



# KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN: U40100KL2011SGC027424

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## Abstract

Execution of contract for Electro Mechanical works of Poringalkuthu SHEP(1x24MW) – Contract with M/s. Allonward- SSIPL Consortium - Priority payment - Sanctioned - Orders issued.

### Corporate Office (SBU-G/E)

B.O. (FTD)No. 561 /2019 (D(GE)/G2/PGL /2019-20) Thiruvananthapuram. Dated: 22 - 07 - 2019

- Read:-
1. Agreement No. CEPED/03/2014-15 dated 10-10-2014.
  2. Note No. D(GE)/G2/PGL/2017-18 dated 20-05-2017 of the Director (D,S&GE) to the Full Time Directors.
  3. Note No. No. D(GE)/G2/PGL/2017-18 dated 05-06-2017 to the Financial Adviser, KSEBL.
  4. B.O. (FTD)No. 99 /2019 (DGE/G2/PGL /2018-19) dated 02-02-2019.
  5. Letter No. AEE1/PGL24/2015/CE(PED)/318 dated 01-07-2019 of the Executive Engineer in charge(Projects-Electrical Designs).
  6. Note No. D(GE)/G2/PGL /2019-20 dated 12-07-2019 of the Director (CP,GE,SCM&S) to the Full Time Directors (Agenda No. 31/7/19).

### ORDER

The contract for the execution of E&M works of Poringalkuthu SHEP(1x24MW) was awarded to M/s. Allonward - SSIPL Consortium for a contract amount of Rs. 4110 lakh and Agreement was executed by the Chief Engineer (Projects-Electrical Designs) on 10-10-2014. As per the Agreement the scheduled period of completion of contract was 24 months which expired on 03-10-2016. The work could not be completed due to various reasons and the Board extended the period of completion of contract three times, presently up to 31-10-2019, vide B.O. read as 4<sup>th</sup> paper above.

The E&M erection work of the project is progressing at a fast pace and supply of almost all the E&M equipment is completed except for Oil Handling system, Fire protection system, Air conditioning and Ventilation system, spares, tools etc.

It is reported that M/s. Allonward -SSIPL Consortium had requested to consider releasing their payments on priority basis /emergency credit basis similar to the facility extended to the Civil contractor engaged for the same project, so as to enable them to maintain cash flow. The matter was also presented in the meeting convened by the Chairman and Managing Director at Poringalkuthu on 18-01-2019.

Earlier also, M/s. Allonward-SSIPL Consortium had made a similar request and the matter was placed before the Full Time Directors. But considering the better fund position in KSEBL at that time, it was resolved that as far as possible funds may be disbursed based on availability of funds at the earliest.

It is reported that the payment to the E&M Contractor is delayed very much nowadays due to the financial crisis faced by KSEBL. Since timely payment is essential for maintaining cash flow for the E&M Contractor and for the timely completion of the project, it was requested to consider the request of E&M contractor for priority payment, as extended to the Civil contractor of Poringalkuthu SHEP as per B.O (FTD) No. 592/2015 (DGC/AEE IV/PORGL/2014) dated 13-03-2015. Accordingly, as per Note read as 6<sup>th</sup> paper above, it was recommended to extend the facility of priority payment to the E&M Contractor M/s. Allonward - SSIPL Consortium also, by establishing

credit within 10 days of credit application.

Having considered the matter in detail vide Note read as 6<sup>th</sup> paper above, the Full Time Directors in the meeting held on 19-07-2019, resolved to accord sanction for allowing priority payment to the E&M contractor M/s. Allonward - SSIPL Consortium for Poringalkuthu SHEP (1x24MW), by establishing credit within 10 days of credit application.

Orders are issued accordingly.

By Order of the Full Time Directors,  
Sd/-  
Lekha G.  
Company Secretary (In charge)

To

1. The Chief Engineer (Generation & PED), Moolamattom.
2. The Deputy Chief Engineer (Projects-Electrical Designs).

Copy to:

The Financial Adviser/The Chief Internal Auditor/The Company Secretary.  
The Deputy Chief Engineer (IT)/ The RCAO/The RAO.  
The TA to Chairman & MD/ Director (CP,GE,SCM&S)/ Director(GC&HRM)/ Director (Trans.&SO)/ Director (D&IT).  
The PA to Director (Finance).

Forwarded / By Order

*Sunil Kumar*  
Asst. Exe. Engineer

DESPATCHED  
No. 121  
Date 23.07.19