



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

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

Website: www.kseb.in. CIN: U40100KL2011SGC027424

Abstract

Renewal/Extension of ODC facility of ₹100Crore availed from M/s Canara Bank – Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

B.O. (FTD) No.601/2020 (Fin.2(B)/Canara/Extension/Renewal/ODC/2020-21)

Thiruvananthapuram, Dated: 29.09.2020

- Read: (1) B.O. (FTD) No.512/2019 (Fin.2(B)/Syndicate/Extension/Renewal/ODC/2019-20)
Thiruvananthapuram dtd: 01.07.2019
- (2) Letter No. Fin.2(B)/Syndicate Bank/2020-21 dated 30.04.2020 of Financial Adviser, KSEBL.
- (3) Sanction Letter SL.No.364/4000/ADV/2020 dated 08.09.2020 of Canara Bank.
- (4) Note No.Fin2(B)/Canara/Extension/Renewal/ODC/2020-21 dated: 18/09/2020 of Financial Adviser, Kerala State Electricity Board Limited (Agenda No.43/9/20).

ORDER

Kerala State Electricity Board Limited had availed an Overdraft facility of ₹100Crore from Syndicate Bank at an interest rate of 9.80% (1 year MCLR + 1.15%) for a period of one year upto 31.05.2020 with WCDL sublimit of ₹100Crore at an interest rate of 9.60% (tenor wise MCLR, with minimum tenor of 3 months + 1.15%) as per sanction letter read as (1) above. The validity period of the above facility had expired on 31.05.2020.

M/s Syndicate Bank was requested to renew the credit facility for a further period of 1 year as per letter read as 2nd above.

Thereafter the Syndicate Bank merged with Canara Bank.

Now M/s Canara Bank as per letter read 3rd above has sanctioned the credit facilities for a period upto 28.01.2021 on the following terms and conditions mentioned below:

DETAILS OF SANCTIONS

			(in Crore)
Facility	Limit	ROI	Purpose
ODC (Renewal)	100.00	1 year MCLR (Aug '20 – 7.45%) + 1.80% i.e. 9.25% p.a.	For payments to
Sub Limit*	(100.00)	Tenor Based Aug '20 MCLR	contractors, power
WCDL		1 Month = 7.00%	purchase and advances to
		3 Months = 7.15%	suppliers.
		6 Months = 7.40%	
Total	100.00	Rupees One Hundred Crores Only	

Validity 28.01.2021 to coincide with the tenability of existing OD Clean limit with Trivandrum Cantonment Branch.

*Release Minimum 60% of Working Capital Limit as WCDL facility.

Guarantors Waived

Security

A. PRIMARY:

- i. NIL (Clean limit)
- ii. Pari-Passu 1st charge on Escrow account maintained with us and with other Banks under MBA.

B. COLLATERAL:

NIL

C. OTHER COMFORTS:

- i. Personal Guarantee : Nil
- ii. Corporate / Govt. Guarantee: Nil
- iii. PDCs or any other Comforts: Nil
- iv. Availability of ECGS / CGTMSE Cover: Nil

Processing/ Waived

Documentation/

Commitment

Charges

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 ₹850.00 Crore (excluding WCDL limit of ₹85.00 Crores under COVID-19 scheme).
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).

Liability under OD Clean & WCDL put together should be within the limit i.e. ₹850.00 Crore or drawing power whichever is lower.

Other Terms and Conditions:

1. The company is permitted to continue the following existing permissions:
 - (a) Waiver of submission of QOS/HOS.
 - (b) Waiver of penal interest for delayed submission of Audited Balance Sheets.
2. Permitted 4 months time for obtention of NOC from other Banks/FIs with regard to creation of 1st Pari-Passu charge on Escrow account maintained with Canara Bank and with other Banks under MBA.
3. The company to submit Provisional Balance Sheet as on 2020.
4. A copy of the resolution passed by the Board of Directors of the Company, in respect of the following shall be obtained and placed on record.
 - (a) Accepting the terms and conditions of the sanction.
 - (b) Authorizing official/Director for execution of documents.
 - (c) Affixing common seal.
5. Company to submit a certificate either signed by the Statutory Auditor of the Company or Company Secretary, regarding borrowing power of the Company in compliance with Section 180 of the Companies Act, 2013.
6. The bank may at its sole discretion disclose such information to other banks, financial institutions, and such other institution with regard to credit facilities granted / to be granted to borrower as per extant guidelines of the bank.
7. The Company shall submit suitable declaration/undertaking, as follows:
 - a. The Company should keep the bank informed of the happening of any event

thereof and the remedial steps taken.

- b. During the currency of Bank's credit facilities, the Company shall not without prior approval of the bank in writing -
 - i. Effect any change in the capital structure, management, organizational set up.
 - ii. Formulate any scheme of amalgamation/merger/acquisition/ reconstruction.
 - iii. Invest by way of share capital in / or loan or advance funds to or place deposits with any other concern. Normal trade credits etc are however not covered by these covenants.
 - iv. Undertake any guarantee obligation.
8. Company shall submit details of Balance outstanding of all existing liabilities with other banks on 10th of every month.
9. As per RBI directives, company to submit certificate on annual basis from the company's auditor that all statutory dues including EPF dues have been paid by the borrower.
10. Bank reserves the right to withdraw the concession in rate of interest / commission on the facilities sanctioned to the borrower in the following events (with prior notice period).
 - Deterioration in the internal or external rating.
 - Slip to SMA 2 category.
 - Non compliance of terms and concessions.
 - Default in repayment.
 - In case of change in regulatory requirement on Risk Weight and consequent increase in capital requirement, Bank has right to revise the rate of interest.
11. The bank shall charge additional interest under the following circumstances (with prior notice period):
 - (a) Default irregularity / overdues in the accounts.
 - (b) Default in observance of borrowing terms and conditions of sanction.
 - (c) Any other eventuality/situation to be decided by the bank.

13. Company shall bear out of pocket expenditure for each credit information report drawn from CIBIL site in respect of commercial and CIBIL Detect search reports as per guidelines.
14. The bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice, a) in case the limits/part of the limits are not utilized, and/or, b) in case of deterioration in the loan accounts in any manner whatsoever, and/or, c) in case of non compliance of terms and conditions of sanction.

The Financial Adviser as per note read as 4th above has recommended to accept the credit facility offered by M/s Canara Bank @ rate of interest of ODC (1 year MCLR 7.45% + 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 for a further period upto 28/01/2021 as per the above terms and conditions. Once the renewal is sanctioned, the rate of interest can be reduced by availing the loan as WCDL for one month MCLR.

Having considered the matter in detail, the Full Time Directors in the meeting held on 25/9/2020 resolved to accord sanction for the following.

- (1) To accept the offer of renewal of ODC limit of ₹100Crore with one year MCLR (7.45%) + 1.80% i.e. 9.25% at present.
- (2) To accept the offer of sublimit WCDL of ₹100Crore at tenor based MCLR (1 month 7%) for a period upto 28/01/2021 from M/s Canara Bank.
- (3) To authorise the Company Secretary for filing of necessary e forms 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 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