

**PUNJAB STATE POWER CORPORATION LTD.**  
(Regd. Office, PSEB Head Office, The Mall, Patiala-147001)  
**OFFICE OF THE FINANCIAL ADVISOR**  
(Banking Loans & Deposit Section)

To

All Scheduled Commercial Banks,  
( Operating in India )

**Memo No. 1639-1704 /BCG- 980      Dated: 13.06.2011**

**Sub:-      Long Term Loan of ₹ 300 crore.**  
**Sir,**

The Punjab State Power Corporation Limited (PSPCL) intends to avail Long Term Loan from Commercial Banks amounting to ₹ 300 crore for funding its ongoing Generation Projects and Distribution schemes. The funds are required to meet with the PSPCL's 20% contributions, as about 80% loans have already been tied up/being tied up from various financial institutions i.e. REC/PFC. **The loan shall be availed during July & August, 2011 through RTGS.** The broad parameters/terms & conditions for the Long Term Loan would be as under :-

**Tenure:-** The loan shall be for a period of 10 years, with the moratorium period of 3 years, to be repaid in next 7 years, in 28 equal quarterly installments, starting from 39th month from the date of first drawl.

**Interest:-** The rate of interest shall be variable linked with base rate. The interest rate will change as and when the base rate of the bank will change during the tenure of the loan. The interest shall be serviced on monthly basis.

**Security:-** The Lender shall be provided **Escrow Cover as payment security both for principal and interest thereon**, by entering into Tripartite Escrow Agreement among the (a) Lender, (b) State Bank of Patiala (PSPCL's main banker) and (c) PSPCL, similar to the agreement PSPCL had with Commercial Banks in the past.

You are requested to convey your offer indicating terms and conditions in a sealed envelop at the following address by 03:30 PM on 27.06.2011, which shall be opened at 03:45 PM on the same day:-

**Financial Advisor,  
Punjab State Power Corporation Limited,  
Seven Storey Building, Room No.611,  
The Mall, Patiala-147001(Punjab),  
Web-site: www.pspcl.in  
Tele: 0175-2213045.**

Yours Sincerely,

**FINANCIAL ADVISOR  
PSPCL, Patiala**