



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

Sanction/Renewal of Credit Limit from M/s Tamilnad Mercantile Bank Limited, Thiruvananthapuram – Sanctioned – Orders issued.

CORPORATE OFFICE (FINANCE WING)

B.O.(FTD) No.303/2020 (Fin.2(B)/TMB/OD/WCDL)/2020-21

Thiruvananthapuram, dtd: 29.04.2020

- Read:-
- (1) B.O.(FTD) No.115/2019 (Fin.2(B)/TMB/OD)/2018-19) dated, Thiruvananthapuram, 11/02/2019
 - (2) Letter dated 28/11/2019 of the Financial Adviser, KSEBL to the Chief Manager, Tamilnad Mercantile Bank Limited, Thiruvananthapuram Branch.
 - (3) B.O (FTD) No.41/2020 (Fin.2(B)/TMB/WCDL/2019-20) Thiruvananthapuram dated 20/01/2020.
 - (4) Sanction letter dated 04/03/2020 of the Chief Manager, Tamilnad Mercantile Bank, Thiruvananthapuram
 - (5) Note No. Fin.2(B)TMB/OD/WCDL/2020-21 dated 22/04/2020 of the Financial Adviser (Agenda No.48/04/2020)

ORDER

Kerala State Electricity Board Limited had availed a credit facility of ₹75Crore in the form of Over draft with WCDL sublimit facility of ₹75Crore from M/s. Tamilnad Mercantile Bank Limited as per Board Order read as 1st above. The facility was being availed as WCDL for a period of 3 months each. The validity of the Overdraft facility expired on 19/03/2020. The WCDL of ₹75Crore availed as sublimit of Overdraft as per B.O read as 3rd above was due on 03/04/2020.

M/s. Tamilnad Mercantile Bank Limited was requested to renew the credit facilities for a further period of one year as per letter read as 2nd above.

M/s Tamilnad Mercantile Bank Limited, as per letter read as 4th above has sanctioned the renewal of the Overdraft facility for a further period of one year with WCDL sublimit of ₹75Crore at an interest rate of one year MCLR (9.20%) + CRP (1.10%) + BSS NIL presently 10.30% per annum for OD and 8.90% (MCLR 8.90+CRR Nil+BSS Nil) for WCDL.

Terms and Conditions

Nature of Limit/s and Amount	Overdraft ₹75,00,00,000/-
Purpose	Working Capital
Period	One Year
Rate of Interest	OD-10.30% (MCLR-9.20%+CRR-1.10% +BSS Nil) WCDL 8.90% (MCLR-8.90% +CRR-NIL + BSS-NIL)
Processing charges, Documentation charges, Godown inspection charges	Nil

Security Particulars

Primary Security	Nil
Collateral Security	Nil
Personal Guarantee	Nil
Corporate Guarantee	Nil

Commitment Charges

The bank will levy commitment charges @ 0.25% per annum on monthly basis on the unutilised portion on Overdraft and overdraft facility wherein the average utilisation of credit limit is below 50% of the drawing power (maximum drawing power is restricted to sanctioned limit) during a calendar month or part, subject to exemptions and mentioned separately (for this purpose the utilisation percentage will be based on amount rounded off to nearest thousand rupees).

The Financial Adviser as per note read as 5th above has informed that since funds were urgently required for meeting the cash flow mismatch occurred due to the short fall in collection as a result of Covid -19 and considering the rate of interest offered, the WCDL sublimit of ₹75Crore which was closed on 02/04/2020 was re availed on 03/04/2020 at an interest rate of 8.90%. The Financial Adviser has further recommended that the renewal of the Overdraft Facility of ₹75Crore offered by M/s. Tamilnad Mercantile Bank Limited at an interest rate of 10.30% with WCDL sublimit facility of ₹75Crore @ 8.90% may be accepted and avail the limit as WCDL for 3 months period each.

Having considered the matter in detail, the Full Time Directors in the meeting held on 23/04/2020.

1. Resolved to accord sanction to accept the offer of renewal of the Overdraft facility of ₹75Crore (Rupees Seventy Five Crore Only) for a period of one year at an interest rate of one year MCLR of 9.20% + CRP 1.10% which is presently 10.30% per annum with WCDL sublimit of ₹75Crore at an interest rate of 8.90% (MCLR -8.9% +CRP – Nil + BSS Nil) and

as per the terms and conditions of sanction letter dated 04/03/2020 of the Chief Manager, Tamilnad Mercantile Bank Limited.

2. Resolved to ratify the action of the Financial Adviser in availing the WCDL sublimit of ₹75Crore at 8.90% per annum with effect from 03/04/2020 from M/s. Tamilnad Mercantile Bank Limited.
3. Further resolved 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. Tamilnad Mercantile Bank Limited, Thiruvananthapuram and 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, 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.