

LIST OF QUIRIES RAISED BY BANKS / FINANCIAL INSTITUTIONS FOR PROVIDING TERM LOAN TO PCKL

SL NO.	QUIRIES OF BANKS / Fis	REPLY OF PCKL
A	REC	
1	Share PPT of today's meeting.	Sent to email ID: pobangalore@recl.in on 3.4.2024 & sent to all Banks along with request letter
2	Share English version of G.O. Order dt. 30.03.2024.	Will be provided after receipt from GoK.
3	What is the legal arrangement between PCKL, ESCOM and RDPR regarding the takeover of dues of RLBs by PCKL vis-à-vis the debt-service arrangement of regular EMIs? It is understood that the budget allocation of RLBs will be available for the debt service of PCKL. The detailed legal modalities identified in this regard may please be shared.	<p>As per the arrangements made in GoK order dated 30.03.2024;</p> <p>(1) ESCOM-wise electricity dues of Rs.5257.70 Crs (Principal portion) outstanding from Gram Panchayats / Rural Local Bodies as on 31.03.2023 would be transferred to PCKL for securitization. (Annexure-B)</p> <p>(2) The amount of electricity charges and arrears collected from Gram Panchayats / Rural Local Bodies have to be remitted regularly to PCKL / ESCOMs for servicing of debt till its clearance.</p>
4	Modalities of the Tripartite ESCROW Cover to be provided by the PCKL showing the required fund flows.	PCKL has moratorium of 24 months from the date of first disbursement and the commencement of repayment of Term Obligations starts thereafter. All collections will be credited to the ESCROW account maintained with the Escrow Branch. The ESCROW Bank is empowered irrevocably to debit the interest applied to the term loan at monthly intervals and installments due for payment at quarterly intervals from the Escrow account and credit to the term loan account towards the installments.
5	The details of Guarantee Redemption Fund from which the short fall of debt service is being assured by the GoK with historical data when it was paid for the various debt service shortfalls in last 3 years;	GoK has made arrangements for setting up of Guarantee Redemption Fund to ensure for the funds available for servicing of debt in exigencies for the first time in order to prevent revocation of Government Guarantee.

6	ESCOM wise, Year-Wise, Gram Panchayat-wise detailed break-up of Rs.5257.70 Crs. along with the schedule of payments to Power Utilities from loan proceeds as proposed by PCKL.	(1) ESCOM-wise electricity dues of Rs.5257.70 Crs (Principal portion) outstanding from Gram Panchayats / Rural Local Bodies as on 31.03.2023. Data of Gram panchayat wise / year wise outstanding dues will be uploaded in the PCKL website: pckl.karnataka.gov.in (2) Schedule of payments to Power Utilities from loan proceeds by PCKL will be allocated as per GoK Order dated 30.03.2024.
7	Rationale for having 2-year moratorium period.	To plan / channelize / mobilize the revenue arrears, moratorium period of 2 years is proposed
8	As REC prefers the Govt. Guarantee with Direct Debit Mandate (DDM), it is therefore requested whether the same is agreeable to GoK.	Government order is not envisaged for Direct Debit Mandate
9	Financials (fund-flow/income-expenditure statement) of RLBs/RDPR of last three years may please be shared. Also provide the detailed future plan / strategy to improve their financial position to match with Repayment Schedule of proposed loan?	Details are not available in Energy Department, GoK.
10	The proposed accounting treatment of the proposed loan vis-a-vis the arrangement with the RLBs/RDPR/GoK may please be shared.	The revenue arrears of Gram Panchayat / Rural Local Bodies held in the books of ESCOMs would be transferred to PCKL. PCKL will account the same as receivables from RDPR. The loan availed by PCKL will disburse to the KPCL, KPTCL and ESCOMs as per the direction of Government. The liability of the loan lies in the books of PCKL accounts. As and when the amount repaid, the amount of liability and receivables lies will get reduced in the books of PCKL accounts.
11	The other details as may be asked by the other lenders / bankers may also be shared with REC.	Will be uploaded in the PCKL website
12	Carify the time required for security creation i.e (Govt. Guarantee and Hypothecation of trade receivables)	Time period of 15 days is required for providing Security of State Government Guarantee and hypothecation of trade receivables after sanctioning of loan.
B	UCO Bank	

1	PPT of today's meeting.	Sent to email ID: bangal@ucobank.co.in on 3.4.2024.
2	External Rating copy from India Rating.	Available in PCKL Web site
3	Bifurcation of Rs.5257.70 Cr.	ESCOM-wise electricity dues of Rs.5257.70 Crs (Principal portion) outstanding from Gram Panchayats / Rural Local Bodies as on 31.03.2023 is furnished in Annexure-B .
4	Any other information relating to loan.	Reply / clarification will be given on specific query
C	Central Bank of India	
1	Audited Financials FY2021-22.	Available in PCKL Web site
2	Audited Financials FY2022-23.	Available in PCKL Web site
3	Provisional Financials FY2023-24.	Under process. Will be provided shortly.
4	Details of Dues to Stake Holders (Escom-wise, KPCL, KPTCL, CGS and other Power producers)	Details of source-wise PPC dues as on 14.03.2024 is furnished in Annexure-A .
5	Escom Receivables details (Escome wise with bifurcation of Rural Local Body)	Details of ESCOM-wise electricity dues of Water Supply & Street Light installations outstanding from Gram Panchayats / Rural Local Bodies as on 31.03.2023 is furnished in Annexure-B . Gram Panchayat-wise details for the same will be furnished shortly.
6	PCKL Share Holding Pattern and Board of Directors.	Available in PCKL Web site
7	Interest during Moratorium will be serviced by the company?	Yes
D	ICICI Bank	

1	As per the presentation, PCKL has an Income of 18.45 Cr, Expenses of 16.26 crore and net income of 1.58 Cr. Please share the details of commercial viability of PCKL in repaying the TL since the repayment amount required is substantially higher than the net profit.	As per the arrangements made in GoK order dated 30.03.2024, PCKL will service the debt out of the revenue received from Gram panchayats or from the grants released to Gram Panchayats / Rural Local Bodies by the Government under State Finance Commission. In case if the Gram Panchayats / Rural Local Bodies are failed to mobilize the resources / funds required for servicing of debt by PCKL, the State Government would ensure availability of funds under Guarantee Redemption Fund setting up for such exigencies in order to prevent revocation of Government Guarantee.
2	Under UDAY circular of RBI, cash loss of discoms cannot be funded. Request you to clarify if any of the discoms from whom receivables have been collected are at cash loss.	PCKL is not a DISCOM. Hence UDAY circular of RBI is not applicable


Additional Director (Projects)

PCKL