



KARNATAKA STATE FINANCIAL CORPORATION
[Established under the State Financial Corporations' Act 1951]
Head Office : 1/1, Thimmaiah Road, BANGALORE – 560052



No.KSFC/HO/ED-I/2016-17/08

Dated: 27.07.2016

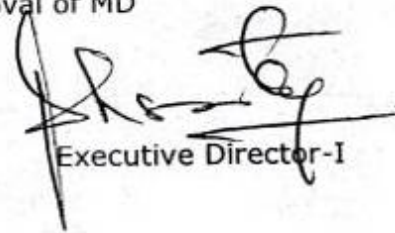
INTER OFFICE NOTE

Sub:- Financing of Solar Roof Top Projects reg.

Please find herein enclosed the letter bearing No.454/2016/2944/SLBC/F-610 dated July 15, 2016 received from Convenor – SLBC & GM: Syndicate Bank, which is self explanatory.

In view of the above said letter all the Branch Heads are directed not to take up Roof Top Solar Projects for financial assistance till further directions from HO. Even if the application is accepted, the financial assistance should not be sanctioned. This comes into effect immediately.

This ION has been issued with the approval of MD


Executive Director-I

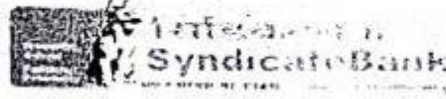
To

- All BMs/AGMs/DGMs of BOs
- All IA Cells
- All Principal Officers/Section Heads in HO

CC to:

All General Managers
Executive Director- II - for information.
EA to MD

STATE LEVEL BANKERS' COMMITTEE – KARNATAKA
CONVENOR



Corporate Office: Gandhinagar, Bengaluru: 560009

Ph : 22343490; 22340236 E Mail: blrslbc@syndicatebank.co.in. FAX: 22343489; 22340292

Ref : 454/2016/2944/SLBC/F-610

Date : July 15, 2016

- 1) The Heads of Controlling Offices of Commercial Banks.
- 2) The Chairmen of Regional Rural Banks.
- 3) The MDs of Coop Banks.
- 4) The MD of KSFC.

Dear Sir,

Sub : Financing of Solar Roof Top Schemes by Banks

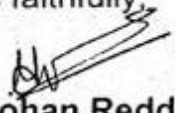
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As you are aware, the State Govt is encouraging installation of Solar Roof Top Projects as per the policies of Govt of India and the Banks have been extending credit support to these projects.

We have been informed by the Addl. Chief Secretary to Govt., Energy Department, Govt of Karnataka vide their letter No.EN.01.PSR.2016 dated 12.7.2016 that it has come to their notice that recently large number of PPAs have been signed for Solar Roof Top projects in violation of the guidelines of Govt and Regulatory Commission. Further, it is informed that Govt of Karnataka and ESCOMS are re-examining these PPAs with regard to their validity.

In view of the above, all the Banks are requested to do proper due diligence before extending credit facilities for the Solar Roof Top Projects, particularly those which are more than 20 Kilowatts. Banks shall not extend credit facilities based on the PPAs only.

Yours faithfully,


(M. Mohan Reddy)
Convenor-SLBC &
GM, Syndicate Bank

cc

- 1) The Lead District Managers.
- 2) The Addl. Chief Secretary to Govt, Energy Dept.,
Vikasa Soudha, GoK, Bengaluru.

for kind information.