



## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

CIN:U40100KL2011SGC027424

Reg. Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004, Kerala

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### Abstract

Central Financial Assistance of the MNRE – Financial support for the preparation of Detailed Project Report (DPR) for Small Hydro Electric Projects -Proposal regarding approval of DPR – Sanctioned -Orders issued.

### **Corporate Office(SBU-G/C)**

BO(FTD) No.52/2021 (DGC/AEEV/MNRE/2015 ) Thiruvananthapuram Dated: 22.01.2021

- Read:
1. No 14(03) 2014-SHEP of Government of India MNRE dated 2/7/2014.
  2. No 5(03) 2016-SHP of Government of India MNRE dated 31/08/2016.
  3. No.285/21/2017-SHP of Government of India MNRE dated 24/08/2020.
  4. Note No. FEMU/MNRE/General /2008/ dated 15.12.2020 of the Chief Engineer(Civil I & CC).
  5. Note No. DGC/AEEV/MNRE/2015 dated 19 .01 2021 of the Director (Generation Civil) to the Full Time Directors.(Agenda 51/1/21)

### ORDER

The Chief Engineer(Civil I & CC) as per note read 4<sup>th</sup> above has reported that the MNRE incentives for the following proposals of KSEBL to the tune of Rs 40.00 Lakhs ( Rupees Forty Lakhs only ) were sanctioned for the preparation of Detailed Project Report ( DPR) as early as 2016 viz Pasukkadavu ( 4 MW ), Chathankottunada stage -1 ( 6 MW ), Kanhirakolly ( 3 MW), Nakkayam ( 12 MW ) SHP.

The 1<sup>st</sup> installment ( i.e 50 % of the sanctioned CFA ) amounting to Rs 20.00 lakhs @ Rs 5 Lakhs for each of the above projects were released to KSEBL as early as August 2016 as per 2<sup>nd</sup> above.

As per prevailing guidelines of MNRE read as 1<sup>st</sup> above, the financial support for preparation of DPR would be released completely ( i.e balance 50%) subject to submission of two copies of the approved DPR & Utilization certificate ( UC ) for the released funds and actual expenditure as per Statement of Expenditure submitted to MNRE. It was also subsequently made mandatory to keep the grant in a bank account earning interest and the interest gained be reported to MNRE to adjust towards further installments of the grant.

The Chief Engineer(Civil I & CC) further reported that MNRE has been requesting the status with respect to the utilization of Rs 20 Lakhs released with respect to the preparation of DPR for the four projects mentioned above including copies of the approved DPR. Due to the delay in furnishing the requisite details MNRE has informed KSEBL that the amount of Rs 20 lakhs plus interest has to be reimbursed back to Government of India including reasons for non utilization of funds so released .

The detailed project reports with respect to Pasukkadavu (4 MW ) & Chathankottunada stage -1 (6 MW) were approved by the DPR approval committee as early as March 2019. A proposal was placed before the Full Time Directors of KSEBL so as to explore the possibility of getting financial support from Government of Kerala for the implementation of Pasukkadavu SHEP, Chathankottunada SHEP and Keerithodu SHEP by KSEBL.

The Full Time Directors of KSEBL in the meeting held on 16.05.2019 considered the matter and resolved to take up the matter with the Government in Power Department for ensuring budget provision amounting to ₹110.62 Crore, ie. 50% of the total investment required for the implementation of Pasukkadavu SHEP (2x2 MW- 10.34 Mu) , Chathankottunada SHEP (2 x 2.5 MW, 12.06Mu) and Keerithodu SHEP (2X6 MW,27.65 Mu) by KSEBL, since KSEBL could not issue Administrative Sanction for the whole amount.

The activities related to the finalization & submission of DPR with respect to Kanhirakolly (3 MW) & Nakkayam (12 MW ) SHP has been with held since the project has been identified to be implemented through IPP/CPP mode as per Kerala SHP policy 2012 and incurring expenditure for survey & investigations works/preparation of DPR for such schemes are not advisable. Hence if status quo is maintained then KSEBL will have to return an amount of Rs 10 Lakh with interest from 2016 on this account.

The Chief Engineer(Civil I & CC) has further reported that now MNRE has sought as per letter read 3<sup>rd</sup> above, the details with respect to the interest accrued on the amount released to KSEBL for the preparation of the Detailed Project Report for the above four projects.

At this juncture in the best interest of KSEBL, the Chief Engineer(Civil I & CC) opined to Issue Administrative Sanction for Pasukkadavu (4 MW ) , Chathankottunada stage -1 ( 6

MW ) based on the decision taken in the DPR approval Committee Meeting subject to conditions stipulated therein and forward it to MNRE to secure the balance funds and to refund the fund released by MNRE for the proposals viz Kanhirakolly ( 3 MW) , Nakkayam (12 MW) SHP proposed for private participation.

The matter was placed before the Full Time Directors as per note read as 5<sup>th</sup> above.

Having considered the matter in detail, the Full Time Directors in its meeting held on 20.01.2021 resolved to place the proposal to issue Administrative Sanction for Pasukkadavu (4 MW ) and Chathankottunada stage -1 ( 6 MW ) before the Full Time Directors meeting once again for approval.

Further resolved to refund the fund released by MNRE for the proposals viz Kanhirakolly ( 3 MW) , Nakkayam (12 MW) SHEP proposed for private participation and to authorize the Financial Adviser to refund the amount with interest as and when demanded by MNRE.

Orders are issued accordingly.

By Order of the Full Time Directors,

Sd/-

LEKHA G.

COMPANY SECRETARY IN CHARGE

To

1. The Chief Engineer(Civil I & CC) , Vidyuthi Bhavanam , Thiruvananthapuram.
2. The Financial Adviser, Vidyuthi Bhavanam , Thiruvananthapuram.

Copy to:

The Chief Internal Auditor/ Financial Adviser  
The Chief Engineer (IT)  
The RAO/The RAO  
The TA to Chairman&MD/Director (GC)/ Director (D, IT & HRM),  
Director (T & SO) /Director (GE & SCM )/Director(PLG & S)  
The PA to Director (Finance) / Company Secretary  
The Legal Liaison Officer, KSE Board Ltd., Kochi

Forwarded / By Order



Assistant Executive Engineer