

ABSTRACT

Implementation of Pasukkadavu Small HEP (2X2 MW / 10.34 Mu) by KSEB Ltd.-
Undertaking the Pre-Construction Survey-Sanction Accorded-Orders issued.

CORPORATE OFFICE (SBU-G/C)

BO (FTD)No.901/2022(GPC1/118/2004)

Thiruvananthapuram,Dated: 16.11.2022

- Read: 1. B.O. (DB) No.307/2021(GPC1 /118/2004) dated 05.05.2021.
2. Letter Nos.CECCN/DB/8/PSKD/2006-07/443 dated 07.07.202,1432 dated
03.01.2022 and 1865 dated 05.03.2022 of the Chief Engineer (Civil Construction -
North).
3. Note No.GPC1/118/2004 dated 25.04.2022 to the Full Time Directors (Agenda
101/4/22).
4. Note No.FA/Tender-I/45/2022 dated 18.05.2022 of the Financial Adviser.
5. Letter No.CECCN/DB/8/PSKD/2006-07/185 dated 06.05.2022 of the Chief
Engineer (Civil-Construction) North.
6. Note No. GPC1/118 /2004 (1) dated 25.10.2022 of the Director (Generation-
Civil) to the Full Time Directors (Agenda 04/11/22).

ORDER

The Pasukkadavu Small HEP is a run of the river scheme with very small storage proposed in Kavilumpara Panchayat of Vadakara Taluk, Kozhikkode District. The scheme envisages development of power by utilizing the inflow from Meenpattypuzha, a tributary of Kuttiyadi river. The installed capacity of the scheme is 4 MW (2 x 2 MW). The average annual energy generation expected is 10.34 Mu.

The proposal for Administrative Sanction for the implementation of Pasukkadavu Small HEP (2X2 MW/ 10.34 Mu) was placed before the 58th meeting of the Board of Directors for approval and KSEBL as per B.O. read as 1st above accorded Administrative Sanction at an estimated cost of ₹52.67 Crore at 2017 price level (The cost including IDC after availing MNRE assistance being ₹42.30Crore). In the meeting, the Chairman & Managing Director stated that the viability of the project depends upon the availability of Central Finance Assistance (CFA) and Viability Gap Funding (VGF) from Central / State Government and based on that the entire figures are to be reworked to see whether the project can be taken ahead. It is also intimated that before the final decision for execution of the project is taken, the proposal would be presented again before the Board.

The Chief Engineer (Civil-Construction) North as per letter read as 2nd above has requested sanction to conduct the pre-construction survey through Project Manager, Peruvannamuzhy and has reported that the anticipated expenditure for pre-construction survey works of the project comes to ₹4,53,750/- (Rupees Four Lakh Fifty-Three

Thousand Seven Hundred and Fifty only). The Chief Engineer has also reported that an extent of 5.79 hectares of land is required for the project, which includes 0.80 hectares of revenue land along river course and 4.99 hectares of private land. No forest land is involved. Since the land acquisition of the project is a time consuming process the District Administration is to be approached at the earliest as per LARR Act 2013, to proceed with the land acquisition. In order to submit the requisition for the land acquisition to the District Collector, the Administrative Sanction from the Government is necessitated.

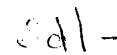
The proposal to proceed with the implementation of the Pasukkadavu Small HEP (2X2 MW / 10.34 Mu) by KSEBL by undertaking the pre-construction survey of the project, without waiting for the financial assistance from Central/State Government, to avoid cost escalation and for early power generation and to take up the matter of obtaining Administrative sanction at an estimated cost of ₹52.67 Crore at 2017 price level with the Government was considered by the Full Time Directors as per note read as 3rd above and it was decided to examine the proposal in Finance wing. The Financial Adviser as per note read as 4th above has remarked that as per the DPR of the project, the NPV and IRR were ₹35.12 Crore and 12.14 % respectively with an attractive levelised tariff thus arrived of ₹ 4.40/Unit. Consequent to the updated Cost Index, the financial parameters have been changed. Though the NPV is positive, the project viability highly dependent on MNRE grant and NABARD loan and hence the availability of same be ensured. The Chief Engineer (Civil-Construction) North as per the letter read as 5th above has reported the financial parameters of the project with the rate of interest as 2.75% based on NABARD loans availed by KSEBL. The Levelised tariff thus arrived is ₹3.39/Unit and NPV arrived is ₹17241 Lakh. The payback period is 9 Years.

The matter of according sanction for Pre-Construction Survey and obtaining Administrative Sanction from Government was again considered by the Full Time Directors as per note read as 6th above. Having considered the matter in detail the Full Time Directors in the meeting held on 04.11.2022, Resolved to accord sanction to take up the Pre-Construction Survey for the implementation of the Pasukkadavu Small HEP (2X2 MW / 10.34 Mu) by KSEBL, for early power generation.

Further resolved to revise the cost estimate based on the NABARD interest rates recently revised.

Orders are issued accordingly.

**By Order of the
Full Time Directors**



**LEKHA G
Company Secretary**

To:

The Chief Engineer (Civil-Construction), North, Kozhikode.

Copy to: The Chief Engineer (IT,CR&CAPS)/ Chief Internal Auditor/ Company Secretary/
Financial Advisor/ LA&DEO.

The TA to the Chairman & Managing Director / Director (Generation-Civil)/
Director (Generation-Electrical)/ Director (Distribution, SCM & IT)/Director
(Transmission, SO, P&S)/ Director (REES, SOURA, Nilaavu Projects, S&W).

The PA to the Director (Finance).

The RCAO/RAO.

The Sr.CA to the Secretary (Administration).

Stock File.

Forwarded / By Order



Assistant Executive Engineer