



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office : Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004, Kerala

FAX: 0471 - 2514244. TELEPHONE: (OFF.) 2445807, 2444240

E-Mail: faksebdata@dataone.in , fakseb@gmail.com

Website: www.kseb.in. CIN: U40100KL2011SGC027424

Abstract

Renewal of Credit limits from M/s Canara Bank– Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

**B.O. (FTD) No. 752/2022 (Fin.2(B)/Canara Bank/OD/WCDL/2022-23) Thiruvananthapuram,
Dated:02.09.2022.**

- Read: (1) B.O (FTD) No.591/2021(Fin 2(B)/Canara/OD/WCDL/2021-22 Dated 10.08.2021.
- (2) Letter No. Fin 2(B)/Canara/OD/WCDL/2021-22(13) dated 06.06.2022 of the Financial Adviser.
- (3) Sanction Memo LCB-TVM/KSEB/62/ASK/2022-23 dated 06.07.2022 of Chief Manager, Canara Bank, Specialised Large Corporate Branch, Thiruvananthapuram.
- (4) Note No.Fin 2(B)/Canara Bank/OD/WCDL/2022-23 dated 23.08.2022 of the Financial Adviser, KSEBL (Agenda 85/8/22)

ORDER

Kerala State Electricity Board Limited had availed an Overdraft facility of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) offered by M/s. Canara Bank for a period of one year (tenable till 15.07.2022) at one year MCLR of Canara Bank i.e. 7.35% + 0.90%, the effective rate being 8.25% per annum and the WCDL sublimit of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) at one month MCLR(presently 6.75%)per annum as per B.O read as 1st above. The validity of the facilities expired on 15.07.2022.

M/s. Canara Bank, as per letter read as 2nd above was requested to enhance and renew the credit facility for a further period of one year.

M/s. Canara Bank, as per sanction letter read as 3rd above has permitted the renewal of working capital limits (Fund Based Clean) of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) with WCDL sublimit of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) and RILC/BG (Non fund based) sublimit of Rs.2,50,00,00,000/- (Rupees Two Hundred and Fifty Crore only) within the sanctioned limit of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) for a further period of 1 year tenable till 02.08.2023. Rate of

interest for OD at one year MCLR i.e., 7.50% p.a + 0.90% p.a, effective rate being 8.40% and WCDL at tenor based MCLR.

Some of the salient features in the terms and conditions detailed in the sanction letter are as follows.

Nature of limit	(Rs. in Crore)	
	Existing	Permitted
Fund Based (excluding TLs/STLs):		
a) Regular:		
OD (Clean)	850.00	850.00
Sub-limit – (WCDL)	(850.00)	(850.00)
b) Adhoc :		
Total Fund Based Limit	850.00	850.00
Non Fund Based as sub-limit to FB		
Sub-limit: ILC/BG	(250.00)	(250.00)
Total Non-Fund Based Limit	0.00	0.00
TOTAL FB + NFB	850.00	850.00

Particulars	Applicable	Existing	Permitted
Margin:			
FB	25.00%	Nil	Nil
NFB	25.00%	25.00%	25.00%
Rate of Interest:			
OD-Clean	One Year MCLR (July 2022) 7.50% + 4.60% i.e., 12.10% p.a.	One Year MCLR (Jan2021): 7.35% + 0.90% i.e. 8.25% p.a.	One Year MCLR (July 2022) 7.50% + 0.90% i.e. 8.40% p.a.
WCDL	Tenor Based MCLR + 4.60% p.a.	Tenor based MCLR	Tenor based MCLR
Processing Charges	Rs.400 per Lakh + Applicable Taxes, i.e., Rs.3.40 crore.	Rs.10 Lakh + GST	Rs.10 Lakh + GST
ILC/BG Commission	BG Commission		
	Performance BG	Financial BG/DPG	
	2.00%	2.50%	
	Advising of Inland BG through SFMS.	i.0.20% of the BG with a minimum of Rs.300/- and maximum of Rs.2000/-. ii. Advising of amendment flat Rs.600/-	

LC Commission			
Sight/Usance Charge (Applicable) Bills beyond 3 months	0.50% for first 3 months (subject to maximum of Rs.15 lakhs) plus 0.30% per month in excess of 3 months* .		
Commitment Charge (Applicable)	Charge for the period of liability (from the date of opening of credit to the last date of its validity) at the rate of 0.30% (with a minimum of Rs.200/- for every period of 3 months or part thereof)*		
* For moderate risk account 75% of the applicable usance and commitment charges is to be collected.		15% of applicable charges	15% of applicable charges
Amendment charges	<p>i. For enhancement of amount of LC/Period: Rs.500/- per amendment plus above applicable charges for the additional amount/extended period.</p> <p>ii. Other amendment flat commission of Rs.500/-</p>		

	Advising Charges (SFMS)	i. 0.20% of the amount of LC with a minimum of Rs.500/- and maximum of Rs.2000/- ii. Advising of amendment flat Rs.500/-		
Commitment Charges	If the average utilization of limit during the quarter is		As applicable	As applicable
	Utilisation	Charges		
	More than 75%	Nil		
	More than 50% to 75%	0.50% p.a. on entire unutilized portion on quarterly basis.		
	Less than 50%	1% p.a. on entire unutilized portion on quarterly basis		
Documentation Charges	Flat Rs.1 lakh + Applicable Taxes		As applicable	As applicable

Details of Security

a) Primary:

For OD (Clean) & RILC Limit: Pari-Passu 1st charge on Escrow account maintained with Canara Bank and with other banks under MBA

b) Collateral: Nil

c) Other Comforts:

1. Personal Guarantee: Nil (Waived)
2. Corporate Guarantee: Nil
3. Post-dated cheque or any other comfort to be specific: Nil
4. Availability of ECGC/Policy, Credit Guarantee Fund Scheme for Micro & Small Enterprises. Not Applicable.

Sanction Terms

	Existing	Permitted
Stock statements/ Book Debt / Monthly Select Operational Data Statements	Not Applicable (Clean OD)	Not Applicable (Clean OD)
a) Canara Bank Format (or) Lead Bank Format		
b) Simplified (or) Detailed		
Periodicity		
Due date of submission		
Periodicity of inspection		
Type of Letter of Credit	Irrevocable	
a) Revolving/Non-revolving	a) Revolving LCs	Existing to continue
b) Clean	b) Clean	
c) Standby	c) Nil	
Period of Letter of Credit		
a) Inland Letter of Credit	a) Revolving weekly/monthly	Existing to continue
b) Foreign Letter of Credit	b) -	
Usance for Letter of Credits		
a) Inland Letter of Credit	Nil	Nil
b) Foreign Letter of Credit		
Period of Bank Guarantee	3 years including claim period of 6 months	Existing to continue
Period of Bank Guarantee	Issuing in favour of other State/Private Distribution Utilities for participating in e-bidding.	Existing to continue
Others:		
Age of Book Debts	-	-
PC Period		
Usance for Export Bills		
Period of BG Trade credit/Standby LC	-	-

Specific Terms and Conditions

- (a) The company to submit necessary resolutions under various sections of the Company's Act 1956/2013 specifying;
- Person authorised to operate account.
 - Person authorised to borrow on behalf of the company and extent to which they can borrow.
 - Nature of facility they can borrow.
 - Person authorised to execute the loan documents and witnessing the common seal of the company.

- (b) NOC to be obtained from member banks wherever escrow accounts are maintained for ceding pari-passu 1st charge on escrow account receivables.
- (c) The company to devise strategies to clear the existing regulatory assets of Rs.7123.65 crore in consultation with the State Government
- (d) The company to ensure compliance of Prudential guidelines of Ministry of Power, Government of India.

The matter was placed before the Full Time Directors as per the note read as 4th above.

Having considered the matter in detail, the Full Time Directors of KSEBL in its meeting held on 26.08.2022:

Resolved to ratify the action of the Financial Adviser in continuing to avail the credit facilities of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) from Canara Bank @8.40% per annum till the date of renewal.

Further resolved to accord sanction for the following.

1. To avail the renewed overdraft facility of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) offered by M/s. Canara Bank for a further period of one year (tenable till 02.08.2023) at one year MCLR of Canara Bank i.e. 7.50% + 0.90%, the present effective rate being 8.40% and as per the terms and conditions vide their sanction letter.
2. To avail the WCDL of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) as a sub limit of the Overdraft (Clean) Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only), at Tenor Based MCLR.
3. To continue to avail the RILC facility of Rs.2,50,00,00,000/- (Rupees Two Hundred and Fifty Crore only) within the limit of Overdraft of Rs.8,50,00,00,000/- (Rupees Eight Hundred and Fifty Crore only) for a period of one year (tenable till 02.08.2023) on the terms and conditions mentioned in the sanction letter.
4. To authorise the Company Secretary for filing /modifying the charge with Registrar of Companies.

5. To authorise the Financial Adviser to sign and execute the necessary documents on behalf of Kerala State Electricity Board Limited in this regard with M/s. Canara Bank, Specialised Large Corporate Branch, Thiruvananthapuram.
6. To affix the common seal of the company in the required documents in the presence of Director (Finance).

Orders are issued accordingly.

By Order of the Full Time Directors

Sd/-
Lekha. G
Company Secretary (in-charge)


To

The Financial Adviser, Kerala State Electricity Board Limited.

Copy to:-

The Chief Vigilance Officer / Legal Adviser & Disciplinary Enquiry Officer /
Chief Internal Auditor / The Company Secretary
The TA to Chairman & Managing Director / Director (Distribution, SCM & IT) /
Director (Transmission, System Operation, Planning & Safety)
Director (Generation – Civil) / Director (Generation – Electrical)/
Director (REES, SOURA, NILAVU, Sports & Welfare) /
The PA to Director (Finance & HRM) / The Deputy Chief Engineer (IT) /
The CA to Secretary Administration / Stock File.

Forwarded/ By Order


Senior Superintendent