



MEGHALAYA ENERGY CORPORATION LIMITED

OFFICE OF THE COMPANY SECRETARY

Corporate Identification Number: U40101ML2009SGC008374

Registered Office: Lumjingshai, Short Round Road, Shillong – 793001

Telephone No: 0364-2591074; Fax No: 0364-2590355; Website address: www.meecl.nic.in, meghapower.com

ADDENDUM TO THE TENDER NO. MeECL BOND SERIES-1/2018-19 DATED 29TH JANUARY, 2019

TERM SHEET FOR FLOATING OF BOND OF RS. 630 CR.

1.	Issuer	Meghalaya Energy Corporation Ltd. (MeECL)
2.	Guarantor	Government of Meghalaya
3.	Instrument	Secured, Rated, Redeemable, Taxable Bonds with unconditional and irrevocable Government of Meghalaya guarantee for timely repayment of interest and principal and will remain in force till the maturity.
4.	Issue Size	Rs. 630 crore in two tranches. The instant bids invited for first tranche of proposed Rs 330 Crore Bond to be issued in the FY 2018-19. The second tranche of Rs 300 Crore Bond will be issued in the FY 2019-20 based on the price bids and commitment on minimum underwriting of Rs 50 Crore to be invited from the technically qualified bidders of First tranche.
5.	Rating	BWR A-(SO) with stable outlook from Brickwork Ratings India Pvt. Ltd.
6.	Face Value	Bonds would have face value of Rs.10,00,000/- (Rupees Ten Lakhs) each.
7.	Purpose	To repay high interest cost loans.
8.	Mode of issue	Private placement
9.	Tenor	10 (ten) years
10.	Coupon	To be decided
11.	Coupon payment frequency	Quarterly
12.	Principal Repayment	The principal amount of the Bonds shall be repaid by way of bullet repayment on the expiry of the term of the Bonds.
13.	Government Guarantee	<p>The guarantee agreement sets out the modalities for payment of interest and principal through a Bond Servicing Account, Debt Service Reserve Account and redemption payment obligations, whereby adequate redemption reserve and escrow mechanism will be maintained for all debt servicing for above Bonds.</p> <p>The Government of Meghalaya: Unconditional and irrevocable guarantee for timely repayment of principal and interest due with 'T-7' structure.</p>
14.	Escrow Account	The issuer will open a designated escrow account 'Bond Servicing Account' which shall be monitored by the Debenture Trustee and where the required funds shall be available in the Account 15 (fifteen) days prior to the due date.
15.	Bond Redemption Reserve Account	The Power Department of Government of Meghalaya has put in place a mechanism that ensures that an amount of Rs. 41,75,00,000/- (Rupees Forty One Crore Seventy Five Lakh only) every year is unfailingly deposited in a fixed deposit with a bank, approved by the Debenture Trustee, which amounts, together with interest earned thereon, shall be solely utilised for the redemption of the Bonds upon their maturity.
16.	DSRA	2 (two) quarter interest amount shall be kept in separate account to secure the interest payment.

For, Company Secretary, MeECL

(Deepa Magar)

Assistant Company Secretary, MeECL