



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)
 Registered Office : Vydyuthi Bhavanam, Pattom,
 Thiruvananthapuram - 695 004, Kerala
 FAX: 0471 - 2514244. TELEPHONE: (OFF.) 2445807, 2444240
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 Website: www.kseb.in. CIN: U40100KL2011SGC027424

Abstract

Renewal of FBWC limit of ₹200 Crore and CELC limit of ₹20Crore from M/s. Union Bank of India – Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

B.O. (FTD) No.703/Fin.2(B)/UBI-OD/2020-21 Thiruvananthapuram, Dated: 20.11.2020

- Read: 1) Sanction Letter No.TVM:CR:217/18/KSEB dated 13/05/2019 of the Asst. General Manager, Union Bank of India, Thiruvananthapuram Main Branch.
 2) Sanction Letter No. TVMM/ADV:KSFE/2020-21 dated: 02/06/2020 of AGM, UBI.
 3) Letter No. Fin.2(B)/UBI-OD/2020-21 dated: 07/05/2020 of Financial Adviser, KSEBL.
 4) Sanction Letter No.TVM:CR:023/KSEB dated: 03/11/2020 of Chief Manager, UBI, Tvpn.
 5) Note No. Fin.2(B)/UBI-OD/2020-21 dated 11/11/2020 of Financial Adviser, KSEBL (Agenda No.67/11/20).

ORDER

M/s. Union Bank of India had sanctioned a credit facility of ₹200Crore for a period of 1 year with MCLR @ 8.65% within which WCDL of ₹200Crore for 6 months MCLR @8.50% as a sublimit as per sanction letter read as 1st above and Covid Emergency Line of Credit (CELC) for ₹20Crore for a period of two years @ 8% interest was also sanctioned as per letter read as 2nd above. Kerala State Electricity Board Limited had availed the above facilities as per order dated 01/06/2019.

The validity of the overdraft limit expired on 12/05/2020 and M/s. Union Bank of India was requested to renew the same for a further period of one year.

M/s UBI as per letter read 4th above has sanctioned the renewal of FBWC limit of ₹200 Crore & CELC limit of ₹20 Crore for a period of 1 year on the terms and conditions mentioned below.

Nature of Facility	Amount (₹in Crore)	Margin	Interest	Security
FBWC W/w SOD W/w WCDL	200.00 (80.00) (200.00)	Nil	1Y MCLR i.e. 7.20% 6M MCLR (The present 6M MCLR is 7.15%).	Hypothecation of unencumbered receivable with Paripassu charge along with SBI.
CELC	20.00	Nil	8.00%	Extension of charge on securities.

*As per RBI guideline on loan system of delivery of bank credit, RBI circular number DBR-BPBC No.12/21.04.048/2018-19 dated 05-12-2018 which was revised from April 2019, for loans above ₹150.00 Crores at least 60% of the loan amount should be availed as Working Capital Demand Loan.

- Guarantee - Nil
Collateral Security - Nil
Repayment - Secured Overdraft limit is valid for 1 year with effect from the date of documentation and WCDL is valid for 6 months from the date of availment.

The repayment schedule of CELC loan has been communicated as per sanction letter read 2nd above.

Other Terms & Conditions

- 1) Continuation of Nil margin on overdraft and 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 1 year MCLR will be 29/11/2020.
- 5) Applicable security documents to be executed before release of the loan amount.
- 6) Interest to be serviced on monthly basis.
- 7) In case of any default in payment of installment/Interest, bank will charge penal interest at the rate of 2%.
- 8) Credit process audit to be carried out as per the extant guidelines of the bank.
- 9) The charges such as processing charges, documentation charges, and all other service charges in the collection/disbursement accounts maintained with 12 branches of bank are waived.
- 10) 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.
- 11) The Advance shall be subjected to Bank's Credit policy/RBI/Guidelines from time to time.
- 12) Proportionate turnover to be routed through the Overdraft account.

The Financial Adviser, as per note read as 5th above has informed that considering the comparatively lower rate of interest offered by Union Bank of India, the credit facility offered by UBI may be accepted as per sanction letter dated 03/11/2020 for a further period of 1 year.

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

Resolved to ratify the action of the Financial Adviser in continuing to avail the Overdraft facility of ₹200Crore which had expired on 12/05/2020 at same rate of interest i.e. 8.25% per annum for the period from 12/05/2020 to date of renewal.

Further resolved to accord sanction for the following.

- 1) To avail the credit facility offered by UBI as per the Sanction Letter No.TVM:CR:023/KSEB dated 03/11/2020 of Chief Manager, Union Bank of India, Thiruvananthapuram.
- 2) To authorise the Company Secretary for filing /modifying the charge with Registrar of Companies.
- 3) 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.

- 4) 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



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Appendix to B.O. (FTD) No.703 (Fir.2(B)/UBI-OD/2020-21) Thiruvananthapuram, dated 20/11/2020

The Kerala State Electricity Board Limited has passed the following resolution

RESOLUTION

Resolved to ratify the action of the Financial Adviser in continuing to avail the Overdraft facility of ₹200Crore which had expired on 12/05/2020 at same rate of interest i.e. 8.25% per annum for the period from 12/05/2020 to date of renewal.

Further resolved to accord sanction for the following:-

1. To avail the credit facility offered by Union Bank of India as per the Sanction Letter No.TVM:CR:023/KSEB dated 03/11/2020 of Chief Manager, Union Bank of India, Thiruvananthapuram.
2. To authorise the Company Secretary for filing /modifying the charge with Registrar of Companies
3. 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.
4. To affix the common seal of the Company in the required documents in the presence of Director (Finance).

Sankaran

Lekha

Company Secretary (in-charge)

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