



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

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

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Abstract

Reduction of contract demand in respect of M/s. Hindustan Insecticides Ltd (LCN 3/306) under Electrical Section, Eloor – Sanction Accorded – Orders issued

CORPORATE OFFICE (SBU-D)

B.O.(FTD) No. 163/2021 (D(D,IT&HRM) /D-2/Arrears/ 0002/ 2020-21 Dated, TVPM, 22.02. 2021

- Read: 1. Letter no. CE(DC)/AEE2/HT General/2020-21/519 dated 03.06.2020 of the Chief Engineer Distribution (Central)
2. Note no. SOR/HTB.3&33/306/2020-21 dated 30.01.2021 of the Special Officer (Revenue)
3. Note No.D(D,IT & HRM)/D2/Arrears/0002/20-21 dated 06.02.2021 of the Director (Distribution. IT & HRM), to the Chairman and Managing Director, KSEBL
4. Note No. D(D,IT &HRM))/ D2/ Arrears/0002/20-21 dated 16.02.2021 of the Director (Distribution. IT & HRM) to the Full Time Directors (Agenda No. 68/2/21)

ORDER

M/s. Hindustan Insecticide Ltd, Udyogamandal, a Government of India Enterprises is an existing HT consumer (LCN 3/306) under Electrical Section, Eloor with a Contract Demand of 1200kVA. The Chief Engineer Distribution(Central), as per letter read 1 above, has informed that the consumer requested for reduction in contract demand from 1200kVA to 900kVA during 30.09.2017. The Special Officer (Revenue) informed that the consumer was having a current charge arrear of Rs.37,58,360/- and installment amount of Rs.6,11,121/-, pending for realization. Hence, the revised HT agreement could not be executed owing to arrears outstanding against the service connection.

M/s. Hindustan Insecticides Ltd, as per letter dated 12.05.2020, informed that, because of financial crisis, due to the decrease in production and sales, they could not remit the arrears completely. The delay in executing the revised agreement causes further accumulation of arrear and requested to execute the revised agreement.

As per the billing procedure for HT consumers in Annexure E of the Tariff Order 2019, “Billing demand shall be the recorded maximum demand for the month in kVA or 75% of the contract demand as per the agreement, whichever is higher.” As the present contract demand is 1200kVA, the consumer is liable to pay fixed charges for 900kVA i.e 75% of contract demand, even if the recorded maximum demand is below the CD of 1200kVA. On reducing the Contract Demand to 900kVA, then they would have to pay for 675kVA only. i.e there would be an yearly reduction of Rs. 9,18,000/- on fixed charges. Otherwise this amount gets accumulated

in their future bills and arrears, which would worsen the financial condition of the company and create difficulty in arrear payment.

The Special Officer (Revenue) has informed that the recorded maximum demand for the last 12 months is very less compared to the Contract demand. Moreover, as per the letter read as 2nd above, it is informed that the consumer is having a current charge arrear of Rs. 77,89,301/- as on 01/2021, pending for realization. Hence, the Deputy Chief Engineer, Electrical Circle, Perumbavoor has requested sanction to execute the revised agreement, considering the request of the consumer, as a special case.

The matter was submitted to the Chairman and Managing Director, KSEBL, as per the note read as 3rd above, for necessary direction, wherein it was directed to place the matter before the Full Time Directors.

Accordingly, the matter was placed before the Full Time Directors as per the note read as 4th above.

Having considered the matter in detail, the Full Time Directors in the meeting held on 17.02.2021, resolved to accord sanction to the Deputy Chief Engineer, Electrical Circle, Perumbavoor to execute revised agreement with M/s. Hindustan Insecticides Ltd, with the revised Contract Demand of 900kVA, considering that it is a Government institution, as a special case.

Orders are issued accordingly.

By Order of Full Time Directors,

Sd/-

Lekha G.

Company Secretary (In charge)

To

The Deputy Chief Engineer, Electrical Circle, Perumbavoor
The Special Officer (Revenue)

Copy to:

The Chief Engineer (Distribution Central), Ernakulam/The Chief Engineer (IT&CR)

The Financial Adviser/The Chief Internal Auditor/Company Secretary

The RCAO/The RAO/The LLO

The TA to Chairman & Managing Director/The TA to Director (Distribution, IT & HRM / Transmission, System Operation/ Generation-Electrical & Supply Chain Management / Generation-Civil/Planning & safety)

The PA to Director (Finance)/ Senior CA to Secretary (Administration)

The Fair Copy Superintendent/Library/Stock File

Forwarded/By Order



Assistant Executive Engineer