

Rupee Short Term Loan (STL) to Gencos/Transcos against Identified Receivables from Discoms

The financial assistance under this scheme shall be available to Private Sector generating and transmission companies (Gencos/Transcos) enjoying working capital limits with banks (whether under a consortium or under a multiple banking arrangement), when the banks are not in a position to meet the credit requirements of these Gencos/Transcos, on account of temporary liquidity constraints arising due to non-payment of their power sale/transmission bill(s) by Discom(s).

The loans are to be sanctioned based on the financial strength of the Gencos/Transcos as well as of concerned Discom(s) financial strength.

Eligibility Criteria, Extent of Funding and Validity of Period of Drawal

Type of Borrower	Minimum Short-term Credit Rating	*Extent of Funding - % of the outstanding identified bills	Validity Period of Drawal
Existing Borrower	A-3	Upto 75%	60 days from the date of execution
Borrower or its group company who has already executed loan documents with PFC	A-2	Upto 60%	
Borrower not falling in above two categories	A-1	Upto 50%	

*Subject to maximum of Rs.250 crs. per borrower

Further neither the existing borrower should be in current default to its existing lenders nor the Discom(s), against whose bill (receivables) the facility is extended, are NPA in the books of PFC.

The borrower shall provide securities by way of creating First Charge on Identified receivables, Second Charge on the Fixed assets of the commissioned project(s), Irrevocable General Power of Attorney issued by borrower in favour of PFC for receipt of dues from Discoms' and Post dated cheques.

The interest rate for the loan shall be as notified by PFC from time to time. No prepayment premium is allowed.

The borrower (Gencos/Transcos) is also required to furnish other documents along with its request/application to avail financial assistance under the scheme.

Repayment of loan is subject to maximum of 3 (three) months from the date of disbursement which can be considered to rollover for another period upto 3 (three) months subject to payment of outstanding interest and other charges / dues till rollover date.