



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office : VYDYUTHI BHAVANAM, PATTOM, THIRUVANANTHAPURAM - 695 004

Telephone Nos.: 2445807, 2444240

FAX: 0471 - 2514244

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

Website: www.kseb.in

CIN: U40100KL2011SGC027424

Abstract

Availing Long Term Loan of Rs.500 Crore from M/s Kerala Financial Corporation - Sanctioned - Orders issued

CORPORATE OFFICE (FINANCE WING)

B.O (FTD) No. 170 /2021 (Fin.IVB/KFC-Term Loan/20-21) Thiruvananthapuram, Dated:25 /02/2021

- Read : 1) Letter No. Fin.IVB/KFC-LT Loan/2020-21 dated 13.01.2021 of the Financial Adviser
2) In Principle Sanction letter No. KFC/HO-HUB/09/2021-22 dated 11.02.2021 of the Chief Manager
3) Letter No. Fin.IVB/KFC-LT Loan/2020-21 dated 15.02.2021 of the Financial Adviser
4) G.O(Ms)No.29/2021/Fin dated 16.02.2021
5)Sanction Letter No. KFC/HO-HUB/09/2020-21 dated 24.02.2021.
6) Note No. Fin.IVB/KFC-Term Loan/20-21dated 25.02.2021 of the Financial Adviser (Agenda item No.101/2/21)

ORDER

A Financial Assistance to Kerala State Electricity Board Limited as a Term Loan of ₹ 500Crore was requested to M/s Kerala Financial Corporation as per letter read (1) above.

In response to the above, M/s Kerala Financial Corporation has forwarded an in principle sanction letter read (2) above for a Term Loan of ₹ 500Crore for a period of 50 months, at an interest rate of 8% subject to the condition that the Government issue necessary order appointing KFC as an agent of the state Government, under section 25(e) of SFCs act 1951, for providing assistance of ₹ 500 crore to Kerala State Electricity Board Limited (KSEBL). So request was made with KFC as per letter read (3) above to waive certain conditions.

The Government of Kerala as per order read (4) above had appointed KFC as its agent under section 25(e) of SFC act 1951, for providing assistance of ₹ 500 crore to Kerala State Electricity Board Limited (KSEBL). KFC as per letter read (5) above has issued sanction of ₹ 500 crore.

The Financial Adviser placed the sanction letter containing the terms and conditions, loan agreement and hypothecation agreement to be executed in this regard before the Full Time Directors for consideration.

The Financial Adviser has recommended to accept the loan with the condition that clause 4(iv) of the sanction letter that "In the event of rating downgrade of KSEBL, the loan has to be prepaid within 30 days, else 2% penal interest will be charged" may not be agreed to and to utilize the loan for swapping the high cost loans/ moratorium availed during the Covid-19 pandemic season.

Having considered the matter in detail, the Full Time Directors in its meeting held on 25.02.2021 resolved to accorded sanction

- 1) To avail Term Loan of ₹ 500Crore for a period of 50 months as per the terms and conditions mentioned in the sanction letter dated 24.02.2021 subject to the condition that clause 4(iv) of the sanction letter is not agreeable.
- 2) Further resolved to pass the resolution annexed in this regard with or without modification.
- 3) Further resolved to enter into a Loan Agreement and Hypothecation Agreement among Kerala State Electricity Board Limited and M/s KFC.
- 4) Further resolved to authorize the Company Secretary for charge creation/ modification corresponding to the Term Loan of Rs.500Crore from M/s KFC.
- 5) Further resolved to authorize the Financial Adviser to sign the required documents on behalf of Kerala State Electricity Board Limited in this regard with M/s KFC.
- 6) Further resolved to affix the common seal of the company in the required documents in the presence of the Director (Finance).
- 7) Further resolved that the loans shall be utilized to prepay the high cost loans/moratorium availed during the Covid-19 pandemic period.

Orders are issued accordingly.

By Order of the Full Time Directors

Sd/-

LEKHA.G

COMPANY SECRETARY (I/C)


To

The Financial Adviser

Copy to :

- 1) The Chief Internal Auditor
- 2) TA to Chairman & Managing Director / PA to Director (Finance)
- 3) TA to Director (Distribution, IT & HRM)
- 4) TA to Director (Transmission & SO)/ TA to Director (GE & SCM)
- 5) TA to Director (Generation - Civil) / TA to Director (Planning & Safety)
- 6) Sr.CA to the Secretary (Administration)/ Company Secretary (i/c)
- 7) The Fair Copy Superintendent / Record Section / Library / Stock File.

Forwarded /By Order



Senior Superintendent