



KERALA STATE ELECTRICITY BOARD Ltd.

(Incorporated under the Indian Companies Act, 1956)

Registered Office, Vydyuthi Bhavanam, Pattom
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CIN : U40100KL2011SGC027424

ABSTRACT

Additional borrowing of 2% of GSDP to the States in 2020-21 –State level reforms under power sector norms- Sanction accorded – Orders issued.

CORPORATE OFFICE (Commercial & Planning)

B.O. (DB) No. 381 /2020 (KSEB/TRAC/FO/) dated, Tvpm 04.06.2020

- Read:
1. Letter No. F. No. 40 (06)/PF-S/2017-18/Vol.V dated 17.05.2020 from the Ministry of Finance, Government of India.
 2. Note No KSEB/TRAC/FO/ dated, 21.05.2020 of the Chairman & Managing Director to the Board of Directors.
 3. Proceedings of the 53rd meeting of the Board of Directors vide Agenda No. 22-05/2020.

ORDER

The Government of India, as per letter read above, has decided to provide additional borrowing limit of up to 2% of Gross State Domestic Product (GSDP) for the year 2020-21 to the States, stipulating unconditional borrowing limit of 0.50 % and the remaining 1.50 % will be conditional to reforms under four different sectors including power sector. Each of the four sectors accounts for 0.25% each and an additional 0.50% for complying with reforms in any of the three sectors mentioned. The additional borrowing limit of 0.25% under power sector reforms depends on three specified parameters viz (a) Reduction in Aggregate Technical and Commercial (AT&C) losses in a State as per targets, (b) Reduction in gap between Average Cost of Supply (ACS) and Average Revenue Realization (ARR) and (c) Introduction of Direct Benefit Transfer (DBT) to farmers. The assessment of parameter (a) and (b) will be based on self declaration by the State Government and any major variation between the self declared and actual realization assessed later on may adversely affect the borrowing entitlement in the subsequent financial years. The DBT scheme should be formulated and implemented in at least one district by 31.12.2020.

A detailed action plan containing various steps that may be considered to fulfill the criteria stipulated under power sector reforms for qualifying the additional borrowing limit of 0.25% was placed before the Board of Directors as per note read 2nd above.

Having considered the matter in detail, the Board of Directors, in its meeting held on 25.05.2020, **Resolved** to forward to the Government of Kerala, the detailed procedure on various steps to be taken to fulfill the criteria stipulated under power sector reforms for qualifying the additional borrowing limit of 0.25%.

Orders are issued accordingly,

By Order of the Director Board
Sd/-
Lekha. G
Company Secretary (In Charge)

To

Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer.

Copy to: -

TA to CMD/ Director (Gen-Civil) / Director (Distribution, IT & HRM)/ Director (Transmission, SO, Safety, Planning & REES / Director (Generation Electrical & SCM), PA to Director (Finance)/ Financial Advisor, Senior C.A to Secretary (Administration) FCA O/o the Company Secretary, Library/Stock File

Forwarded by order



Finance Officer