



## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office: Vydyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004

CIN:U40100KL2011SGC027424

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### ABSTRACT

M/s. Kinesco Power and Utilities Private Limited(KPUPL) – Request for deduction of contract demand from 18000 kVA to 13000 kVA at Kakkanad -Sanctioned - orders issued.

#### **Corporate Office (Planning)**

B.O. (FTD) No. 719 /2020(KSEB/TRAC/KPUPL/R3/2020) dated TvpM 25.11.2020

- Read:
1. Power Purchase Agreement dated 10.6.2016 between KSEBL and KPUPL
  2. Letter No. KINESCO/KSEBL/PPA/KKD/2020-21/109 dated 15.9.2020 from Chief Executive Officer, KINESCO
  3. Letter No. KINESCO/KSEBL/PPA/KKD/2020-21/114 dated 29.9.2020.
  4. Note no. KSEB/TRAC/KPUPL/R3 dated 11.11.2020 of Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer (Agenda No.77/11/20)

### ORDER

M/s KPUPL had entered into a PPA with KSEB Ltd. on four locations viz Kinfra Export Promotion Industrial Park (KEPIP), Kakkanad, KINFRA Hi-Techpark, Kalamassey, KINFRA Integrated Textile Park, Kanjikode, Palakkad and KINFRA Mega food park at Palakkad. The major PPA with KSEB Ltd at present is for Kinfra Export Promotion Industrial Park (KEPIP), Kakkanad which is entered on 10.6.2016 for 18 MVA for one year and later extended the PPA for 5 years.

KPUPL as per letter read as 2<sup>nd</sup> and 3<sup>rd</sup> above has requested for reduction of contract demand at Kakkanad from 18000 kVA to 13000 kVA due to Covid 19 pandemic in the nation and subsequent impact on the business of their consumers. There is marginal fall in the consumption of energy in the industrial park since March 2020. Hon. Commission during the hearing of ARR & ERC petition of KPUPL enquired whether any application had been filed to KSEB Ltd for reduction in contract demand. The recorded maximum demand of KPUPL at Kakkanad from April 2020 onwards, is in the range of 8746 kVA to 10204 kVA.

There is provision in Kerala Electricity Supply Code, 2014 for increase/decrease of demand in case HT/EHT consumers. Supply of power to other licensees is not governed by the Kerala Electricity Supply Code, 2014. On mutual agreement the reduction of contract demand of other licensees can be effected.

For the reduction to be made effective, supplementary PPA is to be signed in order to effect the change in the Power Purchase Agreement (PPA) dated 10.6.2016 for Kakkanad with the approval of Hon. Commission. A draft supplementary PPA is to be initialed on behalf of KSEB Ltd and the same is to be forwarded to KPUPL for submission before KSERC for approval. The effective date of reduction in contract demand is to be the date initialing of the same by both parties.

The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer as per note read as 4<sup>th</sup> paper above recommended to sanction the reduction of contract demand from 18000 kVA to 13000kVA and to approve the draft the supplementary PPA to be initialed between both parties to submit before

Commission for approval. Further, it was recommended to authorize Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to initial the draft supplementary PPA on behalf of KSEBL.

Having considered the matter in detail, the Full Time Directors in its meeting held on 17.11.2020:

- Resolved to accord sanction for the following
  - 1. To reduce the contact demand of M/s KPUPL to 13 MVA at Kakkanad from 18MVA as per the draft supplementary PPA annexed.
  - 2. To authorize the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to initial the draft supplementary PPA.
- Orders are issued accordingly.

By order of the Full Time Directors,  
Sd/-  
Lekha G.  
Company Secretary I/C


To

The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer

Copy to:

Chief Engineer (Dist- Central) /Chief Engineer( Trans-South)  
Deputy Chief Engineer, Trans. circle, Kalamassery. / Deputy Chief Engineer,  
Ele. Circle, Ernakulam.  
Financial Advisor/ Chief Internal Auditor/ Special Officer  
(Revenue)/Company Secretary  
TA to CMD, TA to Director Distribution & IT /SCM, Planning, Safety &  
Generation-Electrical / Generation Civil & HRM/ Transmission & System  
Operation/ PA to Director (Finance)  
Stock file

Forwarded by order

  
Asst: Exe. Engineer

Annexure to B.O (FTD) No.719(KSEB/TRAC/KPUPL/R3/2020) dated 25.11.2020

**SUPPLEMENTARY POWER PURCHASE AGREEMENT TO THE POWER PURCHASE  
AGREEMENT ENTERED ON 10.6.2016 BETWEEN  
KINESCO POWER AND UTILITIES PRIVATE LIMITED  
And  
KERALA STATE ELECTRICITY BOARD LIMITED**

THIS **SUPPLEMENTARY POWER PURCHASE AGREEMENT (SPPA)** entered into on this..... day of ..... 2020 at Thiruvananthapuram

BETWEEN

the **Deputy Chief Engineer(Commercial & Planning) with full powers of Chief Engineer** for and on behalf of the **KERALA STATE ELECTRICITY BOARD LIMITED (CIN U40100KL2011SGC027424)**, having its registered office at **Vydhuthi Bhavanam, Pattom, Thiruvananthapuram**, being successor of the erstwhile KERALA STATE ELECTRICITY BOARD(KSEB/Board), as per the Second Transfer Scheme notified by Government of Kerala vide G.O. (P) No. 46/2013/PD dated 31-10-2013 and notified vide gazette Notification no. 3103 dated 31-10-2013 as per section 131 & 133 of Electricity Act 2003 (hereinafter referred to as "**KSEB Ltd.**", which expression shall wherever the context so admits or implies, be deemed to include its successors or assignees as well) as a party on the one part

AND

the **Chief Executive Officer** for and on behalf of the **M/s. KINESCO Power and Utilities Private Limited (KPUPL)**, a Joint Venture Company constituted under the Companies Act, 1956, having its registered office at KINFRA HOUSE, TC 31/2312, Sasthamangalam, Trivandrum – 695010 and having its head office at Room Nos 302-306, 2<sup>nd</sup> Floor, CFC Building, KINFRA Park Office, Kusumagiri P.O., Kakkanad, Kochi – 682030 (address for communication) (hereinafter referred to as "**KPUPL**" which expression shall wherever the context so admits or implies, be deemed to include its successors or assignees as well) as a party of the other part Each of the parties of the first and second above is individually referred to as "Party" and collectively as the "Parties"

**AND WHEREAS**, KSEBL is continuing to supply of 11000 KVA at 110 KV at Kakkanad, as per the Agreement dated 1.10.2014 with KPUPL. On expiry of the validity of PPA, the same was extended for a further period of one year.

**AND WHEREAS**, as per the Agreement dated 10.6.2016 with KPUPL, KSEBL had increased the contract demand to 18000 kVA at Kakkanad for a period of one year.

Signature of the Deputy Chief Engineer (Commercial & Planning)  
with full powers of Chief Engineer  
Kerala State Electricity Board Limited

Signature of the Chief Executive Officer  
M/s.KPUPL, Kerala

**AND WHEREAS**, upon expiry of the validity the PPA executed on 10.6.2016, the same was extended for 5 years , i.e till 9.6.2022 with same terms and conditions

**AND WHEREAS**, KPUGL as per letter No. KINESCO/KSEBL/PPA/KKD/2020-21/109 dated 15.09.2020 requested for change in contract demand from 18000 kVA at 110 kV to 13000 kVA at 110 kV and KSEB Ltd agreed for reduction of contract demand from 18000 kVA to 13000 kVA with effect from date of initialing of the supplementary PPA by both parties,

**AND THEREFORE**, this agreement is signed supplemental to the principal PPA executed on 10.6.2016.

**Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows:**

1. This agreement shall remain valid upto 9.6.2022
2. The Article 3.2 of the existing PPA shall be modified as "*KSEB Ltd shall supply to KPUGL at the point of supply at Kakkanad and KPUGL shall take from KSEBL power upto a total quantity of **13000kVA at KEPIP, Kakkanad** for its own use and for the purpose of supply to the consumers within the area of supply as provided in the licence for distribution of electricity"*
3. The Article 8.6 of the PPA dated 10.6.2016 shall be modified as:

If the power factor drops below 0.95 lag, the following extra charge or charges for the entire reactive energy as determined by the commission shall be payable by KPUGL

Below 0.95 lag and upto 0.90 lag - 0.50% of the energy charges for every reduction of 0.01 fall in power factor below 0.95 and upto 0.90.

Below 0.90 - 1% of the energy charge for every reduction of 0.01 fall in power factor from 0.90.

4. In Schedule IIA, the 3<sup>rd</sup> row is amended as "Rate for supply shall be at the tariff approved by the Commission from time to time."
5. In Schedule IIA, the 4<sup>th</sup> row is amended as "Maximum output required by KPUGL, Kakkanad is 13000 KVA at 110 kV"
6. All the terms and conditions specified in the Articles of the PPA entered by the parties on 10.6.2016 shall hold good in respect of this SUPPLEMENTARY PPA

Signature of the Deputy Chief Engineer (Commercial & Planning)  
with full powers of Chief Engineer  
Kerala State Electricity Board Limited

Signature of the Chief Executive Officer  
M/s.KPUGL, Kerala



executed for the purpose for change in contract demand from 18000 KVA at 110 kV to 13000 KVA at 110 kV also, except for those specified herein above.

IN WITNESS thereof Shri B. Pradeep, the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer for and on behalf of the Kerala State Electricity Board Limited and Shri. ...., (*Designation*) ..... for and on behalf of M/s.KPUPL have set their hands and seals on the .....first above written.

Signature of the Deputy Chief Engineer  
(Commercial & Planning) with full  
powers of Chief Engineer,  
Kerala State Electricity Board Limited

Signature of the Chief Executive  
Officer,  
KINESCO Power and Utilities  
Private Limited (KPUPL)

Witnesses:  
(For KSEB Ltd.)

1 .

2 .

Witnesses:  
(For M/s.KPUPL)

1 .

2 .

Signature of the Deputy Chief Engineer (Commercial & Planning)  
with full powers of Chief Engineer  
Kerala State Electricity Board Limited

Signature of the Chief Executive Officer  
M/s.KPUPL, Kerala