



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg. Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004, Kerala

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Abstract

M/s. The Cannanore Co-operative Spinning Mills Ltd. (LCN 5/515) – Arrear of current charge – Write off – Sanctioned – Orders issued.

CORPORATE OFFICE (SPECIAL OFFICER (REVENUE))

B.O.(FB) No.397/2020 (SOR/AMU 3/5/515/2020). 3

Dated, Thiruvananthapuram, 10.06.2020.

- Read:-
- (1) Letter No. CCSM/KSEB/Arrear/2004/08/2675 dated 24.12.2013 of the Managing Director, Cannanore Co-operative Spinning Mills Ltd.
 - (2) Letter No. HTB/5/515/2836 dated 21.02.2014 of the Special Officer (Revenue).
 - (3) Letter No.CCSM/Chairman/2014/3227 dated 20.03.2014 of the Chairman, Cannanore Co-operative Spinning Mills Ltd.
 - (4) Letter No. HTB.5/515 dated 23.05.2014 of the Secretary (Admn.) addressed to the Secretary to Government.
 - (5) Note No.SOR/AMU 3/5/515/2020 dated 11.02.2020 of the Special Officer (Revenue) submitted to the Director (Finance).
 - (6) Note No.SOR/AMU 3/5/515/2020 dated 03.03.2020 of the Chairman & Managing Director.
 - (7) Proceedings of the 53rd meeting of the Board of Directors held on 25.05.2020. (Agenda item No.13/5/2020).

ORDER

The HT consumer, M/s. The Cannanore Co-operative Spinning Mills Ltd., a unit of Public Sector Undertaking under Government of Kerala (LCN 5/515) defaulted payment of current charge of ₹ 2,76,42,789/- during the period from 08/2004 to 03/2008 excluding interest. Later on as per the request, the consumer was allowed to remit the arrear under OTS Scheme 2010 with the reduced rate of interest at 3% per annum. The arrear as on 31.05.2010 as per OTS Scheme 2010 was ₹ 2,56,54,914/- (Rupees Two Crore Fifty Six Lakh Fifty Four Thousand Nine Hundred and Fourteen only) after the adjustment of interim payment of ₹ 50,00,000/- remitted on 30.03.2010. But, the consumer failed to remit the said amount in time and the scheme was lapsed.

Subsequently, the consumer as per letter read as 1st above intimated that an amount of ₹ 2,56,54,914/- intended to be paid out of the sale proceeds of their property could not be materialized due to some unforeseen constraints surfaced with the registration of their property. Thereafter, the buyer, the District Co-operative Bank, managed to resolve the problem and the consumer wanted to remit the arrear of ₹ 2,56,54,914/- with interest at 3% per annum by 31.03.2014.

Accordingly, the consumer has remitted ₹ 2,56,54,914/- on 08.04.2014. But, according to the OTS Scheme 2013, the rate of reduced interest was 6% and the consumer was intimated as per letter read as 2nd above to remit the arrear of ₹ 3,47,82,155/- (Rupees Three Crore Forty Seven Lakh Eighty Two Thousand One Hundred and Fifty Five only) including interest of ₹ 71,39,366/- as on 31.01.2014.

Thereafter, the consumer as per letter read (3) above approached KSEBL in order to get the rate of interest reduced from 6% to 3% with the argument that they had been sanctioned OTS Scheme 2010 at a reduced interest rate of 3% per annum but due to some bottlenecks, they could not remit the arrear as such.

The Director (Finance) after examining the request of the consumer decided to accept the offer of the consumer and to approach the Government to recover the loss of ₹ 94,31,692/- sustained due to said deal on 12.05.2014. In line with the decision, the Secretary (Admn.) as per letter read as 4th above appraised the fact to the Secretary to Government, Department of Industries to reimburse the amount but no fruitful remedy emerged so far in this regard. The Special Officer (Revenue) as per note read (5) requested the Director (Finance) as to whether arrear be written off. The Director (Finance) has ordered to place the matter before the Director Board since the arrear related with the Cannanore Co-operative Spinning Mills Ltd. (LCN 5/515) was irrecoverable.

Accordingly the subject matter was placed before the Board of Directors as per note read as (6) above. Having examined the matter in detail, the Board of Directors in its meeting held on 25.05.2020 resolved to write off the loss sustained to KSEBL due to the settlement of arrear amounting to ₹ 94,31,692/- (Rupees Ninety Four Lakh Thirty One Thousand Six Hundred and Ninety Two only) due from M/s. Cannanore Co-operative Spinning Mills Ltd. (LCN 5/515).

Orders are issued accordingly.

By Order of the Director Board,

Sd/-

LEKHA .G,

COMPANY SECRETARY (IN-CHARGE).

To

M/s. The Cannanore Co-operative Spinning Mills Ltd. (LCN 5/515)

Copy to:-

1. The Financial Adviser/The Chief Internal Auditor.
2. The Deputy Chief Engineer, Electrical Circle,
3. The TA to Chairman & Managing Director/ Director (IT & HRM) / Director (Trans. & System Operation)/ Director (Generation Civil)/ Director (Generation-(Electrical) & SCM).
4. The PA to Director (Finance)/Senior CA to Secretary (Administration).
5. The Special Officer (Revenue).
6. The Company Secretary-in charge.
7. Library/Stock file.

Forwarded / By Order

Senior Superintendent.