



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office : Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004, Kerala

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Abstract

Availing of Ad-hoc Working Capital Demand Loan of ₹25Crore from M/s Federal Bank – Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

B.O. (FTD) No.445/2020(Fin.2(B)/Adhoc/Federal/2020-21 Thiruvananthapuram, Dated:26.06.2020

- Read:- (1) B.O. (FTD) No. 648/2019 (Fin.2(B)/Federal Bank/OD/WCDL/2019-20) Tvpm dated 27.08.2019.
- (2) Letter No. Fin 2(B)/Gnl/2020-21 dated 20/04/2020 of the Financial Adviser.
- (3) Sanction Letter No. FB/CIB/KSEB/10300000975-1/2020 dated 16.-06.2020 of the Assistant Vice President, Corporate Relations, Federal Bank Limited.
- (4) Note No. Fin.2(B)/Adhoc/Federal/2020-21 dated 18/6/2020 of the Financial Adviser, KSEBL (Agenda No.71/6/20).

ORDER

KSEBL has availed a credit facility of ₹350Crore from M/s Federal Bank as per Board Order read as 1st above and availed ₹340Crore as WCDL and ₹10Crore as overdraft.

M/s Federal Bank was requested as per letter read as 2nd above to sanction a Covid Emergency Loan at 10% of the existing credit limit. In response to the above, the Assistant Vice President, Federal Bank vide sanction letter read as 3rd above has sanctioned an Ad-hoc working capital Demand Loan of ₹25Crore to KSEBL at an interest rate of 8.40% per annum based on the following terms and conditions.

Nature of Facility	WCDL (Ad-hoc)
Limit Sanctioned	₹25.00Crore
Amount in words	Rupees Twenty Five Crore Only
Period (in Months)	6 months
Int/comm..Disc	8.40%
Interest Rests	Monthly
Margin %	Nil
Processing Charges	Nil
Repayment	LUMPSUM

Penal Interest	2%for delay in servicing interest/principal
Commitment Charges	Nil
Any other fee	Nil
Additional Interest	2% per annum for a. Non-compliance of terms and conditions of the sanction order. b. Additional interest of 0.50%/1.00% if the account is classified as SMA1/SMA2.
Securities	Nil

Conditions:

1. Board resolution to avail the Ad-hoc facility shall be submitted.
2. An undertaking shall be submitted by the borrower to the effect that the facility amount will be utilised only for the purpose for which it is sanctioned and that the funds shall not be utilised for meeting project expenditure for which budgetary allocations are made.
3. Necessary documentation shall be executed for the ad-hoc limit.
4. KSEBL shall discuss on giving a share of HT/EHT routing through M/s Federal Bank, employees salary accounts, retail business/loans etc.
5. Certificate on end use of funds from Financial Adviser of KSEBL to be submitted by 30.06.2020.
6. Provisional financial statements for Financial Year 2020 shall be submitted by 30.06.2020.
7. Due date of the limit shall be diarized and the facility shall be closed on the due date.

The Financial Adviser vide note read as 4th above had recommended that considering the rate of interest offered (8.40%) and also for meeting the financial requirements, the Ad-hoc WCDL of ₹25Crore sanctioned by M/s Federal Bank may be accepted for a period of 6 months @ 8.40% interest and as per the terms and conditions of their sanction letter dated 16.06.2020.

Having considered the matter in detail, the Full Time Directors in its meeting held on 25/06/2020.

1. Resolved to accord sanction to accept the offer of Ad-hoc working capital Demand Loan of ₹25Crore from M/s Federal Bank Limited at an interest rate of 8.4 % per annum for a period of 6 months as per the terms and conditions of their sanction letter dated 16/6/2020.

2. Further resolved to authorise the Financial Adviser to sign and execute the necessary documents on behalf of KSEBL in this regard with M/s Federal Bank Limited and to affix the common seal of the Company in the required documents in the presence of the 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, Safety, Corporate Planning & REES) /

Director (Generation (Electrical) and SCM) / Director (Generation-Civil),

Full Additional Charge of Sports Wing, KSEB Ltd.

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.