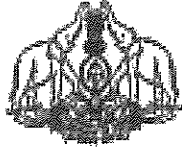


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31/3/21



GOVERNMENT OF KERALA

Abstract

Power Department - Relinquishing the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd and releasing the balance amount - Sanction accorded - Orders issued.

POWER (B) DEPARTMENT

G.O.(Ms)No.10/2021/POWER

Dated, Thiruvananthapuram, 01/03/2021.

Read:- 1. G.O (Ms) No.23/2014//PD dated 21/07/2014.

2. Letter No.SIE/EMC/2018/03 dated 22.10.2018 from Director, M/s.  
Swastik India Engineering (SC) Pvt.Ltd.

3. Letter No.EMC/320/2020-PE( ESS) dated 22.06.2020 from Director,  
Energy Management Centre.

ORDER

As per Government Order read as 1<sup>st</sup> paper above Government have allotted 0.75 MW Kozhichal SHP project (Kannur District) to M/s.Swastik India Engineering (SC) Pvt.Ltd for implementation under BOOT scheme for 30 years through competitive bidding route for a total premium of Rs.11.25 lakhs. The allottee had entered into an Implementation Agreement with Government in September 2014.

M/s Swastik India Engineering (SC) Pvt.Ltd submitted the Techno Economic Feasibility Report (TEFR) on September 2015, enhancing the installed capacity to 1.0 MW for which provisional approval was accorded by EMC. Hence the total payable premium had increased to Rs.15,00,000/-. M/S Swastik India Engineering (SC) Pvt.Ltd had not paid the remaining Rs.3.75 lakhs till date.

Subsequently Director, M/s Swastik India Engineering (SC) Pvt.Ltd vide letter read as 2<sup>nd</sup> paper above has requested Government to refund the premium paid by them as they are unable to procure the land due to the fact that the entire land for projects is under unauthorized custody of locals without requisite documents and intimated that they may not be able to proceed with the project .

As per the Implementation Agreement condition clause 4.2 which is in line with the clause 17.11 of the SHP Policy 2012, permits the investor for surrendering projects “in the event of the Government determining that the project is techno-economically unviable the company may be relieved of their obligations under this Agreement without any penalties. In the event of such termination the Government shall return 75% of the Implementation Guarantee after retaining 25% of the same towards meeting miscellaneous expenses”.

The repayment to the allottee on cancellation of the allotment is calculated as below:

<i>Name of Project</i>	<i>Allottee</i>	<i>Total Payable Premium (in Rs)</i>	<i>Paid Premium (in Rs)</i>	<i>Amount to be retained by Govt. (25% of the total premium) (in Rs)</i>	<i>Repayable amount (in Rs)</i>
1MW Kozhichal SHP (Kannur District)	Swasthik India Engineering (SC) Pvt Ltd	1500000	1125000	375000	750000

Director, EMC vide letter read as 3<sup>rd</sup> paper above has recommended to relinquish the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Agreement condition clause 4.2.

Government have examined the matter in detail and are pleased to accord sanction for relinquishing the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Agreement condition clause 4.2.

By Order of the Governor  
**SAURABH JAIN IAS**  
**SECRETARY**

To

The Chairman & Managing Director, Kerala State Electricity Board Limited,  
Thiruvananthapuram.

The Director, Energy Management Centre, Thiruvananthapuram.

Director, M/s Swastik India Engineering (SC) Pvt.Ltd ( Through  
Director, Energy Management Centre).

The Principal Accountant General (Audit), Thiruvananthapuram.

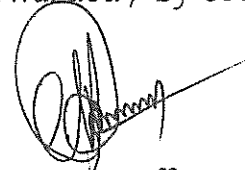
The Accountant General (A&E), Thiruvananthapuram.

The GA (SC) Department ( vide item No.4796 dated 24.02.2021) .

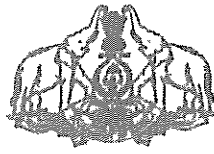
~~The~~ Information and Public Relations Department (Web and new  
media division).

Stock File/Office Copy.

Forwarded / By Order



Section Officer



കേരള സർക്കാർ

മന്ത്രിസഭായോഗത്തിന്റെ നടപടിക്കുറിപ്പുകൾ

തീയതി : 24-02-2021

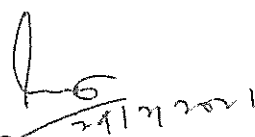
ഫയൽ നം. 210/ബി1/2018/ഉ.വ.

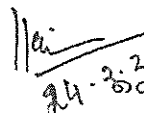

ഇനം നം: 4796

വിഷയം : ഉൾജ്ജ വകുപ്പ് - നടപ്പാക്കൽ കരാറിലെ ഖണ്ഡിക 4.2 പ്രകാരം സ്വാസ്തിക് ഇൻഡ്യ എഞ്ചിനീയറിംഗ് (എസ്.സി.) പ്രൈവറ്റ് ലിമിറ്റഡ് എന്ന കമ്പനിക്ക് അനുവദിച്ച കോഴിച്ചാൽ ചെറുകിട ജലവൈദ്യുത പദ്ധതി (1 MW) റദ്ദു ചെയ്ത് ആകെ പ്രീമിയം തുകയായ 15,00,000/- രൂപയുടെ 25% ആയ 3,75,000/- രൂപ കമ്പനി ആകെ അടച്ച 11,25,000/- രൂപയിൽ നിന്ന് ഈടാക്കി ബാലൻസ് തുകയായ 7,50,000/- രൂപ സംരംഭകർക്ക് തിരികെ നൽകണമെന്ന എൻജി മാനേജ്മെന്റ് സെന്റർ ഡയറക്ടറുടെ നിർദ്ദേശം.

തീരുമാനം : കുറിപ്പിലെ നിർദ്ദേശം അംഗീകരിച്ചു.

(ഒപ്പ്)  
പിണറായി വിജയൻ  
മുഖ്യമന്ത്രി  
(ശരിപ്പകർപ്പ്)

  
24/2/21  
ഡോ. വിദ്യാസ മേത്ത  
ചീഫ് സെക്രട്ടറി

JS(P)  
  
24-2-21  
സെക്രട്ടറി, ഉൾജ്ജ വകുപ്പ്.  
  
26/2

**GOVERNMENT OF KERALA**  
**(Shri. Pinarayi Vijayan Ministry)**  
**NOTE FOR THE COUNCIL OF MINISTERS**

1.	File Number	210 /B1/2018/PD
2.	Department	Power (B) Department.
3.	Subject	Proposal of Director, EMC for relinquishing the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total amount paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Implementation Agreement condition clause 4.2 - reg.
4.	Date of Chief Minister's Order for placing before the Council of Minister's	30/01/2021
5.	i)Does the case involve financial commitments/ implications? ii)If the answer to the above is in the affirmative, whether Finance Department has been consulted and their remarks incorporated in the Council Note?	No
6.	Are any other Departments concerned with the case and if so, have they been consulted and their remarks incorporated in the Note for the Council	No
7.	Name of Joint Secretary who submitted the Draft Note	Smt.Sreeja.V
8.	Name of Secretary who approved the Draft Note	Sri. SAURABH JAIN
9.	Date of approval of the Draft Note for the council by the Secretary	05/02/2021
10.	Name of Chief Secretary who approved the Draft Note	Dr. Vishwas Mehta
11.	Date of approval of the Draft Note for the Council by the Chief Secretary	15/02/2021
12.	Name of Minister who approved the Draft Note	Sri. M.M MANI
13.	Date of approval of the Draft Note for the Council by the Minister	18/02/2021
14.	Date of submission of the fair copies	
15.	Date of decision by the Council of Ministers	
16.	Number and date of the G.O./letter communicating the decision.	

## Note for the Council of Ministers

1). This note deals with the proposal of Director , EMC for relinquishing the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Agreement condition clause 4.2.

2).Director, Swastik India Engineering (SC) Pvt Ltd has requested to Government to refund project deposit of Kozhichal SHEP allotted to them as there are practical difficulties in proceeding with the project. .

3). Director, EMC has reported that Government had a allotted 0.75 MW Kozhichal SHP project ( Kannur District ) to M/s.Swastik India Engineering (SC) Pvt.Ltd vide, G.O (Ms) No.23/2014/PD dated 21.07.2014 for implementation under BOOT scheme for 30 years through competitive bidding route for a total premium of Rs.11.25 lakhs. The allottee had entered into an Implementation Agreement with Government in September 2014.

4).M/s Swastik India Engineering (SC) Pvt.Ltd had submitted the Techno Economic Feasibility Report (TEFR) on September 2015, enhancing the installed capacity to 1.0 MW for which provisional approval was accorded by EMC. Hence the total payable premium had increased to Rs.15,00,000/-. M/S Swastik India Engineering (SC) Pvt.Ltd had not paid the remaining Rs.3.75 lakhs till date.

5). Subsequently the allottee had reported that, they are unable to procure the land due to the fact that the entire land for projects is under unauthorized custody of locals without requisite documents. In this circumstance, the investor informed the Government that, they may not be able to proceed with the project and requested to refund the premium paid by them.

6). As per the Implementation Agreement condition clause 4.2 which is in line the clause 17.11 of the SHP Policy 2012, permits the investor for surrendering projects “in the event of the Government determining that the project is techno-economically unviable the company may be relieved of their obligations under this Agreement without any penalties. In the event of such termination the Government shall return 75% of the Implementation Guarantee after retaining 25% of the same towards meeting miscellaneous expenses”.

7). The repayment to the allottee in such circumstance if Government decides to cancel the allotment is calculated as below:

Name of Project	Allottee	Total Payable Premium (in Rs)	Paid Premium (in Rs)	Amount to be retained by Govt. (25% of the total premium) (in Rs)	Repayable amount (in Rs)
1MW Kozhichal SHP (Kannur District)	Swasthik India Engineering (SC) Pvt Ltd	1500000	1125000	375000	750000

8). In this circumstances, Director , EMC recommends to relinquish the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Agreement condition clause 4.2.

9). Hon. Chief Minister has ordered to place the matter before Council of Ministers for approval.

**Points for Decision**

Whether the proposal of Director, EMC for relinquishing the allotment of 1 MW Kozhichal SHE project to M/s Swastik India Engineering (SC) Pvt Ltd by collecting 25% (Rs.375000/-) of the total premium of Rs.1500000/- from the total paid Rs.1125000/- by the company and to release the balance amount of Rs.750000/- to them as per the Agreement condition clause 4.2 may be approved?.