



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004, Kerala

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ABSTRACT

Implementation of CFL distribution through clean development mechanism scheme called Bachat Lamp Yojana (BLY) in Kerala –Furnishing remarks to the Power Department-sanctioned - Orders issued.

Corporate Office (Renewable Energy & Energy Savings)

B.O. (DB) No. 412 /2020/ CE(REES)BLY/ 2020-21/ Tvpmm Dated 16.06.2020

- Read: 1.GO (Rt) No.45/10/PD dated, Thiruvananthapuram,15.03.2010
2.Letter D.O. No. CM/101/CE(CP)/BLY/2009-10 dated 27.02.2010 of the Chairman, KSEB addressed to the Director, EMC, Kerala
3.B.O (FTD) No.2290/2017(CE(REES)/BLY/2017-18/) Tvpmm dated 08.09.2017
4. Letter No. CE (REES)/BLY/2017-18/2733 dated 05.03.2018 of the Chairman & Managing Director, KSEBL addressed to Principal Secretary to Government, Power Department
5. Letter No. CE (REES)/BLY/2019-20/1066 dated 05.10.2019 of the Chief Engineer (REES) to Secretary to Government, Power Department
6. Minutes of the meeting on 19.11.2019 in the chamber of Secretary (Power)
7. Letter No. PWR-A3/103/2018-PD of Power [A] department, Thiruvananthapuram dated 21.12.2019
8. Note No. CE(REES)/BLY/2019-20/2194 dated 06.03.2020 of the Chief Engineer (REES) to the Director (T&SO,Safety,CP&REES)
9. Note No.CE(REES)/BLY/2019-20/03 dated 03.04.2020 of the Chief Engineer (REES) to the Full Time Directors
10.Note No.CE(REES)/BLY/2020-21/109 dated 15.05.2020 of the Chairman & Managing Director, KSEBL to the Board of Directors
11. Proceedings of the 53rd meeting of Board of Directors held on 25.05.2020 at 11:00 AM (Agenda item no.10-05/2020)
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ORDER

The Bachat Lamp Yojana (BLY) scheme announced by the Government of India during 2009-10 envisaged to reduce electricity consumption by house-holds during peak hours by replacing energy inefficient incandescent lamp through the use of energy efficient Compact Fluorescent Lamps(CFLs). The scheme was implemented by the Energy Management Centre (EMC) Kerala with the assistance of KSE Board. In line with the Government order read 1 above, erstwhile KSEB released Rs 52.5 crore as loan to EMC in stages with applicable interest rate of 13.5% p.a. The amount due to KSEB from EMC on account of the loan availed from EMC for the implementation of BLY scheme. came to Rs 109.33 crore with interest as on 30.09.2017. As per B.O read 3 above, the

due to KSEBL. Accordingly letter read 4 above was given to Principal Secretary to Government, Power Department, Government of Kerala to take necessary action for realising the amount due to KSEBL. The reply to the queries raised by Power Department was furnished as per letter 5 read above.

Later a meeting was conducted on 19.11.2019 in the chamber of Secretary (Power) in connection with settlement of loan amount due to KSEB Limited from EMC. In the meeting, the Director, EMC requested to reconsider the stand of KSEBL on realizing the amount due from EMC on implementation of the project BLY considering letter read 2 above whereas, the Chairman, KSEB had given confirmation that in the event of CERs not being allotted to Energy Management Centre, EMC will not be requested to repay the amount advanced/guaranteed and the entire cost would be borne by KSEB from its budgetary resources. Power Department as per letter read 7 above requested to furnish the remarks on this letter by the Chairman, KSEB.

In this connection, it is reported that M/s EMC is bound to pay the amount due to KSEB Limited after adjusting the amount realised from consumers for sale of CFLs. However, considering the fact that EMC could not sell the CERs, a decision has to be taken whether KSEBL shall bear the cost of procurement of CFLs from its budgetary resources as assured by the Chairman, KSEB vide letter read as paper 2nd.

The matter was placed before Full Time Directors for a decision as per note read as 9 above and was resolved for placing the matter before Board of Directors for write off of Rs 109.33 crores (the principal amount along with interest worked out upto 30.09.2017). Accordingly the matter was placed before the Board of Directors as per note read 10 above.

The Chairman & Managing Director has reported that the former Chairman & Managing Director, KSEBL had given confirmation that in the event CERs were not being allotted, EMC would not be requested to repay the loan amount and entire cost would be borne by KSEBL. It was further pointed out that as per accounts as on date an amount of Rs 64.24 crores is shown as due from EMC together with interest calculated upto 2011-12. No further interest was accounted due to the uncertainty in realization for the remaining period.

Having considered the fact that EMC could not sell the CERs, the Director Board meeting held on 25.05.2020 resolved to write off an amount of Rs 64.24 crores (Principal amount of Rs 52.5 Crore and interest thereon upto 2011-12) receivable from EMC as per the accounts.

Orders are issued accordingly.

By the order of the Director Board

Sd/-

LEKHA G

Company Secretary in Charge

To

Copy to:

TA to Chairman & Managing Director / TA to Director (T&SO)/ TA to Director (CP, GE, SCM& Safety) / TA to Director (Distribution & IT) / TA to Director (G-C& HRM) / PA to Director (Finance)/ Sr.CA to secretary (Administration)/ The CA to CVO (Vigilance & Security), KSEBL/ Fair copy section/Library.

Forwarded by order

Pamela

Assistant Engineer