



KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

Office of the Company Secretary

Registered Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004

CIN: U40100KL2011SGC027424

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ABSTRACT

Kerala State Electricity Board Limited - Appointment of Cost Auditors for the Financial Year 2022-23 - Sanctioned - Orders issued.

Company Secretarial (Corporate Affairs)

BO (DB)No.601/2022(CSEC-ST2/2022/100)

Thiruvananthapuram, Dated: 14.07.2022

- Read: 1. Note No.FA & CAS/Costing/Auditor/2022-23 dated 07.05.2022 of the Financial Adviser.
2. Note No. CS/Cost Audit/2022-23 dated 16.06.2022 of the Chairman & Managing Director.
3. Extract of minutes of the meeting of Board of Directors held on 29.06.2022 vide Agenda No.06-06/2022.

ORDER

As per Section 148 of the Companies Act, 2013 the Central Government has notified the Companies (Cost Records and Audit) Rules, 2014 whereby prescribing the class of companies who has to maintain Cost Records and conduct Cost Audit. The Companies (Cost Records and Audit) Rules, 2014 requires that for the regulated industries like power sector, Cost Records are to be maintained if the gross turnover in the immediately preceding Financial Year is greater than or equal to ₹35 Crores. It is also required to conduct Cost Audit if the gross turnover during the immediately preceding Financial Year is equal to or exceeds ₹50 Crores. As KSEBL satisfies the above conditions, it is a mandatory requirement to maintain Cost Accounting Records and conduct Cost Audit. As per Section 148(2)(a) of the Companies Act, 2013, the Cost Auditor has to be appointed within 180 days of the commencement of the Financial Year and as per Rule 14 of the Companies (Audit and Auditors) Rule 2014, the Board shall appoint Cost Auditor on the recommendations of the Audit Committee, which shall also recommend the remuneration for such cost auditor and remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The Financial Adviser as per letter read as 1st above reported that M/s Murthy and Company LLP, Cost Accountants, Bangalore, the Cost Auditor of KSEBL for the financial Years from 2015-16 to 2021-22 has sent their willingness to be appointed as the Cost Auditor for 2022-23 also, with the same terms and conditions as per their previous appointments. The Financial Adviser has also stated that considering the profile and exposure in auditing the cost records of major power generating companies, the appointment of M/s Murthy & Co. LLP, Cost Accountants, Bangalore (Registration No.000648) would be beneficial to KSEBL. He has also stated that the Cost audit fee for the last five years had been ₹3,00,000/- including conveyance and other incidental expenses but exclusive of applicable taxes.

The Audit Committee in its 32nd meeting held on 28.05.2022 had recommended the

Accordingly the matter was placed before the 65th meeting of the Board of Directors as per note read as 2nd above. Having considered the matter in detail, the Board of Directors in its meeting held on 29.06.2022,

1. Resolved that pursuant to section 148(3) of the Companies Act, 2013 and Rule 6(2) of the Companies (Cost Records and Audit Rules) 2014, M/s Murthy & Co.LLP, Cost Accountants, Bangalore (Registration No. 000648) be and are hereby appointed as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2022-23 at a remuneration of ₹3,00,000 /-(Rupees Three Lakh only) including conveyance and other incidental expenses but exclusive of applicable taxes.
2. Resolved further that the appointment of Cost Auditor and remuneration payable shall be placed in the next Annual General Meeting of the Company for ratification.
3. Resolved also that the Company Secretary or any one of the Directors of the Company be and is hereby authorized to submit the necessary intimation in Form CRA-2 to the Central Government for appointment of Cost Auditors by the Company and to do all such other acts as may be necessary from time to time and to take such other action as deemed necessary so as to give effect to the aforementioned resolution.

Orders are issued accordingly.

By Order of the
Director Board

(sd/-)

LEKHA G
Company Secretary

To:

The Financial Adviser

Copy to: The Legal Adviser & Disciplinary Enquiry Officer/ Chief Vigilance Officer/ Chief Internal Auditor/ Company Secretary

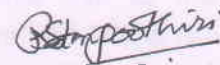
The TA to Chairman & Managing Director/Director (Distribution & SCM)/ Director (Transmission, System Operation, Planning & Safety) / Director (Generation-Civil)/Director (Generation-Electrical)/Director (REES including SOURA, NILAAVU Project, Sports & Welfare)]

The PA to the Director (Finance, IT & HRM)

The Senior CA to Secretary (Administration)]

Stock File

Approved For Issue



Senior Superintendent