



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

CIN: U40100KL2011SGC027424

Registered Office : Vydyuthi Bhavanam, Pattom,
Thiruvananthapuram - 695 004, Kerala

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Abstract

Renewal/Extension of Credit facilities of Rs 100Crore availed from M/s Canara Bank – Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

B.O. (FTD) No486/2021(Fin.2(B)/Canara/Extension/Renewal/ODC/2021-22)

Thiruvananthapuram, Dated: 30.06.2021

Read: (1) B.O. (FTD) No.601/2020 (Fin.2(B)/Canara/Extension/Renewal/ODC/2020-21)
Thiruvananthapuram, Dated: 29.09.20.

(2) Sanction Letter SANC MEMO: 500: 2020-21 dated 07.06.2021 of Canara Bank.

(3) Note No.Fin2(B)/Canara/Extension/Renewal/ODC/2021-22 dated:28.6.2021 of Financial Adviser, Kerala State Electricity Board Limited (Agenda No 94/6/2021).

ORDER

Kerala State Electricity Board Limited had availed an Overdraft facility of Rs.100Crore from Canara Bank at an interest rate of 9.25% (1 year MCLR +1.80%) for a period of one year upto 28.01.2021 with WCDL sublimit of Rs.100Crore at an interest rate of 7% (tenor wise MCLR, with minimum tenor of 1 months). The validity period of the above facility had expired on 28.01.2021.

Now M/s Canara Bank as per letter read 2nd above has renewed the existing sanction for the credit facilities on the following terms and conditions mentioned below:

DETAILS OF SANCTIONS

(in Crore)

Facility	Limit	ROI	Purpose
ODC (Renewal)	100.00	1 year MCLR +1.80% i.e. 9.25% p.a.	To meet working capital requirement of the company.
<u>Sub Limit*</u> WCDL	(100.00)	Tenor Based Aug '20 MCLR 1 Month = 7.00% 3 Months = 7.15% 6 Months = 7.40%	
Security	A. PRIMARY:		

	For the OD limit and RILC limit. Pari-Passu 1 st charge on Escrow account maintained with us and with other member banks in MBA. B. COLLATERAL: NIL
Processing/ Documentation/ Commitment Charges	Waived

(4) *Conditions for WCDL:

1. The due date for repayment of any tranche shall be coinciding with the ROI tenor of the particular tranche.
2. The total exposure under WCDL facility shall not exceed Rs.100.00 Crore.
3. Availment of WCDL facility in tranches with period of WCDL being 7 days and maximum 365 days.
4. In case WCDL is prepaid, no fresh WCDL will be permitted during the currency of WCDL originally permitted (ostensible due date).
5. Liability under OD Clean, WCDL & RILC/BG put together should be within the limit Rs.100 Crore or drawing power whichever is lower.

Permissions:

Continuation of Existing Permissions:

Permitted to continue the following existing permissions:

- a. Waiver of Personal Guarantee of the Nominee
- b. Waiver of submission of QOS/HOS.

General Terms & Conditions:

a) Facility permitted/sanction now will be made available at the discretion of the bank and is liable for cancellation without any notice.

b) Notwithstanding anything contained herein, the bank at anytime reserve the absolute right to cancel the limits, either fully or partially, unconditionally without prior notice

- 1) In case the limits/ part of the limits are not utilised by you and / or
- 2) In case any deterioration in the loan account in manner whatsoever and / or
- 3) In case of non compliance of terms and conditions.

c) The bank shall not be obliged to grant or continue any facility/ accommodate except that it shall in its absolute discretion consider fit and that the bank shall always be at liberty to cancel the unavailed facilities / limits at any time without prior notice and without assigning any reason. The borrower shall not be entitled to claim any amount from the bank, as compensation, damages or otherwise on Bank's discretion in this regard.

d)The Bank reserves the right to revoke/cancel/modify the limit either part or in full any time without giving any prior notice for any reason whatsoever .

e)The rate of interest stipulated is subject to revision by the bank from time to time.

f)This sanction does not vest in any right to claim any damage against the bank whatsoever.

g)It is the policy of the Bank to mandatorily report to Credit Information Company (CIC) all cases of delay in payment of dues/instalments. Thus, any delay in payment of dues/instalments will lead to adverse remark which will impact the credit score, which in turn, can affect your ability to raise loans on beneficial terms in future. As such,you are advised to strictly comply with the repayment schedule.

h) Bank reserves the right to increase the stipulated cash margin (up to 100%) in case of invocation of bank guarantee / crystallization of LCS.

i)Borrower Company should not give any corporate financial guarantee without obtaining the permission of the bank.

j)In case the borrower commits default the repayment of the loan/ advance or in the repayment of interest thereon or any of the agreed instalment of the loan on due date (s), the bank and / or Reserve Bank of India will have an un qualified right to disclose or publish the name of the borrower and its directors as defaulter in such manner and through such medium, as the bank or Reserve Bank of India in their absolute discretion may think fit.

k)The validity of the rate of interest permitted shall only be up to the next renewal date

l)In the event of default in repayment to Bank or if cross default has occurred, the Bank will have the right to appoint its nominee on the Board of Directors of the borrower to look after its interests.

The Financial Adviser in the note read as 3rd above has opined that for meeting the working capital requirement , the existing credit facilities offered by Canara bank may be renewed at the rate of interest of CC (1 year MCLR + 1.80% ie. presently 9.25% per annum) and rate of interest of WCDL being 7%, 7.15% and 7.40% for one month, three months and six months respectively as per the terms and conditions of the sanction letter dated read as 2nd above.

Having considered the matter in detail , Full Time Directors of KSEBL in its meeting held on 29.06.2021 ,has resolved to accord sanction for the following

- (1) To accept the renewal of the ODC limit of Rs.100Crore with one year MCLR (7.45%)+ 1.80% i.e. 9.25% at present.
- (2) To accept the offer of renewal of sublimit WCDL of Rs.100Crore at tenor based MCLR (1 month 7%) from M/s Canara Bank.
- (3) To authorise the Company Secretary for filing of eforms with Registrar of Companies.
- (4) 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, Thiruvananthapuram.

- (5) 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/-

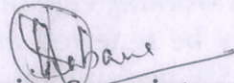
Lekha. G
Company Secretary (in-charge)

To
The Financial Adviser, K.S.E. Board Ltd.

Copy to:

The Chief Internal Auditor
The Chief Vigilance Officer / The Legal Adviser & Disciplinary Enquiry Officer.
The TA to (Chairman & Managing Director / Director (Distribution, IT & HRM) /
Director (Transmission, System Operation) / Director (Generation (Electrical)
and SCM) / Director (Generation-Civil)/Director (Planning & Safety))
The PA to Director (Finance) /Secretary (Administration).
The Deputy Chief Engineer (IT) / The Company Secretary
The Faircopy Superintendent, O/o the Secretary (Administration) by E-mail
through EDP Section / Stock File.

Forwarded / By Order


Senior Superintendent