

<b>ITEM NO.:</b>	<b>TO CONSIDER AND APPROVE SANCTION OF ADDITIONAL TERM LOAN OF RS. 9.00CR UNDER THE BANK LOAN SCHEME FOR “COMPRESSED BIO- GAS (CBG)” TO M/S. XYZ PVT. LTD AT, DIST. THIRUVALLUR, TAMIL NADU. (ARN 3595) TOWARDS REIMBURSEMENT OF UNSECURED LOAN FROM THE PROMOTERS FOR COMPLETION OF THE PROJECT</b>
------------------	--

**PROJECT SNAPSHOT:**

S. No.	Parameter	Details
1.	<b>Loan Amount</b>	Rs. 9.00 Cr.
2.	<b>Loan Application No</b>	3595
3.	<b>Date of Registration</b>	08-05-2025
4.	<b>RE - Sector</b>	Compressed Bio-Gas
5.	<b>Name of the Applicant</b>	XYZ Private Limited
6.	<b>Location of the Project</b>	Dist. Thiruvallur, Tamil Nadu.
7.	<b>Promoter(s)/Sponsor(s)</b>	Company Pvt. Ltd. Mr. Rajkumar
8.	<b>Type of Funding/Scheme</b>	Project Finance “Compressed Biogas (CBG) under SATAT Scheme”
9.	<b>Project Capacity</b>	5.6 TPD of Bio CNG & 28 TPD of Bio Fertilizer (By-product)
10.	<b>Total Project cost (₹ Cr.)</b>	Rs. 32.176 Cr
11.	<b>Cost per TPD</b>	₹ 5.92 Cr.
12.	<b>Overall Debt Facility (₹ Cr.)</b>	Rs. 20.29 Cr including existing loan of Rs. Rs.11.29 Cr. (Existing Project No. 2544 & ARN 2395)
13.	<b>Total Debt from BANK (₹ Cr.)</b>	Rs. 20.29 Cr
14.	<b>Promoter contribution (₹ Cr.)</b>	Requisite promoter contribution of Rs. 11.23 Cr has already been infused, and project has been commissioned by infusing additional funds by the promoter in form of unsecured loan
15.	<b>Equity Tie Up Details (In case of Equity through sale of assets, the asset details and valuation to be clearly defined with timelines to bring the same)</b>	NA, Project already commissioned on 14.09.2023 as per commissioning certificate received by Greater Chennai Corporation.
16.	<b>Definitive Agreements signed for the promoter contribution through Quasi Equity/CCD/ NCD/OCD/Unsecured loans with conditions thereon</b>	NA, Project already commissioned on 14.09.2023 as per commissioning certificate received by Greater Chennai Corporation.
17.	<b>Net worth Details for individual promoter guarantors with date</b>	Mr. AJAY (Net-Worth 99.10 Crs as on 31.03.2024). Mr. Vijay (Net-Worth 50.04 Crs as on 31.03.2024). Mr. Vaibhav (Net-Worth 15.07 Crs as on 31.03.2024)
18.	<b>Net worth Details for corporate guarantors with date</b>	M/s BIO Private Limited (Net-Worth 69.85 Crs as on 31.03.2024).
19.	<b>Loan Tenure (Months/Quarters)</b>	34 Quarters (Co-terminus with existing loan) and there is no change in existing repayment
20.	<b>Loan from other Bank/FI</b>	NIL
21.	<b>Project SCOD/COD as applicable</b>	Project already commissioned on 14.09.2023 as per commissioning certificate received by Greater Chennai Corporation.
22.	<b>EPC Contractor</b>	NA, Project already commissioned on 14.09.2023

23.	<b>Offtake Tariff/ Selling Arrangement for CBG</b>	The company has signed a commercial agreement dt. 12.07.2021 with Hindustan Petroleum Corporation Limited for a period of 15 years. As per invoice raised by the company to HPCL dt. 29/11/23 To 15-02-24, rate of CBG is Rs. 66.67/Kg. Further, TPA has been signed on 09.10.2023 between M/s. XYZ Pvt Ltd., M/s. Chennai Pvt Ltd. (CGD entity) and M/s. XYZ Gail India Ltd. for purchase and sale of biogas/CBG under CBG-CGD synchronization Scheme on annual basis. As per invoice raised by the company to GAIL dt. 15/11/24 To 30/22/24, rate of CBG is Rs. 67.91/Kg.												
24.	<b>Interest rate and Grade</b>	<p>As per original sanction 10.20 % p.a. [BANK's Internal Grading-Grade 3].</p> <p>For the additional loan, as per prevailing interest rates, Grade 5 has been considered @ 11.20%</p> <p>CRRS Under process and to be completed before issuance of sanction letter and interest will be charged based on final rating</p>												
25.	<b>Land Details (Govt./Private, Area, Acquired)</b>	<p>Already acquired as per following details and project has already been commissioned</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Survey no. at Chinnasekadu Village</th> <th>Area in Acres</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>, Dist: Thiruvallur, Tamil Nadu – 600068</td> <td>5.0 Acres</td> </tr> <tr> <td colspan="2"><b>Total Area (in acres)</b></td><td><b>5.0</b></td></tr> </tbody> </table> <p>The Concessionaire shall pay GCC charges at the rate of Rs. 1/per Sqr mtr per month as per the land usage and authorization agreement executed on 23.01.2023.</p>	S. No.	Survey no. at Chinnasekadu Village	Area in Acres	1	, Dist: Thiruvallur, Tamil Nadu – 600068	5.0 Acres	<b>Total Area (in acres)</b>		<b>5.0</b>			
S. No.	Survey no. at Chinnasekadu Village	Area in Acres												
1	, Dist: Thiruvallur, Tamil Nadu – 600068	5.0 Acres												
<b>Total Area (in acres)</b>		<b>5.0</b>												
26.	<b>KYC Categorization</b>	Existing Categorized as 'B' dt. 17-03-2021 valid till 17-03-2026												
27.	<b>Specific Environmental related approvals/MOEF for specific sectors and conditions incorporated in this regard and mitigations</b>	Not Applicable												
28.	<b>Liquidity of security package</b>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Value (Rs. Cr.)</th> </tr> </thead> <tbody> <tr> <td>Plant &amp; Machinery</td> <td>22.93</td> </tr> <tr> <td>Personal Guarantee</td> <td>102.07 (Value of agricultural land from the net worth has been subtracted from the total value)</td> </tr> <tr> <td>Total Available Security Value</td> <td>125.00</td> </tr> <tr> <td>BANK Loan</td> <td>20.29</td> </tr> <tr> <td>Security Coverage</td> <td>~6.1x</td> </tr> </tbody> </table>	Particulars	Value (Rs. Cr.)	Plant & Machinery	22.93	Personal Guarantee	102.07 (Value of agricultural land from the net worth has been subtracted from the total value)	Total Available Security Value	125.00	BANK Loan	20.29	Security Coverage	~6.1x
Particulars	Value (Rs. Cr.)													
Plant & Machinery	22.93													
Personal Guarantee	102.07 (Value of agricultural land from the net worth has been subtracted from the total value)													
Total Available Security Value	125.00													
BANK Loan	20.29													
Security Coverage	~6.1x													

Vehicles	54.00	0.74	-
Office equipment	23.00	22.97	-
Pre-operatives	103.87	154.25	· Increase in pre-operatives expenses by INR 50.38 lakhs
Interest During Construction (IDC)	63.01	184.16	· Increase in IDC by 121.15 lakhs being actual paid to BANK till COD
Contingencies	39.10	39.10	-
Margin for working Capital	21.89	21.89	-
Total	2259.87	3316.02	-

**Note:** The total project cost does not consist of Margin for Working capital and contingencies.

The original Electrical cost sanctioned was INR 80.83 lakhs. However, certain electrical items come with the major Plant & Machinery Equipments for example APFC panel, MV panel, Gas generation panel, Purification panel, flame proof light purification system etc forms the part of the respective machineries has been re-classified under Plant & Machinery head which has resulted in reduction under electrical head to INR 6.59 lakhs. The same can be referred to in the Fixed Asset Register submitted to your office.

### B. Means of Finance

BANK has sanctioned Rs. 11.2993 Cr considering the project cost of Rs. 2259.87 Cr at DER of 1:1. Company has incurred the additional cost of Rs. 9.00 Cr towards project completion and has requested for additional loan of Rs. 9.00 Cr such that the total loan amount shall be Rs. 20.29 Cr., i.e. Debt equity ratio of about 64:36.

Rs.11.2993 Cr. (50 % of the project cost at time of original sanction) was sanctioned on 20.05.2021 and company has requested for an additional loan of Rs. 9.00 Cr. which totals to BANK loan of Rs. 20.29 Cr.

The following means of finance is considered upon total project cost (As per gross block in the provisional balance sheet as on 30.09.2024) including the additional loan is as below:

Particulars	Amount (₹ Cr.)	Percentage (%)
a. Promoter's Contribution (Equity and unsecured loans)	11.68	36%
b. Total Loan from BANK	20.29	64%
c. Total Project Cost	31.97	100.00%

### C. Financial Parameters / Assumptions Considered for the Project:

Parameters	Considered as on date	Considered in old agenda
Project Capacity	5.6 TPD of Bio CNG & 28 TPD of Bio Fertilizer (By-product)	5.6 TPD of Bio CNG & 28 TPD of Bio Fertilizer (By-product)
Total Project cost	₹ 32.176 Cr.	₹ 22.59 Cr.

Project Parameters	DSCR (Avg.)
Base Case	1.21
Capacity factor decrease by 10%	1.06
Increase in raw material cost (10%)	1.19
Increase in project cost & loan by 10%	1.10
Increase in O&M cost by 10%	1.08
Increase in interest rate by 1%	1.18
All of the cases	0.81

Particulars	Values
Average DSCR (Debt – Service Coverage Ratio of project)	1.21
Minimum DSCR	1.11

## 2. CIBIL & INTERNAL RATING

### A. CIBIL Analysis

Entity Name	CIBIL Score
XYZ PRIVATE LIMITED	CIBIL MSME Rank- CMR-5 AGTR4R-Credit relationship is significantly lesser than a business cycle FFTL1R-Low borrowing headroom based on current facilities SMAL6G-Moderate number of months in overdue but not NPA
AJAY	786
VIJAY	752
RAJKUMAR	752
Mahashakti Bio enercon	CMR 4 AGTR4R-Credit relationship experience is significantly lesser than a business cycle FFTL1R-Low financial flexibility due to low amortization of term loan UTIL1R- Very high utilization level

### B. Internal Rating

As per original sanction 10.20 % p.a. [IREDA's Internal Grading-Grade 3].

For the additional loan, as per prevailing interest rates, Grade 5 has been considered @ 11.20% (this has been used for excel calculations)

		<ul style="list-style-type: none"> <li>○ The above Rebates will be linked to the timely payment of Monthly / Quarterly dues on or before the due dates, as specified in the loan agreement.</li> </ul>
F.	Front End Fee	<p><b>Front end fee:</b> 1% of loan amount, plus applicable taxes.</p> <ul style="list-style-type: none"> <li>• Non – refundable 75% of applicable “Front End Fee” plus applicable GST, be obtained without any rebate, before issuance of sanction letter.</li> <li>• Remaining 25% amount shall be paid within the validity period of signing of loan agreement as per sanction i.e., 6 months from the date of issue of sanction letter.</li> <li>• 20% rebate on front end fee payment shall be applicable if full front-end fee is paid within 60 days from the date of BANK sanction letter.</li> <li>• The 60 days for this purpose will not be generally counted from the date of issue of any amendatory letter issued to borrower subsequent to original sanction letter. However, the date of revised sanction/ amendatory letter may be considered, if the revised sanction has material changes having financial implications such as rate of interest, repayment period, pre-payment premium or security conditions, etc. If the revised sanction letter is only for clarificatory changes or not having any implication, as accepted by the client, the original date of sanction to be considered</li> <li>• The Front-End Fee is non-refundable.</li> </ul>
G.	Moratorium Period	NIL, 12 months from COD, i.e. till 14.09.2024 has already passed.
H.	Terminal dates	<ul style="list-style-type: none"> <li>• Last date to sign Loan agreement: 6 months from sanction letter.</li> <li>• Last date to draw 1<sup>st</sup> disbursement and last disbursment: 6 months from Loan agreement/interest subvention timeline, whichever earlier.</li> </ul> <p>Project already commissioned on 14.09.2023 as per commissioning certificate received by Greater Chennai Corporation.</p>
I.	Pre-payment penalty	As per BANK guidelines (Illustrated in pre-payment penalty section)
J.	Documentation fee/ LLC Fee/ Legal Expenses and other Expenses	The Company shall pay/reimburse all the expenses incurred/to be incurred by the Lenders in respect of appointment of Legal Counsel for creation of security, charges towards obtaining legal and / or any other advices, documentation, filing of charges, etc. to be borne by the Borrower (if any)
K.	Other Charges	The Company shall pay/reimburse all the expenses incurred / to be incurred by the Lenders in respect of any other consultant (s) services (e.g. LIE, LCA, LIA etc.) utilized for the project.
L.	Rate of interest in case of default in payment	In case the Borrower defaults in payment of principal and/or interest and is classified as NPA in terms of BANK’s Accounting Policy and was assigned grade better than Grade-V at the time of sanction, the rate of interest to be charged would be applicable interest rate for Grade-V of the sector at the time of default or applicable interest rate for the project at the time of sanction/ reset, whichever is higher. The higher interest rate will be charged till the loan gets upgraded to standard category.