

(c) the cost of power together with the per unit rate of the sale of power in each of the above years?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

Proposal of PFC to raise US dollar via ECBs

70. SHRI S.M. LALJAN BASHA: Will the Minister of POWER be pleased to state:

(a) whether the Power Finance Corporation proposes to raise US dollars *via* External Commercial Borrowings (ECBs);

(b) if so, the details thereof;

(c) what are the requirements of PFC to raise such resources;

(d) whether alternates have been explored in the Indian financial market; and

(e) if not, reasons for the PFC seeking to raise funds through ECBs at high rates of interest?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) Yes, Sir.

(b) to (e): Power Finance Corporation Ltd (PFC) has obtained approval for raising US\$ 100 Million by way of External Commercial Borrowing (ECB) through syndicated loan facility. Details of the proposed syndicated loan facility which is fully underwritten by the mandated lead arrangers are as under:-

Amount - US\$ 100 Million

Maturity - 5 Years (Bullet repayment of Principal)

Instrument - Syndicated Loan.

The amount raised through ECB is for meeting the funding requirement, of foreign currency loans being sanctioned by PFC. PFC has been meeting its fund requirements from the domestic market by way of bonds, short/medium/long term loans from Banks/Financial Institutions (FIs), Intercompany deposits, commercial papers etc. Funds requirement of PFC is huge and it is therefore, tapping new avenues for raising funds and ECB is one of them. The cost of funds by way of ECB is competitive.