



FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

COMMITTEE

ON

**PUBLIC UNDERTAKINGS
(2023-2026)**

EIGHTY THIRD REPORT

(Presented on 04.02.2026)

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM

2026

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

COMMITTEE

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**PUBLIC UNDERTAKINGS
(2023-2026)**

EIGHTY THIRD REPORT

On

**The Action taken by Government on the Recommendations contained in the
Ninety Eighth Report of the Committee on Public Undertakings (2019-2021)
relating to Kerala State Electricity Board Limited, based on the
Report of the Comptroller and Auditor General of India
for the year ended on 31st March 2013**

(Presented on 04.02.2026)

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COMMITTEE ON PUBLIC UNDERTAKINGS (2023-2026)

COMPOSITION

Chairperson:

Shri. E. Chandrasekharan

Members:

Shri A.P.Anilkumar

Shri Anwar Sadath

Shri Ahammad Devarkovil

Shri T. V. Ibrahim

Shri P. Mammikutty

Shri K. P. Mohanan

Shri D. K. Murali

Shri P. Nandakumar

Shri Kadakampally Surendran

Shri P. Ubaidulla

Legislature Secretariat:

DR. N. Krishna Kumar , Secretary

Smt. Sheeba Varghese, Joint Secretary

Smt. Sindhu T. G., Deputy Secretary

Shri Mohanan O., Under Secretary

INTRODUCTION

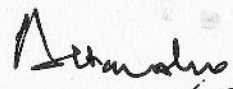
I, the Chairperson, Committee on Public Undertakings (2023-2026) having been authorised by the Committee to present the Report on their behalf, present this *Eighty Third* Report on the Action Taken by Government on the Recommendations contained in the Ninety Eighth Report of the Committee on Public Undertakings (2019-2021) relating to Kerala State Electricity Board Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March 2013.

The Statements of Action Taken by the Government included in this Report were considered by the Committee at its witness examination meeting held on 13.11.2025.

This Report was considered and approved by the Committee at its meeting held on ...03.02.2026..

The Committee place on record their appreciation for the assistance rendered to them by the Accountant General (Audit) Kerala, the Officials of Power Department and Kerala State Electricity Board Limited who were present during the examination of the Action Taken Statements included in this Report.

Thiruvananthapuram,
..04.02.2026


E.CHANDRASEKHARAN
Chairperson,
Committee on Public Undertakings.

REPLIES FURNISHED BY GOVERNMENT ON THE RECOMMENDATIONS OF THE COMMITTEE

Sl. No.	Para No.	Recommendation	Action taken
1	1	<p>The Committee criticizes KSEBL for non materialization of the power plant in Baitarani West Coal Block in Talcher coal fields in Odisha. The Committee wants to know the measures taken by KSEBL to re-allocate the Coal Block to Kerala.</p>	<p>The Baitarni West coal block, which was allotted jointly to Kerala State Electricity Board (KSEB), Gujarat Power Corporation Ltd. (GPCL) and Odisha Hydro Power Corporation (OHPC), vide letter dated 25.7.2007 of Ministry of Coal was de-allocated as per the directive from the Hon'ble Supreme Court dated 24.9.2014 cancelling the allocation of all coal blocks made since July 1993.</p> <p>Following the Supreme Court order on coal block de-allocation, Government of India has notified the Coal Mines (Special Provisions) Act, 2015 prescribing the conditions for allotment of coal mines and matters related thereto. Central Government allocates coal mines by auction through competitive bidding on certain terms and conditions and on the payment of Rs. 5 cr. as fees. Further, the successful bidder shall furnish a notified amount as performance guarantee. On failure to achieve milestones in the development of power projects, bank guarantee would be encashed in addition to the cancellation of allotment of coal block. The Act also stipulates payment of penalty for non-compliance of directions of Central Government.</p>

			<p>Considering the huge financial implications, KSEBL could contemplate participating in the auction for coal block allocation by Ministry of Coal, only based on a firm commitment to use the coal at a specified end use power project. KSEBL is not in a position to go ahead with a proposal for thermal power stations considering the public protest on grounds of health concerns and detrimental effects on environment, scarcity of land etc.</p> <p>Baitarni coal block was allocated to Odisha vide order No.13016/9/2014-CA-III dtd 16.3.2016 of the Ministry of Coal, Govt. of India and hence the joint venture Company, BWCCCL has lost its substratum as a Company. As no good interest of Kerala is to be served in continuing in BWCCCL, Board of Directors of KSEBL in the meeting held on 24.04.2018 resolved that KSEBL may opt out of BWCCCL after complying with the requisite formalities and after obtaining the concurrence of GoK.</p> <p>Vide G.O(Ms)No.5/2019/PD dated 06.04.2019, Government have approved the resolution passed by the Board of Directors of KSEBL to opt out of BWCCCL. Government also accorded sanction for withdrawing from BWCCCL subject to the condition that interests of KSEBL/Government shall not be endangered under any circumstances, while withdrawing from BWCCCL. KSEBL conveyed to BWCCCL, the decision of KSEBL to opt out from the joint venture in May 2019.</p>
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			<p>As per the minutes of the 47th meeting of the Board of Directors of BWCCCL held on 17th December 2019 at Bhubaneswar, it was resolved that the shares of GPCL and KSEBL will be acquired by OHPCL as per the valuation of shares following due procedure and it was further resolved that OHPCL is requested to take necessary steps for obtaining approval from their competent authority for acquiring BWCCCL as per the provisions of Companies Act 2013 by purchasing the shares of GPCL & KSEB. As per this decision, a proposal was submitted to the Govt of Odisha for acquiring the shares of GPCL and KSEB by OHPCL on proper valuation. The permission of the Government of Odisha is awaited.</p>
		<p><u>സിമിതി ആരാഞ്ഞ അധിക വിവരം:</u> ഒഡീഷ ഗവൺമെന്റിന്റെ തീരുമാനത്തിനു വിധേയമായി നടപടി ക്രമങ്ങൾ പാലിച്ച് കെ.എസ്.ഇ.ബി.എൽ-ന്റെ ഓഹരി O.H.P.C.L. ഏറ്റെടുക്കുമെന്ന് നടപടി പത്രികയിൽ പരാമർശിക്കുന്നതിനാൽ ആയതിന്റെ നിലവിലെ സ്ഥിതി സംബന്ധിച്ച റിപ്പോർട്ട് ലഭ്യമാക്കുക.</p>	<p><u>സർക്കാർ നൽകിയ അധികവിവരം</u> കേന്ദ്ര കൽക്കരി മന്ത്രാലയത്തിന്റെ 25.07.2007 തീയതിയിലുള്ള കത്ത് നമ്പർ F.13016/8/2007-CA-1 പ്രകാരം കെ.എസ്.ഇ.ബി (KSEB), ഗുജറാത്ത് പവർ കോർപ്പറേഷൻ (GPC), ഒഡീഷ ഹൈഡ്രോ പവർ കോർപ്പറേഷൻ (OHPC) എന്നീ സ്ഥാപനങ്ങൾക്ക് സംയുക്തമായി വൈദ്യുതോല്പാദനത്തിന് അനുവദിച്ച ബൈതരണി വെസ്റ്റ് കോൾ പാടം ഉപയുക്തമാക്കുന്നതിനുവേണ്ടി 22.04.2008-ൽ ബൈതരണി വെസ്റ്റ് കോൾ ലിമിറ്റഡ്(BWCCCL) എന്ന കമ്പനി രൂപീകരിച്ചു. പ്രസ്തുത കമ്പനിയുടെ (BWCCCL) ഓഹരി മൂലധനമായ 105 കോടി രൂപയിൽ, അടച്ച തീർത്ത മൂലധനം 30 കോടിയും, 75 കോടിയുടെ ബാങ്ക് ഗ്യാരന്റിയും പങ്കാളികളായ മൂന്ന്</p>

			<p>കമ്പനികളും തുല്യമായി സംഭാവന ചെയ്തു. ഓഹരി മൂലധനത്തിലേയ്ക്ക് ആയി കെ.എസ്.ഇ.ബി. 10 കോടി രൂപ നൽകുകയും ചെയ്തു.</p> <p>അനന്തരം 24.09.2014-ൽ ബഹു. സുപ്രീംകോടതി 1993 ജൂലൈക്ക് ശേഷം അനുവദിച്ച എല്ലാ കോൾ പാടങ്ങളും റദ്ദ് ചെയ്തു. ഇപ്രകാരം റദ്ദ് ചെയ്യപ്പെട്ട ബൈതരണി കോൾ പാടം ആതിഥേയ സംസ്ഥാനത്തിന് പുനരനുവദിച്ചു.</p> <p>BWCCL ന്റെ 47-ാമത്തെ മീറ്റിംഗിൽ GPCL-ന്റെയും, KSEBL ന്റെയും ഓഹരികൾ മൂല്യത്തെ അടിസ്ഥാനമാക്കി നടപടിക്രമം പാലിച്ചുകൊണ്ട് OHPCL ഏറ്റെടുക്കുവാൻ തീരുമാനമായി. BWCCL ന്റെ ഓഹരികൾ OHPCL ഏറ്റെടുക്കുന്നതിനുള്ള നിർദ്ദേശം ഒഡീഷ സർക്കാരിന് കൈമാറി. നിലവിൽ ഈ വിഷയം ഒഡീഷ സർക്കാരിന്റെ പരിഗണനയിലാണ്.</p> <p>ഇതിനിടയിൽ BWCCL അവരുടെ 53-മത്തെ വാർഷിക പൊതുയോഗത്തിൽ കമ്പനിയുടെ ഓഹരി മൂലധനം 30 കോടിയിൽ നിന്നും 6 കോടി ആയി കുറയ്ക്കാൻ തീരുമാനിച്ചു. ഈ തീരുമാനത്തിന് 57-മത്തെ വാർഷിക പൊതുയോഗത്തിൽ നടപടിക്രമം പാലിച്ചുകൊണ്ട് അംഗീകാരം ലഭിക്കുകയും ചെയ്തു. ഇതിൻ പ്രകാരം 8 കോടി രൂപ കെ.എസ്.ഇ.ബി.എൽ-ന് തിരികെ ലഭിക്കുകയും ചെയ്തു. BWCCL ന്റെ നിലവിലെ ഓഹരി മൂലധനം 6 കോടി രൂപയായി നിലകൊള്ളുന്നു.</p>
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			<p>BWCCCL ന്റെ ഡയറക്ടർ ബോർഡ്, അവരുടെ 62-മത്തെ യോഗത്തിൽ കമ്പനിയുടെ പ്രവർത്തനം സ്വയംമേവ അവസാനിപ്പിക്കാൻ ശുപാർശ ചെയ്തു. ഇതിനെ തുടർന്ന് ആവശ്യമായ നടപടികളുടെ രൂപരേഖ ഇപ്പോൾ തയ്യാറായി വരികയാണ്.</p> <p>OHPCL-ന് തിരികെ നൽകിയ അതേ കോൾ പാടം പുനരനുവദിക്കുക സാധ്യമല്ല. എങ്കിലും കെ.എസ്.ഇ.ബി.എൽ-ന്റെ നിരന്തരമായ തുടരന്വേഷണങ്ങളും അഭ്യർത്ഥനകളും മാനിച്ച്, കേന്ദ്രസർക്കാർ, ശക്തി നയപരിപാടിയുടെ കീഴിൽ, 500 മെഗാവാട്ട് വൈദ്യുതി ഉല്പാദിപ്പിക്കുവാൻ ആവശ്യമായ കൽക്കരി, കോൾ ഇന്ത്യാ ലിമിറ്റഡ് കമ്പനിയിൽ നിന്ന് കേരളത്തിനായി ആഗസ്റ്റ് 2024-ന് അനുവദിച്ചു. ഇതിനെ തുടർന്ന് ഉല്പാദകനെ കണ്ടെത്താനുള്ള നടപടികൾ കെ.എസ്.ഇ. ബി.എൽ ആരംഭിച്ചിട്ടുണ്ട്.</p>
2	2	The Committee wants a report on the present condition of the coal based Thermal power plant project proposed at Cheemeni, Kasaragod and the reason for this project not materializing till date.	The Government of Kerala had accorded sanction vide order dated 07.02.2009 to set up a 2400 MW coal based power plant in the 2000 acres of land available with the Plantation Corporation at Cheemeni in Kasargode district, using KSEB's expected share of coal from Baitarni West coal block, by forming a Special Purpose Vehicle (SPV) between KSIDC and KSEB, with KSIDC as the nodal agency. While actions were taken for the formation of an SPV, the project proposal faced stiff resistance from the people of the locality on environmental impact of coal based power plant and land right issues.

			<p>Later the Government as per order dated 11.02.2011 decided to set up a 1200 MW gas based power plant at Cheemeni instead of the coal based project proposed earlier. However, setting up of the gas based project at Cheemeni was once again held up due to the uncertainty in laying of gas pipeline, non-availability of domestic gas and the prohibitive cost of imported gas.</p> <p>As part of encouraging Renewable Energy, MNRE had called for proposals for setting up solar parks in the State and Government of Kerala had expressed interest in setting up a 200 MW solar park. Based on the request by KSEBL for allocation of Government owned land at Cheemeni, 475 acres out of the land envisaged for coal based plant was handed over to RPCKL - a joint venture of KSEBL and SECI, on 24.07.2020 for setting up solar park.</p>
		<p><u>സിമിതി ആരാഞ്ഞ അധിക വിവരം:</u> സോളാർ പാർക്ക് സ്ഥാപിക്കുന്നതുമായി ബന്ധപ്പെട്ട പദ്ധതിയുടെ പുരോഗതി സംബന്ധിച്ച് വിശദമായ റിപ്പോർട്ട് ലഭ്യമാക്കുക.</p>	<p><u>സർക്കാർ നൽകിയ അധികവിവരം</u> കാസർഗോഡ് ജില്ലയിൽ അമ്പലത്തറ വില്ലേജിലെ 250 ഏക്കർ സ്ഥലത്ത് കേന്ദ്ര സർക്കാർ സ്ഥാപനമായ IREDA, 50 MW ന്റെ സൗരോർജ്ജ പദ്ധതി പ്രവർത്തനങ്ങൾ 14.09.2017-ന് പൂർത്തീകരിച്ചു. ഇവിടെ ഉൽപ്പാദിപ്പിക്കുന്ന വൈദ്യുതി യൂണിറ്റിന് 3.83 രൂപയ്ക്ക് 25 വർഷത്തേക്കുള്ള സ്ഥിര നിരക്കിൽ കെ.എസ്.ഇ.ബി.എൽ-ന് നൽകിവരുന്നു. കൂടാതെ</p>

			<p>പൈവളികയിലെ 250 ഏക്കറിൽ മറ്റൊരു കേന്ദ്ര സർക്കാർ സ്ഥാപനമായ THDCIL നിർമ്മിച്ചിട്ടുള്ള 50 MW പദ്ധതിയിൽ നിന്നും 31.12.2020 മുതൽ 25 വർഷത്തേക്ക് യൂണിറ്റിന് 3.10 രൂപ എന്ന സ്ഥിരനിരക്കിൽ കെ .എസ്.ഇ.ബി.എൽ വൈദ്യുതി വാങ്ങുന്നുണ്ട്.</p> <p>അമ്പലത്തറയിലെ 250 ഏക്കർ സ്ഥലത്തിൽ ഉൾപ്പെട്ട വേറൊരു 27 ഏക്കർ സ്ഥലത്ത് മിംസ് ഹോസ്പിറ്റൽ ഗ്രൂപ്പ് 8 MW പദ്ധതി ക്യാപ്റ്റീവ് അടിസ്ഥാനത്തിൽ 03.04.2025 മുതൽ ട്രയൽ റൺ നടത്തിവരികയാണ്. താമസമില്ലാതെ പദ്ധതിയുടെ കൊമേഴ്സ്യൽ ഓപ്പറേഷൻ പ്രഖ്യാപിക്കുന്നതാണ്.</p> <p>കാസർഗോഡ് ജില്ലയിൽ നിലവിൽ പൂർത്തീകരിച്ച 105 MW സോളാർ പാർക്കിന് പുറമേ 100 MW ന്റെ വേറൊരു പാർക്കിന് 01.02.2024 ന് കേന്ദ്ര നവീകരണ മന്ത്രാലയത്തിന്റെ അനുമതി ലഭിച്ചിട്ടുണ്ട്. തുടർന്ന് വിശദമായ പദ്ധതിരേഖ തയ്യാറാക്കി പാർക്കിന്റെ നോഡൽ ഏജൻസിയായ ഇന്ത്യൻ റിന്യൂവബിൾ എനർജി ഡെവലപ്മെന്റ് ഏജൻസി (IREDA) മുഖാന്തിരം 14.02.2024-ന് കേന്ദ്ര മന്ത്രാലയത്തിന്റെ അനുമതിക്കായി നോഡൽ ഏജൻസിയായ RPCKL സമർപ്പിച്ചിട്ടുണ്ട്. ആയതിന്റെ അംഗീകാരം ലഭിച്ചിട്ടുണ്ട്.</p> <p>കൂടാതെ പദ്ധതി പ്രദേശത്ത് നിർബന്ധിത വനവൽക്കരണത്തിന്റെ ഭാഗമായി 5000 ഏക്കറും വൃക്ഷങ്ങൾ RPCKL പദ്ധതി പ്രദേശത്ത് നട്ടു പരിപാലിച്ചുവരുന്നു.</p> <p>പദ്ധതിക്കായുള്ള പ്രോജക്ട് മോണിറ്ററിങ് യൂണിറ്റ് (PMU) നെ ടെൻഡർ ചെയ്ത് 01.07.2024-ന് നിയമിച്ചു.</p>
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			<p>പ്രോജക്ട് മാനേജ്മെന്റ് കൺസൾട്ടന്റിനായുള്ള (PMC) ടെൻഡർ 22.08.2024-ന് വിളിച്ചിട്ടുണ്ട്. ടെൻഡറിൽ പ്രതികരണം കുറവായതിനാൽ ടെൻഡർ തീയതി 2024 ഡിസംബർ 7 വരെ നീട്ടി. ആയതിന്റെ ടെക്നിക്കൽ ബിഡ് 07.01.2025-നും ഫിനാൻഷ്യൽ ബിഡ് 17.01.2025-നും തുറന്നു. ആയതിന്റെ തീരുമാനം വരുന്ന RPKL ബോർഡിന്റെ 36-മത് യോഗത്തിൽ കൈക്കൊള്ളുന്നതാണ്.</p> <p>ഏറ്റവും കുറഞ്ഞ യൂണിറ്റ് നിരക്കിൽ, ബാറ്ററി സ്റ്റോറേജ് സംവിധാനത്തോടുകൂടിയുള്ള വൈദ്യുതി പദ്ധതിക്കായി ഉല്പാദകനെ കണ്ടെത്താനുള്ള ടെൻഡർ നടപടികൾ പെട്ടെന്ന് തന്നെ നടപ്പിലാക്കി 2026 മാർച്ച് 31-നകം പദ്ധതി പൂർത്തീകരിക്കുന്നതിനാണ് ലക്ഷ്യമിട്ടിരിക്കുന്നത്.</p>
3.	3	Considering the congestion in the power corridors, the Committee recommends that KSEBL should take necessary steps to satisfy the conditions of the Central Government for availing power corridors during highly power consuming months.	<p>Bids invited by KSEBL were in full compliance of MoP/Gol guidelines which specified Medium Term PPA upto seven years, in anticipation of more competitive rates due to longer PPA term. Even though as per CERC regulations, the maximum period for which MTOA can be applied was three years, the regulations provide for renewal after three years for the balance period. The bidders were made aware of this procedure in the pre bid meeting. However the bid was retendered due to dearth of sufficient competitive bids. It may be noted that even after contracting power on Medium Term basis for 3</p>

			<p>years after retendering, CTU denied open access on medium term basis citing non availability of corridor.</p> <p>Finally KSEBL had to file petition before CERC and Hon'ble Commission issued order on 16.02.2015 in petition No.92/MP/2014, directing CTU to reconsider the MTOA applications. It was with the intervention of Hon'ble CERC that KSEBL could obtain the MTOA of 400MW under Case 1 Bid for 3 years. Hence all conditions set by Central Government were followed by KSEBL in finalising the contract on Medium Term Basis and delay in materialisation of the Medium term open access were due to improper interpretation of regulations by CTU and lack of understanding of regulations among prospective bidders.</p> <p>Also State has taken earnest efforts to increase the power import capability which was of the order of only about 1800 MW during 2013 which progressively increased to 2900MW with the commissioning of 400KV Mysore Areakode line on 16.10.2015. With the recent commissioning of 400KV Tirunelveli – Edamon - Cochin East D/c line on 25.09.2019, a 400KV power highway from the Southern part of the State to its</p>
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			<p>Northern part was successfully materialized. The materialization of this line has increased the import capability of the the State to 3300MW. With the commissioning of the above interstate lines, transmission congestion issues to deliver the tied up power to the State has been minimised. Further with the anticipated commissioning of Raigarh-Pugalur-Madakkathara HVDC line, the import capability is expected to improve by 2000 MW. Also all procedures prescribed by CERC/ MoP are adhered to by KSEBL while contracting Medium term and Long term power. In view of growing demand-supply mismatch KSEB Ltd had tied up subsequently 1315MW of additional power on Long Term basis before expiry of Medium Term contracts and Open Access for entire quantum on Long Term basis has been granted by CTU.</p>
4.	4	<p>The Committee recommends that the Board should implement long term power plans within the State and coal based Inter State Projects and that this should be done in a time bound manner.</p>	<p>Kerala being a small State, though blessed with hydel resources is densely populated. The environmentally fragile nature and paucity of land remain a major bottleneck in obtaining required clearances and land for undertaking large capacity projects in the State. Hence the State is focusing on Sustainable Development. The State today can boast to have its entire internal generation from green energy sources. Despite all the odds during the period 2013 - 2020, the State could increase the internal generation by 250.53 MW, out of</p>

			<p>which 46.36 MW was from Hydro Electric Stations and 204.17 MW from solar projects. Nine Small Hydro Stations (42.36MW) has been commissioned during this period and the capacity augmentation together with renovation happened in one existing station. (Poringalkuthu - 4MW). Scarcity of barren & shade free land was pulling the State back from large scale solar plants. To address this, we have come up with novel ideas to utilise rooftops and water bodies to set up solar plants. KSEB had set up a number of solar plants, with cumulative capacity of 17.42 MW in land and space, including rooftops, canal tops and reservoirs, at its disposal. Govt. Institutions, CIAL, ANERT, HINDALCO, IREDA, KMRL etc also shouldered the responsibility of setting up solar plants (cumulative capacity 97.92 MW).</p> <p>During this period 88.83 MW was added to the grid by using rooftop of about 7800 premises. Apart from this, hydro generating stations with cumulative capacity of 193.5 MW is now in various stages of completion. KSEB and State of Kerala, is on an ambitious project to increase its solar generation capacity to 1000 MW by 2022. Govt agencies namely NHPC and SECI has been entrusted to develop floating solar projects of about 300 MW in Idukki and Banasura sagar reservoirs of KSEB Ltd. NTPC and NHPC has been entrusted to develop a 92MW floating</p>
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			<p>solar project at Kayamkulam and 50MW project at West Kallada. Further to the above, KSEBL had executed the following Long Term Power Purchase Agreements with Independent Power producers for small hydro stations (capacity less than 25MW), wind generating stations and solar power generators within the State and with Coal Based Inter State Projects as detailed below:</p> <p>I. Long term contracts with IPPs within the State: The tariff for these stations is determined by KSERC.</p> <p>SHEPs:</p> <p>TABLE 1</p> <table><tr><th>Sl. No.</th><th>Name of Station</th><th>Capacity MW</th><th>Date of PPA</th><th>Remarks</th></tr><tr><td>A</td><td colspan="4">Small Hydro Projects</td></tr><tr><td>1.</td><td>Ullunkal(EDCL) unit</td><td>7</td><td>30.10.2014</td><td></td></tr><tr><td>2.</td><td>Iruttukanam-1 (VIYYAT)</td><td>3</td><td>07.06.2007</td><td></td></tr><tr><td>3.</td><td>Iruttukanam Stage-II</td><td>1.5</td><td></td><td>PPA not signed</td></tr><tr><td>4.</td><td>Karikkayam(AHPL)</td><td>15</td><td>14.07.2014</td><td></td></tr><tr><td>5.</td><td>Meenvallom (PSHCL)</td><td>3</td><td>23.01.2007 Supplementary PPA dated 07.05.2015</td><td></td></tr><tr><td></td><td></td><td></td><td></td><td>PPA</td></tr></table>	Sl. No.	Name of Station	Capacity MW	Date of PPA	Remarks	A	Small Hydro Projects				1.	Ullunkal(EDCL) unit	7	30.10.2014		2.	Iruttukanam-1 (VIYYAT)	3	07.06.2007		3.	Iruttukanam Stage-II	1.5		PPA not signed	4.	Karikkayam(AHPL)	15	14.07.2014		5.	Meenvallom (PSHCL)	3	23.01.2007 Supplementary PPA dated 07.05.2015						PPA
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			6.	Pathamkayam (MREPPL)	8	22.01.2018	initialled and KSERC approval yet to be obtained
			7.	Kallar (Idukki Grama panchayat)	0.05		PPA to be initialled
			8.	Mankulam	0.11	21.05.2015	
				Total	37.66		
			B WIND GENERATORS				
			Sl. No.	Name of Station	Capacity MW	Date of PPA	
			1.	Ramakkalmedu (19x0.75MW)	14.25	Attached as Annexure A	
			2.	Agali(23x0.6MW)	13.8		
			3.	Koundikkal(8x0.6MW)	4.8		
			4.	Ahalia Alternate Energy Pvt.Ltd.,Kanjikode	8.4	16.02.2018	
			5.	Inox Renewables Ltd	16	05.04.2019	
			6.	Kosamattom Finance Ltd.	1	27.10.2018	
				Total	58.25		
			C	SOLAR	C	SOLAR	

			<table><tr><td></td><td>GENERATORS</td><td></td><td colspan="2">GENERATORS</td></tr><tr><td>1.</td><td>IREDA, Solar Plant Kasargod</td><td>50</td><td colspan="2">31.03.2017</td></tr><tr><td></td><td>Total</td><td>50</td><td colspan="2"></td></tr></table>		GENERATORS		GENERATORS		1.	IREDA, Solar Plant Kasargod	50	31.03.2017			Total	50		
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			Sl. No.	Name of Power Station	Share of KSEBL MW	Date of PPA	Perriod of Commence ment											
			1.	Maithon Power Ltd. (PPA i)	150	30.12.2013	30 Years from PPA execution											
			2.	Damodar Valley Corporation (DVC)-Mejia, West Bengal	100	24.04.2014												
			3.	Damodar Valley Corporation (DVC)-Reghunathpur, West Bengal	50	24.04.2014												
			4.	Maithon Power Ltd. (PPA 2)	150	29.06.2015												
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			<p>After the execution of the above Long Term Power Purchase Agreements, the Present contracted power purchase of KSEBL is 1724MW from Central Generating Stations, 1215MW from Inter State Generating Stations and 149.91MW from Intrastate Generations(IPPs).</p> <p>KSEBL has further initiated draft PPA for procurement of power as detailed below. The tariff of the same is to be determined by KSERC. PPA will be executed only after obtaining approval of KSERC.</p>																																				

			TABLE III				
			Sl. No.	Name of Station	Type	Date of initialling PPA	Capacity MW
			1.	Deviar	Micro HEP	28.05.2019	0.05
			2.	Arippara (CIAL)	SHEP	09.11.2018	4.5
			3.	THDCIL, Paivalike	Solar	16.01.2019	50
			4.	Kayamkulam station of NTPC	Floating Solar	12.04.2019	92
			5.	PSA with SECI for purchase of wind power	Wind	06.09.2019	100
			6.	PSA with SECI for purchase of wind power	Wind	14.06.2019	200
5	5	The Committee expresses its strong displeasure over the undue delay in finalization of tender for medium term power and criticizes the action of KSEBL in violating the CERC norms in the Power Purchase Plan, which necessitated retendering and further incurred an avoidable extra expenditure of Rs. 244.07 crore during the period from January 2012 to March 2013. The Committee opines that KSEB should avoid delay in processing bids for power purchases and urges to finalise tenders in time. It also recommends to abide by existing	KSEB Ltd has specified five years as the period of power procurement in the bid document, as per MOP guidelines dated 19th January 2005 Medium Term Power Purchase can be done upto seven years. Moreover as per CERC regulations, even though the maximum period for which MTOA can be applied at a time is 3 years, as per the regulations itself, it can be renewed further for the balance period. This was clarified to the bidders during the pre bid meeting. The lack of competitive offers in the initial tender led KSEBL to retender that resulted in more time for completing the process. Even after contracting				

		<p>Regulations and Guidelines issued by MoP/CERC/KSERC during power purchases.</p>	<p>power on Medium Term basis for 3 years after retendering, CTU denied Open Access on medium term basis citing non availability of the corridor.</p> <p>Finally KSEBL had to file petition before CERC and Hon'ble Commission issued order on 16.02.2015 in petition to No.92/MP/2014, directing CTU to reconsider MTOA applications. It was with the intervention of Hon'ble CERC that KSEBL could obtain the MTOA of 400MW under Case 1 Bid. Hence all conditions set by Central Government were followed by KSEBL in finalising the contract on Medium Term Basis and delay in materialisation of the medium term open access were due to improper interpretation of regulation by CTU and lack of understanding of regulations among prospective bidders.</p> <p>Also all procedures prescribed by CERC/MoP are adhered to by KSEBL while contracting Medium term and Long term power. In view of growing demand-supply mismatch KSEB Ltd had tied up subsequently 1315MW of additional power on Long Term basis before expiry of Medium Term contracts and Open Access for entire quantum on Long Term basis has been granted by CTU.</p>
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			KSEBL while tying up power under long term contracts and short term contracts, is ensuring that all mechanisms are in place to adhere to the timelines fixed by MoP and at present is catering to the demand of the State without any load restrictions.
	6	The Committee observes that actual purchase cost exceeded planned cost during 2008-13 due to lack of proper planning. The Committee recommends that proper planning should be done by the Board for power purchase so as to ensure that the purchase cost of power never exceeds the planned cost. The Board should give priority to purchase power as per plan rather than through costly contingencies/Day Ahead Purchases.	<p>The power purchase cost as per plan referred by the Committee appears to be the plan submitted before Hon'ble KSERC on annual basis. The same along with annual demand forecast, hydel/thermal generation plan is submitted before Hon'ble KSERC in the form of Aggregate Revenue Requirement and Expected Revenue Charges (ARR & ERC) for approval. KSERC and National Tariff policy notified by Govt of India has recognised that power purchase cost is an uncontrollable cost element due to a variety of external factors on which the Utilities have little control. The Power Purchase cost varies from planned figure mostly based on the following factors.</p> <ol style="list-style-type: none"> 1. Variation in water inflow into the reservoirs of hydro power stations due to failure of monsoon leads to shortage in hydro availability from the planned figures. 2. Unplanned outages of various interstate generating stations and stations owned by KSEBL, and thereby reduction from planned availability.

			<p>3. Variations in price of coal and cost of Rail transportation as notified by Coal India (Ltd) and Indian Railways in case of thermal generating stations with whom contracts have been executed.</p> <p>4. Shortage in coal availability at thermal stations due to short supply from Coal India Ltd and congestion in rail transport etc.</p> <p>5. Price fluctuations in short term and day ahead power markets.</p> <p>The variation in availability of domestic coal, coal price, transportation cost determines the fuel cost of coal stations with whom contracts have been executed and is beyond the control of KSEBL. The issue of deviating from the plan due to the above unforeseen circumstances have been addressed to the extent possible by KSEBL by reducing dependency on short term and day ahead market from 23.9% in 2012-13 to 5.15% in 2019-20 through tying up power prudently on long term basis. However the issues related to variations in monsoon/rainfall, price variations of coal, rail etc are still beyond the control of KSEB Ltd.</p>
7	7	The Committee criticizes KSEBL for swapping power in 2011-12 when there was power deficit	Due to force-majeure conditions, transmission corridor to Southern region was not available for the return of the

		and without ensuring availability of corridor to return it. The Committee demands that the Board should resort to swap mechanism to supply power only after ascertaining the actual power position and the availability of sufficient power corridors for return of power in future.	swapped power of 2011-12 as per the original schedule. The period of return as per the Agreement was during February and March 2012. But the entire banked power was subsequently returned to Kerala during August 2015 to May 2016 as per the availability of transmission corridor. The traded quantity of 121.944 MU was returned as 126.9612 MU as per terms of the agreement. Now KSEB Ltd mostly resorts to forward Banking mechanism so that power supply is ensured first and returned to the counter part utility later as per the agreed terms and conditions laid down in each banking arrangement. In such situations, the issue of non receiving the swapped power due to corridor congestion will not arise. However in case of unprecedented situation like floods of 2018, to manage the hydel storage in reservoirs, power was banked first by KSEBL, and return of power was guaranteed through the establishment of CPG (Contract Performance Guarantee) for value equivalent to the power traded. Hence all methodologies are in place now to make the banking transactions fool proof.
8	8	The Committee wants a detailed report regarding KSEB's long term Power Purchase Agreement (PPA) with the private firms KPCL and BKPL	KSEBL had executed PPA's with Independent Power Producers KPCL (21.93MW) on 12.08.1998 and BSES Kerala Power Limited (BKPL) on 03.05.1999

		<p>which resulted in purchase of power at comparatively high cost and the present position regarding renewal of this PPA.</p>	<p>which are thermal stations to meet the power requirement of the state. The term of PPA with KPCL and BPCL were 15 tariff years from date of Commercial Operation (14.05.2001 and 31.10.2000 respectively).</p> <p>Accordingly the contract period with the two IPPs expired on 13.05.2016 and 31.10.2015 respectively. KSEBL has allowed expiry of the PPAs with M/s. KPCL or M/s. BKPL considering the high cost and availability of other cheaper sources. M/s. BKPL has approached Appellate Tribunal for Electricity seeking extension of PPA and the same is now under the consideration of the Hon'ble Forum.</p>
		<p><u>സമിതി ആരാഞ്ഞ അധികവിവരം:</u></p> <p>ബി.കെ.പി.എൽ കരാർ കാലാവധി ദീർഘിപ്പിച്ചു നൽകുന്ന തിനായി അപ്പലേറ്റ് ട്രിബ്യൂണൽ ഫോർ ഇലക്ട്രിസിറ്റിയെ സമീപിക്കുകയും പ്രസ്തുത വിഷയം ട്രിബ്യൂണലിന്റെ പരിഗണനയിലാണെന്നും നടപടിപത്രികയിൽ പരാമർശിച്ചിരിക്കുന്നതിനാൽ ആയതിന്റെ നിലവിലെ സമിതി സംബന്ധിച്ച റിപ്പോർട്ട് ലഭ്യമാക്കുക.</p>	<p><u>സർക്കാർ നൽകിയ അധികവിവരം</u></p> <p>BKPL- മായുള്ള വൈദ്യുതി വാങ്ങൽ കരാറുമായി ബന്ധപ്പെട്ട് ബഹു. APTEL മുൻപാകെ രണ്ടു കേസുകൾ നിലവിലുണ്ട്.</p> <ol style="list-style-type: none"> 1. Appeal No.352/2018 - BSES Kerala Power Limited Vs KSERC. 2. Appeal No.240/2019 - KSEBL VS KSERC. <p>ഈ കേസുകളുടെ വാദം ബഹു. APTEL പൂർത്തീകരിച്ചിട്ടുണ്ട്. ഇവയുടെ വിധി പുറപ്പെടുവിക്കേണ്ടതായിട്ടുണ്ട്. APTEL ഓർഡറിന്റെ കോപ്പി അനുബന്ധമായി ചേർത്തിട്ടുണ്ട്.</p>

9	9	<p>The Committee recommends that KSEBL should take measures to collect CDM (Clean Development Mechanism) benefits accruing out of Carbon Credit from the Wind and Small Hydro Independent Power Producers. The Committee wants to be furnished with the details of action taken in this regard.</p>	<p>Based on the PPA executed by KSEBL with IPPs it was requested to transfer the share of the CDM benefit received by them by way of sale of CER to KSEB. Iruttukanam Stage I SHEP had stated that the CDM benefits received were verified and validated by UNFCCC approved validators for a period from 01.06.2012 to 31.05.2015 for which Rs. 2,79,137/- was incurred as the cost of verification and validation expenses. The CERs issued were uploaded to United Nations Carbon Offset Platform for sale on 21.09.2015. However the international CER market has collapsed to a level of US \$0.05 to 0.10 per CER in 2012 onwards and there were little takers. Further, in view of the cost of verification and validation expenses the available price is reportedly non-remunerative. Similarly other IPPs have intimated that they could not arrange sale since the values of CER in international market price is low since 2012. Hence IPPs have stopped verification and validation from 01.06.2013 onwards, as it is counter productive. The verification and validation process will be initiated once the carbon market starts re-establishing.</p>
10	10	<p>The Committee demands a detailed explanation on the extra expenditure of Rs.163.96 crore incurred as a result of purchase of high cost power from traders by KSEBL during the period from July 2012 to March 2013 due to</p>	<p>During 2012-13, KSEBL had drawn the full scheduled quantum of power allotted from Central Generating Stations. Despite availing CGS as per schedule, the power purchase cost increased due to failure of monsoon which leads to additional power</p>

		<p>short fall in supply of power from Central Generating Stations and consequent power restrictions through load shedding.</p>	<p>procurement than planned initially. The year 2012-13 was declared by the Government as drought year, since the State received the worst rainfall. It was planned to schedule about 7000MU hydel power during the year whereas the actual generation was only 4800MU. This lead to procurement of balance power through short term contracts, which again was adversely affected due to lack of sufficient power corridor. Further, non availability of coal in CGS due to production constraints of Coal India Ltd, and unscheduled outages of CGS contributed to short supply of power from Central Generating Stations. The new generation projects in Central sector of Southern Region were not commissioned as per the original plan. The coal shortage in existing thermal stations and drastic reduction in gas availability at Krishna-Godavari basin worsened the situation. This overturned the whole system. It may be noted that these factors were beyond the control of KSEB.</p> <p>To tide over the situation of shortage in-availability from Central Generating Stations and decrease in hydro generation due to low reservoir storage, and to meet the increasing demand of the State, KSEBL resorted to the purchase of power from Traders/IPPs/Exchanges leading to extra expenditure. Load shedding and power restrictions were resorted only when open access in transmission corridor for</p>
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			<p>power contracted through Short term basis was not allowed by SRLDC citing lack of adequate capacity in the interstate transmission system.</p> <p>At present KSEBL is catering to the demand of the State through Long Term contracts with CGS/IPPs outside the State, IPPs within the State, swap contracts and short term purchases through competitive bidding and by prudently managing day to day deficit through Power Exchanges without imposing any load restrictions.</p>								
11	11	<p>The Committee recommends that KSEBL should conduct scientific studies to determine optimum transmission and distribution loss targets so as to avoid mismatch in excess Transmission and Distribution losses between KSERC and KSEBL.</p>	<p>KSEBL had achieved the reduction in Transmission and Distribution losses as directed by KSERC by adopting necessary steps and measures. The T&D loss in Kerala Power System has reduced from 14.37% to 12.47%, from 2015-2016 to 2018-19 surpassing the targets approved by KSERC. The details are tabulated in Table IV.</p> <p style="text-align: center;"><u>TABLE IV</u> <u>T&D LOSS DETAILS</u></p> <table border="1"> <thead> <tr> <th>YEAR</th><th>T&D losses KSEBL System (%)</th><th>Reduction Approved by KSERC (%)</th><th>Reduction achieved by KSEBL (%)</th></tr> </thead> <tbody> <tr> <td></td><td></td><td></td><td></td></tr> </tbody> </table>	YEAR	T&D losses KSEBL System (%)	Reduction Approved by KSERC (%)	Reduction achieved by KSEBL (%)				
YEAR	T&D losses KSEBL System (%)	Reduction Approved by KSERC (%)	Reduction achieved by KSEBL (%)								

				2015-16	14.37	NA	0.20
				2016-17	13.93	0.30	0.44
				2017-18	13.07	0.25	0.86
				2018-19	12.47	0.25	0.60
12	12	<p>The Committee criticizes inadequacy of the Internal Audit wing of the Board for not conducting pre/post audit of power purchases which led to serious lapses such as payment towards the exchange rate variation on the loan component of Rs.35 crores without producing any documentary evidence with KPCL and wants to know whether the remaining Rs.5.90 crore receivable from Kasargod Power Corporation Ltd. (KPCL) on account of claiming the exchange rate variation on the foreign loan component has been received. The Committee demands to furnish the details of action taken in this regard within one month.</p>		<p>The internal Audit Wing of KSEBL was strengthened by reconstituting the existing power purchase audit cell under Chief internal Auditor (CIA) to a separate wing for audit of power purchases transactions as well as for offering remarks on matter associated with PPAs and vetting of PPAs. The agreement with KPCL expired in 2016 and there were several issues pending in respect of KPCL regarding settlement of dues. Based on the petition filed by KPCL for settlement of dues, orders dated 1.11.2013 and 9.4.2014 was issued by KSERC. The dues payable to KPCL including the issue due to foreign exchange rate variation on the loan component were accounted as per the settlement deed dated 15.11.2014 executed between KSEBL and M/s. KPCL and the amount payable to KPCL is Rs. 16.61 crores. The amount of Rs. 5.90 crore receivable from KPCL will be adjusted against this amount.</p> <p>Meanwhile, an attachment prohibition order dated 12-08-2016 from Hon'ble District Court, Ernakulam based on the petition filed by M/s. BPCL against</p>			

			<p>differential tax claim was received by KSEBL with KPCL as 1st respondent, and KSEBL the 2nd respondent is arrayed in the capacity of Garnishee. The Hon'ble Court has directed KSEBL to hold the money due to KPCL subject to further order of the Court.</p>
		<p><u>സ്ഥിതി ആരാഞ്ഞ അധികവിവരം</u></p> <p>ബി.പി.സി.എൽ എറണാകുളം ജില്ലാ കോടതിയിൽ ഫയൽ ചെയ്ത ഹർജിയിന്മേൽ തുടർ നടപടികൾ ഉണ്ടാകുന്നതുവരെ കെ.പി.സി.എൽ-ന് നൽകാനുള്ള പണം കെ.എസ്.ഇ.ബി.എൽ -ന്റെ കൈവശം വയ്ക്കാൻ കോടതി നിർദ്ദേശിച്ചു എന്ന നടപടിപത്രികയിലെ പരാമർശത്തിന്മേലുള്ള നിലവിലെ സ്ഥിതി സംബന്ധിച്ച റിപ്പോർട്ട് ലഭ്യമാക്കുക.</p>	<p><u>സർക്കാർ നൽകിയ അധികവിവരം</u></p> <p>09.08.2016 തീയതിയിലെ attachment prohibition order നീങ്ങിയെങ്കിലും, BPCL, KPCL, KSEB ഉൾപ്പെട്ടിട്ടുള്ള arbitration OP (OP (Arb) No. 172/2020) ബഹുമാനപ്പെട്ട എറണാകുളം കൊമേഴ്സ്യൽ കോടതിയുടെ പരിഗണനയിലാണ്. ഇതു കാരണം ഈ വിഷയത്തിൽ ഒരു തീരുമാനം കോടതി വിധിക്ക് ശേഷമേ സാധ്യമാകൂ.</p> <p>KPCL-ന്റെ Insolvency Resolution-നുമായി ബന്ധപ്പെട്ട നടപടികൾ ബഹുമാനപ്പെട്ട National Company Law Tribunal, Kochi (NCLT) 19.01.2024 തീയതിയിലെ ഉത്തരവ് പ്രകാരം ആരംഭിച്ചിട്ടുണ്ട്. ഇതിനായി നിയുക്തനായ KPCL ന്റെ Interim Resolution Professional, KPCL ന് നൽകുവാനുള്ള തുക കണക്കാക്കാൻ KSEBL നോട് അഭ്യർത്ഥിച്ചിട്ടുണ്ട്. പക്ഷേ Settlement Deed ന്റെ അടിസ്ഥാനത്തിൽ KPCL ന് നൽകുവാനുള്ള തുക KSEBL നൽകി കഴിഞ്ഞുവെന്നും, ഇനി എന്തെങ്കിലും തുക</p>

			നൽകുവാനോ/തിരിച്ചു പിടിക്കുവാനോ ഉണ്ടെങ്കിൽ കോടതി വിധിക്ക് വിധേയമായി മാത്രമേ സാധ്യമാകൂ എന്നും അറിയിച്ചിട്ടുണ്ട്.
13	13	The Committee recommends that the Internal Audit wing of KSEBL should conduct pre-audit of power purchase bills for payment and vetting of Draft Power Purchase Agreements (PPAs) so as to ensure that the financial interests of the Board are fully satisfied.	<p>In KSEBL Power Purchase Audit is carried out on Post-audit basis since 2015 with regular audit team functioning in the Office of the Chief Internal Auditor. The team also undertakes vetting of PPAs, Special Audits on Power Purchase and offer remarks on various issues related to Power Purchase transactions. It is certain that vetting of draft PPA's before signing the document is essential in ensuring the financial interests of KSEBL.</p> <p>Considering the significance and effectiveness of this audit, the same has been reconstituted by KSEBL in the year 2020, as a separate Audit Cell in the Office of the Chief Internal Auditor.</p> <p>Due date for payment of power purchase bills is 30 to 60 days from date of receipt of the bill. However there is a contractual provision in every PPA/which provides a rebate/discount (up to 2% of the bill amount) for earlier payments (i.e., within 3 to 5 days from receipt of the bill). Power purchase transactions</p>

			<p>involve substantial amounts and hence the amount received in this regard is also considerable which forms part of 'other income' of the utility. So as to avail this benefit, KSEBL effects payments provisionally within time limit specified for such rebate/discount. The payments are made provisionally, mainly because of following reasons:-</p> <ol style="list-style-type: none"> 1. Detailed scrutiny of the bills is not possible due to time constraints. 2. Units billed by the generators are verified with provisional Energy Account of Regional Load Despatch centre (RLDC) for payment. Usually RLDC issues final Energy Account after the expiry of specified time limit for availing rebate/discount. 3. Bill raised by a generator will be taken as conclusive only after its due date, that means KSEBL has the right to dispute any bill before due date irrespective of the fact that whether payment is effected or not. (At this juncture, it is also to be noted that in case of any dispute too, KSEBL has to pay 90-95% of the bill amount, as per PPA conditions).
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			<p>4. As the payments are effected provisionally, any discrepancies noticed later during detailed scrutiny/post audit can be rectified in future payments of the generator with interest for excess payment made if any. As such it is evident that the lack of pre-audit of power purchase bills will in no way affect the financial interests of KSEBL.</p>
14	14	<p>The Committee vehemently criticizes KSEBL officials for deficient DPRs which were not in accordance with RGGVY/REC guidelines and points out that the extremely lethargic attitude of KSEBL in planning and execution of projects led to inordinate delay in the implementation of RGGVY Scheme in the State.</p>	<p>Rajiv Gandhi Grameen Vidyuthikaran Yojana (RGGVY) was launched by Ministry of Power, Government of India during April 2005. KSEBL had prepared Detailed Project Report (DPR) for RGGVY in consultation with local bodies within the very short period allowed by the Nodal Agency REC in accordance with the RGGVY guidelines issued by MoP for the project and submitted the same during April 2005 itself. Initially DPR prepared Circlewise for the then 19 Electrical Circles amounting to Rs.438.36 Cr. Thereafter as per the direction of REC the DPR was revised for 14 Districts of Kerala. On 05.08.2005, REC given sanction for 7 District projects viz: Kasaragode, Wayanad, Kannur, Kozhikode, Malappuram, Palakkad, Idukki districts for an amount of Rs.221.75 Cr. In accordance with the RGGVY guidelines, tenders were invited in September 2005 for the execution of works turnkey basis. But nobody</p>

			<p>participated in these tenders. The works in all the districts were re-tendered in January 2006. The offers received from the bidders were not financially viable in all the districts except Idukki due to the exorbitant rates quoted by them.</p>
15	15	<p>The Committee recommends to fix responsibility and take stringent disciplinary action against the officers of KSEBL responsible for preparing deficient DPRs, delay in planning and implementation of the Rajiv Gandhi Grameen Vidyuthikaran Yojana (RGGVY) envisaged for electrification of all rural households and BPL households free of charges within a period of five years from April 2005. The Committee also wants to be furnished with the present position of implementation of the Scheme</p>	<p>At this juncture KSEB requested sanction for departmental execution to REC pointing out the above scenario. REC then directed to award the works in Idukki District to the lowest bidder M/s. ICSA (India) Limited, Hyderabad, who quoted 19.45% above the estimate rate (amounts to Rs.17.65 Cr) vide their letter dated 10/2006. Government of India vide letter dated 26.10.2006 directed to entrust the preparation of fresh DPR in at least one district to M/s. NTPC. Accordingly, quadripartite agreement was executed with M/s NESC (subsidiary company of M/s. NTPC) on 15.02.2007. The revised draft DPRs for Palakkad and Wayanad districts prepared by M/s. NESCL after field visit were submitted to REC on 01.01.2008. Then, REC intimated that the DPRs for Palakkad and Wayanad districts would be kept "on hold" and can be considered only in the 2nd phase of 11th plan (2007-12) vide their letter dated 02.06.2008. Based on this, the submission of DPRs for remaining districts were withheld till the receipt of guidelines for projects under 2nd phase of 11th plan. Then the Hon'ble Minister of Power, Kerala brought the RGGVY works</p>

			<p>issued to the attention of Union Minister for Power on 23.06.2009 & 04.08.2009 and based on the same, the Hon'ble Minister for Power, Kerala had directed KSEBL to submit revised DPR to REC.</p> <p>Accordingly, KSE Board requested M/s. NESCL to prepare revised DPR for submission to REC vide letter dated 10.08.2009. But M/s. NESCL informed that due to preoccupation with the ongoing RGGVY projects of other states under execution by them, they were not in a position to undertake the assignment of revision of DPRs and suggested to prepare the DPRs for these 6 districts by KSE Board vide their letter dated 03.09.2009.</p> <p>Then KSEBL prepared the revised DPR for 6 districts viz: Kasargod, Kannur, Kozhikode, Wayanad, Palakkad and Malappuram and the same were submitted to REC on 06.10.2009. Sanction for these 6 districts was received for an amount of Rs.114.54 Cr. from REC on 10.03.2010. Tenders for the execution of works invited on 21.04.2010 and awarding of works started from 31.08.2010 onwards. All the works under the RGGVY in these 6 districts were completed by 31.03.2015.</p> <p>Sanction for the RGGVY works in balance 7 districts was received on 19.12.2011 from REC for a total</p>
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			<p>amount of Rs.89.39 Cr. The works in these 7 district schemes were executed departmentally and completed the same by 31.08.2015. From the above facts, it can be seen that, the delay in implementation of RGGVY scheme has been occurred due to reasons beyond the control of KSE Board Limited.</p> <p><u>Present position of implementation of the scheme</u></p> <p>RGGVY scheme for all the 14 districts in Kerala has been completed and all the closure reports submitted to REC by 11/2015, REC has released final instalment based on closure proposals submitted by KSEBL. The objective of the scheme was the electrification of all village and habitat in Kerala. For accomplishing the goal of this project KSEB Limited completed installation of 1,831 Nos. 25 KVA transformer, 1,955 KM 11KV line, 710 KM LT three phase line, 3,213 KM LT single phase line, effected 1,13,420 Nos. BPL service connections, effected 11,985 Nos. general service connections, construction of one new substation at Malappuram district and capacity enhancement works at five substations in different districts.</p>
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			<p><u>VETTING REMARKS OF THE PRINCIPAL ACCOUNTANT GENERAL</u></p> <p>"The statement of Action Taken is silent on the recommendations of the Committee on Public Undertakings to fix responsibility and take stringent action against the officers responsible for preparing deficient DPRs, delay in planning and implementation of the Rajiv Gandhi Grameen Vidyuttheekaran Yojana envisaged for electrification of all rural households and BPL households free of charges within a period of five years from April 2005"</p>
16	16	<p>Committee criticizes the lethargic attitude of KSEBL officials for the inadequate coverage of the beneficiaries of RGGVY and for non-inclusion of beneficiaries of four Scheduled Tribe colonies of Kodumpuzha, Nelliya, Kureeri and Mankulam in Malappuram District who were forced to remit connection charges for electricity even though they were included in the RGGVY Scheme. The Committee demands an explanation in this regard.</p>	<p>KSEBL had prepared detailed project report for RGGVY on the field survey and in consultation with local bodies/local representatives within the very short period allowed by the Nodal Agency REC. All the eligible beneficiaries pointed out by the local bodies/local representatives were covered to the extent possible within the short period given by REC.</p> <p>The work under RGGVY - Village Electrification Infrastructure (VEI) in Malappuram district was awarded to M/s. East Coast Construction & Industries Limited Chennai on 29.03.2011. Due to slow progress of the work, show cause notice was given but the company had not properly replied on it and they did</p>

			<p>not take any steps to start the work. Finally the contract with M/s.East Coast construction & Industries Limited Chennai was terminated by KSEBL on 22.04.2013 and decided to execute the work departmentally. The works in Malappuram district completed by 31.03.2015.</p> <p>Even though, electrification in the ST colonies of Kodumpuzha, Nelliya, Kureeri and Mankulam in Vettilappara Village of Areakode Block under Electrical Circle, Manjeri were proposed under RGGVY, the families of these colonies requested permission to remit the OYEC charge for getting the service connections at the earliest, due to the slow progress in execution of works by the turnkey contractor. As the families of said colonies were not ready to wait till the completion of RGGVY works for getting their service connections, they were permitted to remit the OYEC charges for Offering Service connections</p>
17	17	The Committee wants to be furnished with a detailed explanation regarding the delay and related cost overrun of Rs. 5.63 crore (Rs.20.41 crore – Rs.14.78 crore = Rs.5.63 Crore) that had occurred in the works related to Village Electrification Infrastructure (VEI) of	The PAC amount for the turnkey basis execution of RGGVY work in Idukki awarded to M/s ICSA, Hyderabad vide order No.CE (DC)/RGGVY/8/IDK/06-07 dated 21.01.2007 for an amount of Rs.17.65 Cr at their quoted rate of 19.45% above the estimate rate. It may be noted that, the RGGVY works

		<p>component of RGGVY Scheme in Idukki District and non implementation of the same within the stipulated period in other districts of the State.</p>	<p>in Idukki District was awarded to M/s ICSA, Hyderabad based on the sanction received for original DPR on 05.08.2005.</p> <p>Later REC sanctioned the revised DPR with increased quantum of works on 01.08.2009. In order to avoid delay in execution of the increased quantum of works and to achieve the goal of the scheme, rate revision was granted for the extra quantum of works over and above the quantum of work for which agreement was executed in accordance with the work order dated 21.01.2007. Hence, the related cost overrun occurred in the works related to Village Electrification Infrastructure (VEI) component was Rs.2.76 Cr (Rs.20.41 Cr - Rs.17.65 Cr) only, which is justifiable considering the increase in material cost during the period. Hence there is no cost overrun for the Idukki project as observed.</p>												
18	18	<p>The Committee wants to be furnished with the details of completion of electrification of un electrified BPL house holds in rural habitations under the RGGVY Scheme in Idukki and in six northern districts.</p>	<p>The details of BPL service connections effected under RGGVY in Idukki and in six northern districts are given below.</p> <table border="1"> <thead> <tr> <th>SI No.</th><th>Name of District</th><th>BPL Service connections sanctioned</th><th>BPL service connections effected</th></tr> </thead> <tbody> <tr> <td>1</td><td>Idukki</td><td>16097</td><td>17238</td></tr> <tr> <td>2</td><td>Kasargode</td><td>4194</td><td>6616</td></tr> </tbody> </table>	SI No.	Name of District	BPL Service connections sanctioned	BPL service connections effected	1	Idukki	16097	17238	2	Kasargode	4194	6616
SI No.	Name of District	BPL Service connections sanctioned	BPL service connections effected												
1	Idukki	16097	17238												
2	Kasargode	4194	6616												

			3	Kannur	5136	9347
			4	Kozhikode	11920	9741
			5	Wayanad	5415	9959
			6	Palakkad	3955	18215
			7	Malappuram	7897	10360
19	19	<p>The Committee criticises KSEBL for not levying liquidated damages of Rs. 51.36 lakh from the contractor, Wayanad District for not completing the work under the RGGVY Scheme within the stipulated time. The Committee demands an explanation on the refund of the penalty recovered for the liquidated damages to the said contractor. The Committee recommends to effect the recovery of the penalty from the contractor at the earliest.</p>	<p>Some of the works awarded to the turnkey contractor were already executed departmentally before the commencement of the work. Hence, field survey conducted by the contractor took more time and the work could not be completed within the stipulated time. The turnkey contractor requested time extension for completing the project without imposing LD on the above stated reason. KSEBL requested time extension considering the same. Having considered the genuine request of the turnkey contractors and the time extension for the completion of the project given by the REC, Board has accorded sanction vide BO(FTD)No.2867/2014 dated 04.11.2014 to extend the execution period of RGGVY scheme upto 15.11.2014 without imposing LD on the turnkey contractors with the view that the balance work can be completed only with the requested additional time so as to provide service connection to the poor people, which was the main goal of the scheme. As REC had given time extension to KSEB considering the request for additional time for the completion of the projects</p>			

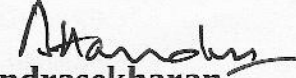
			<p>that includes the project in Wayanad district, it is not fair to levy penalty for the delay in execution of the works by the contractor on genuine reasons</p> <p><u>Vetting Remarks of the PRINCIPAL ACCOUNTANT GENERAL</u></p> <p>The Department has not complied with the recommendations of the Committee on Public Undertakings to effect the recovery of the penalty from the Contractor at the earliest.</p>
20	20	<p>The Committee observes from the reply furnished by Government that ignorance of KSEBL officials about the provisions of the Building and other Construction Workers Welfare Cess Act, 1996 had led to failure in recovering Labour Welfare Cess from the contractor in Idukki District. The Committee wants to be informed of the details of legal opinion sought in this matter. The Committee also recommends to realize the Labour Welfare Cess from the contractor's bill.</p>	<p>KSEBL not deducted Labour Welfare Cess @ 1% from the contractor M/s, ICSA (India) Limited, Hyderabad, who executed the RGGVY works in Idukki District on the presumption that there is no new construction works under RGGVY scheme. As per RGGVY scheme, there was only intensive electrification in the existing electrified villages, which envisages extension of existing line and not the creation of new distribution network and this view led to failure in recovering Labour Welfare Cess from the contract in Idukki District. All the works under RGGVY scheme in Idukki district was closed during 6/2000 and all the payments to the contractor including the performance guarantee have been released. The LA & DEO opined that, there is nothing wrong in exploring the possibility of initiation of</p>

			Revenue Recovery proceedings against the said firm, since all amounts due under the work was paid and even the bank guarantee was also released. Also suggested to examine, whether the supply of materials can be segregated from the work in question and if so, the cost towards the same may be deducted from the total contract price for arriving the said Labour welfare cess before proceeding with the RR action
		<p><u>Additional Information sought by the Committee</u></p> <p>In the SOAT, LA & DEO opined that, there is nothing wrong in exploring the possibility of initiation of Revenue Recovery proceedings against M/s. ICSA (India) Limited, Hyderabad since all amounts due under the work was paid and even the bank guarantee was also released, Committee wants to know the steps taken to recover the said amount through revenue recovery proceedings.</p>	<p><u>Additional Information given by the Government</u></p> <p>M/s ICSA (India) Ltd. was issued registered notice by KSEBL on 24.11.2023 directing them to remit the Labour Cess of Rs.7,09,899/-(Rupees seven lakh nine thousand eight hundred and ninety nine only) applicable on the Cost of Construction within 15 days of receipt of the notice, failing which Revenue Recovery will be initiated against them. But the letter was returned with the status of "Addressee not found". However Revenue Recovery proceedings have been initiated against the Company for an amount of Rs.7,08,899/- with applicable interest by KSEBL. The KSEBL has forwarded a copy of the requisition dated 04.06.2025 forwarded to the concerned District Collector for initiating Revenue Recovery Proceedings against M/s. ICSA (India) Ltd.</p>

21	21	The Committee demands explanation from KSEBL for not including the proposal for electrification of un electrified public places like schools, panchayath offices, Government Health Centers etc. in the DPR although it was envisaged in the RGGVY Scheme for electrification of un electrified public places.	The DPRs were prepared based on the field survey and in consultation with local authorities. At the time of preparation of DPR, proposals for electrification of public places were not reported from any local bodies/ public representatives. But, at the time of execution of works, some public places were electrified with the infrastructure created under the scheme.
22	22	The Committee observes that due to non-compliance of RGGVY guidelines the projects were delayed/implemented under departmental execution works, which resulted in loss of central subsidy amounting to Rs. 46.30 crore. The Committee strongly recommends that guidelines of centrally sponsored schemes should be strictly followed by KSEBL.	<p>The DPRs for the RGGVY schemes were prepared and works were implemented in accordance with the RGGVY guidelines. The projects were delayed and forced to implement the projects departmentally in certain districts that resulted loss of central subsidy due to the following facts.</p> <p>Even though REC had issued sanction for implementation of RGGVY scheme during 2005, execution of works could not be done except in Idukki district due to the high rates (more than 20% of PAC) quoted by the turnkey contractors in all other districts. Initially, REC neither allowed the execution of the works in other districts departmentally nor on turnkey basis with exorbitant quoted rate by the contractors.</p>

			<p>quoted by the turnkey contractors in all other districts. Initially, REC neither allowed the execution of the works in other districts departmentally nor on turnkey basis with exorbitant quoted rate by the contractors. The subsequent revision of DPRs as instructed by REC and its approval by them also delayed the projects. As the approval from REC was delayed for the projects, KSEBL executed some of the works proposed under RGGVY scheme in order to meet its social responsibility & obligations. It may be noted that, excess quantities of materials were used than that in the sanctioned cost data in certain districts, due to the peculiar nature of terrain. REC not allowed the cost of excess quantities of materials and the increased material cost during the period of revised DPR sanction date from the original DPR sanction date.</p>
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Thiruvananthapuram
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E. Chandrasekharan

Chairperson
Committee on Public Undertakings

Annexure A

Details of Wind Energy Generators

Sl No	Name of Company	Location	Name of Substation	Capacity (M W)	Energy Rate	Date of execution of PPA	Date of COD	Date of end of supply	Remarks
1	Bhima & Brother Bullion Pvt Ltd	KER 174	Agali	0.6	3.14	17.03.2008	15.01.2008	14.01.2028	PPA for 20 years
2	Bhima & Brother Bullion Pvt Ltd	KER 238	Agali	0.6	3.14	17.03.2008	28.03.2008	27.03.2028	"
3	Popy Umbrella Mart	KER 175	Agali	0.6	3.14	17.03.2008	28.03.2008	27.03.2028	"
4	Popy Umbrella Mart	KER 237	Agali	0.6	3.14	17.03.2008	28.03.2008	27.03.2028	"
5	Asian Star Company Limited	KER 223	Agali	0.6	3.14	23.04.2008	06.06.2008	05.06.2028	"
6	Asian Star Company Limited	KER 240	Agali	0.6	3.14	07.04.2008	16.05.2008	15.05.2028	"
7	Asian Star Company Limited	KER 241	Agali	0.6	3.14	31.03.2008	31.03.2008	30.03.2028	"
8	Asian Star Company Limited	KER 242	Agali	0.6	3.14	31.03.2008	31.03.2008	30.03.2028	"
9	Asian Star Company Limited	KER 247	Agali	0.6	3.14	25.04.2008	16.05.2008	15.05.2028	"
10	Kerala steel Associate	KER 244	Agali	0.6	3.14	25.03.2008	31.03.2008	30.03.2028	"
11	Plant Lipids (P) Ltd	KER 231	Agali	0.6	3.14	25.07.2008	13.08.2008	12.08.2028	"
12	Plant Lipids (P) Ltd	KER 233	Agali	0.6	3.14	25.07.2008	13.08.2008	12.08.2028	"
13	O/E/N India Ltd	KER 177	Agali	0.6	3.14	19.09.2008	30.09.2008	29.09.2028	"
14	Anna Aluminium Company Pvt Ltd	KER 239	Agali	0.6	3.14	24.09.2008	30.09.2008	29.09.2028	"
15	Synthite Industries Ltd	KER 161	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
16	Synthite Industries Ltd	KER 176	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
17	Synthite Industries Ltd	KER 195	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
18	Synthite Industries Ltd	KER 456	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
19	Synthite Industries Ltd	KER 459	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
20	Bhima Jewels	KER 179	Agali	0.6	3.14	23.03.2009	31.03.2009	30.03.2029	"
21	Bhima Jewels	KER 224	Agali	0.6	3.14	24.03.2009	31.03.2009	30.03.2029	"
22	Bhima Jewellery	KER 456	Agali	0.6	3.14	28.03.2009	31.03.2009	30.03.2029	"
23	Bhima Jewellery	KER 457	Agali	0.6	3.14	28.03.2009	31.03.2009	30.03.2029	"
24	Anna Aluminium Company Pvt Ltd	KER 415	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
25	Anna Aluminium Company Pvt Ltd	KER 416	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
26	Bhima Jewellery, Madurai	KER 429	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
27	Bhima Jewellery, Madurai	KER 440	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
28	Bhima Jewellery, Nagarcoil	KER 448	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
29	Bhima Jewellery, Nagarcoil	KER 449	Koundikkal	0.6	3.14	30.09.2010	23.10.2010	22.10.2030	"
30	Kitex Limited	KER 444	Koundikkal	0.6	3.14	15.11.2013	29.09.2010	28.09.2030	"
31	Kitex Limited	KER 445	Koundikkal	0.6	3.14	15.11.2013	29.09.2010	28.09.2030	"
32	Eastern condiments (P) Ltd	637(2)	Ramakkaimeedu	0.75	3.14	26.03.2008	29.03.2008	28.03.2028	"
33	Zenith Energy Services (P) Ltd	637(1)	Ramakkaimeedu	0.75	3.14	27.03.2008	29.03.2008	28.03.2028	"
34	Watts Electronics (P) Ltd	497	Ramakkaimeedu	0.75	3.14	17.03.2008	29.03.2008	28.03.2028	"
35	Mitcon Consultancy Services Ltd	492	Ramakkaimeedu	0.75	3.14	27.03.2008	31.03.2008	30.03.2028	"
36	IND Bharat Power Infra (P) Ltd	354	Ramakkaimeedu	0.75	3.14	26.03.2008	26.04.2008	25.04.2028	"
37	Venkatrama poultries Pvt Ltd	500(1)	Ramakkaimeedu	0.75	3.14	27.03.2008	31.03.2008	30.03.2028	"
38	Cotton World	KUR 502	Ramakkaimeedu	0.75	3.14	25.03.2008	31.03.2008	30.03.2028	"
39	Sunstar Overseas Ltd	KUR 458	Ramakkaimeedu	0.75	3.14	27.03.2008	26.04.2008	25.04.2028	"
40	Sunstar Overseas Ltd	PUS 199	Ramakkaimeedu	0.75	3.14	27.03.2008	06.05.2008	05.04.2028	"
41	Sunstar Overseas Ltd	PUS 198(1)	Ramakkaimeedu	0.75	3.14	27.03.2008	06.05.2008	05.04.2028	"
42	Sunstar Overseas Ltd	PUS 198(2)	Ramakkaimeedu	0.75	3.14	27.03.2008	06.05.2008	05.04.2028	"