

Tamil Nadu firm to disburse Rs.12 billion loans

The Tamil Nadu Power Finance and Infrastructure Development Corporation Limited (Power Finance) has set target of loan disbursal of Rs.12 billion this fiscal.

The Tamil Nadu government-owned non-banking finance company (NBFC) funds power and infrastructure projects.

Announcing this in the Tamil Nadu assembly during the demands for grants Thursday, Arcot N. Veeraswami, minister for electricity, said: 'The funds mobilised by the corporation is used to finance Tamil Nadu Electricity Board's (TNEB) generation/transmission and distribution projects and other state government entities.'

'The total financial assistance provided to TNEB since inception is Rs.78.06 billion. The net loan outstanding from TNEB is Rs.30.80 billion as on March 7, 2008,' said Veeraswami.

In addition, a sum of Rs.690 million has been provided to other corporations including Poompuhar Shipping Corporation Limited, Tamil Nadu Industrial Investment Corporation Limited and Tamil Nadu Industrial Development Corporation Limited.

According to the minister, Power Finance hopes to mobilise Rs.3 billion as net deposits from public and other institutions during the current fiscal.

He said Power Finance is likely to close the fiscal with a net deposit of Rs.5 billion.

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