

**KSEB**

## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office : Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004, Kerala

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Renewal of WCDL of 120 crore from M/s. Union Bank of India – Sanctioned – Orders issued.

### CORPORATE OFFICE (FINANCE WING)

B.O. (FTD)No.589/2021 (Fin.2 (B)/UBI-OD/2021-22) Thiruvananthapuram, Dated: 10/08/2021

Read:

1. Sanction Letter No.TVM:CR:023/KSEB dtd: 03/11/2020 of the Chief Manager, UBI, Thiruvananthapuram.
2. B.O(FTD) No.703/2020(Fin 2(B)/UBI-OD/2021-21, TVPM Dated 20.11.2020
3. Sanction Letter No.TVM:ADV:KSEB :2021-22 dtd: 26/05/2021 of the Chief Manager, UBI, Thiruvananthapuram (Main).
4. Note No.Fin.2 (B)/UBI-OD/2021-22 dated 02.08.2021 of the Financial Adviser, KSEBL (Agenda 31/8/21).

### ORDER

M/s. Union Bank of India had sanctioned a FBWC facility of ₹200,00,00,000/- (Rupees Two Hundred Crore only) for a period of 1 year with MCLR @ 7.20% within which WCDL of ₹120,00,00,000/- (Rupees One Hundred and Twenty Crore only) for 6 months MCLR @7.15% as a sublimit and CELC for ₹20,00,00,000 (Rupees Twenty Crore only) for a period of two years @ 8% interest as per sanction letter read as 1<sup>st</sup> above. The Board had availed the above facilities as per Board Order read above. Interest rate of WCDL was reset on 27.11.2020 @7.05%.

The validity of the overdraft limit is for a period of 1 year i.e., 25.11.2021. The validity of WCDL expired on 24.05.2021 and as there is rollover facility, the WCDL facility was continued to be availed. Now M/s Union Bank of India, as per letter read as 3<sup>rd</sup> above has sanctioned the renewal of WCDL of ₹120,00,00,000/- (Rupees One Hundred and Twenty Crore only) for a period of 6 months on the terms and conditions mentioned below.

| (₹ in Crores)   |          |          |        |             |   |
|-----------------|----------|----------|--------|-------------|---|
| Nature of Limit | Amount   |          | Margin | Int./ Comm. | Prime Security  |
|                 | Existing | Proposed |        |             |   |
| WCDL            | 120.00   | 120.00   | Nil    | 6M MCLR     | Hypothecation of unencumbered receivable with Paripassu charge along with SBI |

Guarantee: Nil Collateral

Security: Nil

Repayment: WCDL is valid for 6 months from the date of availment

Limit Expiry Date: 25/11/2021

**Other Terms and Conditions:**

1. Continuation of Nil margin on WCDL.
2. Continuation of waiver of penal interest for non renewal on due date.
3. List of Receivables to be submitted on half yearly basis.
4. The next reset date of 6 M MCLR will be 25.11.2021
5. Interest to be served on monthly basis.
6. In case of any default in payment of installment/interest, bank will charge penal interest at the rate of 2%.
7. The Bank may, at its sole discretion, disclose such information to such Institution (s) in connection with the credit facilities granted to the company if requested by them.
8. The Bank's advance will be subjected to Bank's credit policy/RBI guidelines from time to time.
9. The credit facility will be used for the purpose for which it is sanctioned.
10. The facility should not be used for the adjustment/takeover of borrowings availed from other banks/financial institutions. It should be utilized for business purpose like payment of statutory dues, procurement of raw materials, payment of creditors etc.

The Financial Adviser in the note read as 4<sup>th</sup> above has opined that, considering the comparatively lower rate of interest of 7.05% offered by Union Bank of India, the WCDL may be renewed for a further period of 6 months upto 25.11.2021, as per sanction letter read as 3<sup>rd</sup> above.

Having considered the matter in detail, Full Time Directors of KSEBL in its meeting held on 04/08/2021,

- 1) Resolved to ratify the action of the Financial Adviser in continuing to avail the WCDL of ₹120,00,00,000/- (Rupees One Hundred and Twenty Crore only), which had expired on 24.05.2021 at same rate of interest i.e. 7.05% per annum for the period from 26.05.2021 to date of renewal.

2) Further resolved to accord sanction for the following:

- a) To avail the renewal of WCDL offered by UBI @ same rate of interest @7.05%, for a period of 6 months upto 25.11.2021, as per sanction letter dated 26.05.2021 of Chief Manager, Union Bank of India, Thiruvananthapuram.
- b) To authorise the Company Secretary for filing/modifying the charge with Registrar of Companies.
- c) 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 Union Bank of India, Thiruvananthapuram.
- d) 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, K.S.E. Board Ltd.**

Copy to:

The Chief Internal Auditor.

The TA to Chairman & Managing Director / Director (Distribution, IT & HRM) / Director (Transmission, System Operation & REES) / Director (Generation (Electrical and SCM) / Director (Generation-Civil),

Full Additional Charge of Sports Wing, KSEB Ltd.

Director (Planning & Safety), Full Additional Charge of SOURA/

The PA to Director (Finance) /Secretary (Administration).

The Chief Vigilance Officer / The Legal Adviser & Disciplinary Enquiry Officer.

The Deputy Chief Engineer (IT) / The Company Secretary-in-charge.

The Faircopy Superintendent, O/o the Secretary (Administration) by E-mail through EDP Section / Stock File.

Forwarded / By Order

  
**Senior Superintendent**