



KERALA STATE ELECTRICITY BOARD LIMITED

Incorporated under the Companies Act, 1956

CIN : U40100KL2011SGC027424

Reg. Office : Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004, Kerala.

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ABSTRACT

Kerala State Electricity Board Limited – Appointment of Cost Auditors for the Financial Year 2023-24 – Sanctioned – Orders issued.

CORPORATE OFFICE (ADMINISTRATION)

B.O. (DB) No. 344 /2023 (CS/Cost Audit/2023-24) Thiruvananthapuram, Dated: 11.07.2023

Read: 1. Note No.FA & CAS/Costing/ 2023-24 dated 04.05.2023 of the Financial Adviser

2. Note No. CS/Cost Audit/2023-24 dated 05.06.2023 of the Chairman & Managing Director

3. Extract of minutes of the 71st meeting of Board of Directors held on 22.06.2023 vide Agenda 09-06/2023

ORDER

As per Section 148 of the Companies Act, 2013 the Central Government has notified the Companies (Cost Records and Audit) Rules, 2014 whereby prescribing the class of companies who has to maintain Cost Records and conduct Cost Audit. The Companies (Cost Records and Audit) Rules, 2014 requires that for the regulated industries like power sector, Cost Records are to be maintained if the gross turnover in the immediately preceding Financial Year is greater than or equal to ₹35 Crores. It is also required to conduct Cost Audit if the gross turnover during the immediately preceding Financial Year is equal to or exceeds ₹50 Crores. As KSEBL satisfies the above conditions, it is a mandatory requirement to maintain Cost Accounting Records and conduct Cost Audit. As per Section 148(2)(a) of the Companies Act, 2013, the Cost Auditor has to be appointed within 180 days of the commencement of the Financial Year and as per Rule 14 of the Companies (Audit and Auditors) Rule 2014, the Board shall appoint Cost Auditor on the recommendations of the Audit Committee, which shall also recommend the remuneration for such cost auditor and remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The Financial Adviser as per letter read as 1st paper above has reported that as authorized by the Audit Committee in its 32nd meeting held on 28.05.2022, for the purpose of appointment of Cost Auditors for the FY 2023-24, EOI has been called for as suggested by the C&AG audit. Financial Advisor, after evaluating both technical and financial bids has identified M/s GNV & Associates, Bangalore as the successful bidder who quoted a consolidated fee of ₹3,54,000/- (including conveyance, other incidental expenses and GST) and recommended to consider them for appointment.

The Audit Committee in its 39th meeting held on 29.05.2023 had recommended the appointment of the cost auditors for the Financial Year 2023-24.

Accordingly the matter was placed before the 71st meeting of the Board of Directors as per note read as 2nd paper above. Having considered the matter in detail, the Board of Directors in its meeting held on 22.06.2023 has passed the following resolutions:

1. **RESOLVED THAT** pursuant to section 148(3) of the Companies Act, 2013 and Rule 6(2) of the Companies (Cost Records and Audit Rules) 2014, M/s GNV & Associates, Bangalore (Registration No. 000150) be and are hereby appointed as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2023-24 at a remuneration of ₹ 3,54,000 /-(Rupees Three Lakh Fifty four thousand only) including conveyance , other incidental expenses and GST .
2. **RESOLVED FURTHER THAT** the appointment of Cost Auditor be placed before the next Annual General Meeting of the Company for ratification of remuneration to the Cost Auditors.
3. **RESOLVED ALSO THAT** the Company Secretary or any one of the Directors of the Company be and is hereby authorized to submit the necessary intimation in Form CRA-2 to the Central Government for appointment of Cost Auditors by the Company and to do all such other acts as may be necessary from time to time and to take such other action as deemed necessary so as to give effect to the aforementioned resolution.

Orders are issued accordingly.

By Order of the Director Board

(Sd/-)

LEKHA.G

COMPANY SECRETARY

To

The Financial Adviser

Copy to:

The Chief Internal Auditor / The Company Secretary

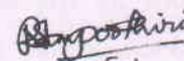
The TA to [Chairman & Managing Director/Director (Distribution, Safety, SCM & IT)/Director (Transmission, System Operations & Planning/Director (Generation-Civil)/ Director (Generation-Electrical, REES , SOURA , Sports and Welfare)]

The PA to Director (Finance & HRM)

The Senior CA to [Chief Vigilance Officer/Legal Adviser & Disciplinary Enquiry Officer/ Secretary (Administration)]

Library/Stock File.

Forwarded/By order



Senior Superintendent