Regarding Blacklisting/Debarment

We, [Name of Bank/NBFC], hereby declare that we have not been debarred or blacklisted by the Reserve Bank of India, any government authority, or any other financial regulator in India. We confirm that no legal proceedings are currently ongoing against our organization that would impede our ability to fulfill the obligations under this project.

Declaration on Accuracy of Information:

We, the undersigned, certify that all information and documents submitted in this EOI, including the attached preliminary term sheet, are true, accurate, and complete. We understand that any false or misleading information will lead to the rejection of our EOI and may result in further action by the HPIDB.

(Signature of Authorized Signatory)

(Name of Authorized Signatory)

(Designation)

C. Preliminary Term Sheet

(To be submitted by the Bank/NBFC as a separate document)

This preliminary term sheet outlines the indicative terms and conditions for the proposed term loan of ₹ 3000 crore for the Kangra Airport expansion project.

- 1. Borrower:**
- 2. Lender(s):** [Name of Bank/NBFC]
- 3. Loan Amount:** Approximately ₹ 3000 crore.
- 4. Purpose:** Exclusively for land acquisition for the expansion of Kangra Airport, as detailed in the EOI document.
- 5. Tenure:**
- 6. Moratorium Period:**
- 7. Repayment Schedule:**
- 8. Interest Rate:**
 - **Benchmark Rate:**
- 9. Additional Charges/Fees:**
 - **Processing Fee:**
 - **Prepayment Charges:**
 - **Other Fees:** List any other fees such as commitment fees, documentation charges, etc.
- 10. Conditions Precedent to Disbursement:**

(Signature of Authorized Signatory)

(Name of Authorized Signatory)

(Designation)

(Name of Bank/NBFC)

(Seal of the Bank/NBFC)