



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004, Kerala

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ABSTRACT

Selection of EPC contractor and award of contract to generate and deliver 655 kWp in total 24 nos. of Grid Tied Rooftop Solar PV Power plants on the Roof of buildings of KSEBL and 1 no. Ground mounted SPV plant on the land owned by KSEBL in the northern region of Kerala, under Integrated Power Development Scheme -sanctioned - Orders issued.

Corporate Office (Renewable Energy & Energy Savings)

B.O. (DB) No. 178 /2019/ IPDS/North/ 2018-19/ Tvpmm Dated 01.03.2019

- Read: 1. B.O.(FTD) No 2598/2016 (CE(CAPs &S)/P2/IPDS/General/2016-17) Thiruvananthapuram, dated 06.09.2016
2. B.O. (FTD)No. 1777 /CE (REES)/IPDS/North /2018-19 Tvpmm Dated 07.09.2018
3. Note No. FA/Tender I/01/2019 dt 07.01.2019 of Financial Advisor
4. Letter no. raidco:gm:1901-3:2018-19:ksebl dt 19.01.2019 of M/s Raidco
5. Note no. CE(REES)/IPDS/North/2018-19/1937 dt 21.01.19 of CE(REES)
6. Note no. CE (REES)/IPDS/North/ 2018-19/2007 dt 05.02.2019 of Chairman and Managing Director KSEBL to the Board of Directors
7. Proceedings of the 44th meeting of the Board of Directors held on 18.02.2019 at 10:30AM (Agenda item No. 37-02/2019)

ORDER

The Chief Engineer (RE&ES) was entrusted vide B.O read 1 above for the turnkey execution of installation of solar plants included in Integrated Power Development Scheme(IPDS) and tender was invited for the 675kWp Rooftop Solar PV Project under IPDS for Northern Region of Kerala on 07-09-2016 and work order was issued to the lowest(L1) bidder. The fund sanctioned under this scheme for the solar projects was Rs 7 Crore/MW and the Probable amount of contract(PAC) was Rs.4,72,50,000/-

The details of the price quoted by the L1 and L2 bidders were as follows.

PAC(Rs.)	Rate of L1(Rs.)	Quoted rate of L2(Rs/-)	Negotiated rate (Rs.) offered by L2	Comparison of Negotiated L2 rate with L1 rate(Rs.)	Comparison of negotiated L2 rate with PAC
4,725,0000/-	4,32,48,188/-	4,62,30,750/-	4,47,30,750/-	14,82,562 higher than L1 rate	2.15% below PAC

But the L1 bidder has not executed the agreement in time and the L2 bidder did not agree to the price offered by the L1 bidder after negotiations and hence Board has accorded sanction to cancel that tender vide B.O read 2 above and ordered to go ahead for a short re-tender. Before re-tendering, Deputy Chief Engineer Transmission Circle, Kannur reported that the sanctioned solar project capacity of 20kWp at 110kV S/s Mangad under this scheme was not feasible due to leakage of roof and further reported that there is no feasible alternate location under that circle for the implementation of the said capacity and hence it was decided to exclude the same while re-tendering. Hence the revised capacity was considered as 655kWp.

Re-tender was invited by the CE(REES) on 19.09.2018 vide E-TENDER No. KSEBL/REES/IPDSNORTH/05/2018-19 for the selection of EPC contractor for the 655kWp (after excluding 1 non feasible location) solar project. The Probable Amount of Contract is Rs.3.4715 Crores. The estimate was revised while re-tendering considering the revised Benchmark costs for Off-grid Solar PV Systems and Grid Connected Rooftop Solar Power Plants for the Year 2018-19 published on 15.06.2018 by MNRE which was of Rs.53/Wp.

The price bid of the three pre – qualified bidders was opened on 22.12.2018. On price comparison, M/s Raidco Kerala Limited, Kannur is seen L1 bidder and has quoted an amount of total Rs. 4,12,33417 for the installation and commissioning and O&M for 5 years which is 18.7% above PAC. On comparison, rate offered by L1 (Rs.4,12,33417) and L2 (Rs.4,13,70518) are competitive in nature. The office of CE(REES) requested the L1 bidder to offer the rock bottom price for the subject project and the L1 bidder M/s Raidco Kerala Limited, Kannur confirmed that they are not in a position to reduce the offered price further and sustained in the price bid offered as their rock bottom price which is of Rs. 4,12,33417.

Financial Advisor in the note read 3 above remarked that the work order may be issued to the lowest bidder(L1) M/s Raidco Kerala Limited, Kannur.

On further discussion and request for the negotiation conducted with M/s Raidco it was agreed to reduce Rs 5,00,000/- from the quoted price vide letter read 4 above and the final offered price is of Rs. 4,07,33,416.00 (Rupees Four Crore Seven lakh Thirty three thousand four hundred and sixteen only). The final price offered by the lowest bidder M/s Raidco Kerala Limited, Kannur is as follows.

Name of the lowest bidder	Final offered price with tax			Comparison with PAC
	PAC1 Rs (installation & commissioning)	PAC 2 Rs (O&M for 5 years)	Total offered price (PAC) Rs	
M/s Raidco Kerala Limited, Kannur	37907936.00	2825480.00	40733416.00	17.3 % above PAC

The comparative assessment of the rate quoted by lowest bidder in the first tender for the 675kWp and the rate quoted by the lowest bidder in the re-tender of 655kWp was made based on the rate/Wp as tabulated below and it was found that the rate/Wp quoted during retender by the L1 bidder is lesser than that in the first tender.

PAC of first tender (Rs)	Rate quoted by the L1 bidder in the first tender with the capacity of 675kWp (Rs.)	Rate /Wp	PAC of re-tender (Rs)	Rate quoted by the L1 bidder in the re-tender with the revised capacity of 655kWp (Rs.)	Rate/Wp	Comparative statement
4.725 crore	4,32,48,188/-	Rs. 64.07	3.4715 Crores	4,07,33416.00/-	Rs 62.18	The per Wp rate quoted while retendering is found as lower than that of the first tender.

Hence on comparison, the per Wp rate quoted by the lowest bidder in the retender is found as lower than that of the first tender and may be considered even though it is 17.3 % above PAC. The matter was placed before Full Time Directors vide note read 5 above and was approved to be placed before the Board of Directors for the decision. The matter was placed before the Board of Directors vide note read 6 above for approval.

Having considered the matter in detail, the Director Board meeting held on 18.02.2019 resolved to place the Letter of award with M/s Raidco Kerala Limited, Kannur for an amount of Rs. 4,07,33416.00 (Rupees Four Crore Seven lakh Thirty three thousand four hundred and sixteen only) which is 17.3% above PAC for the installation, testing and commissioning and its operation and maintenance for first 5 years from the date of commissioning of the 24 nos. of Grid Tied Rooftop Solar PV Power plants on the Roof of buildings of KSEBL and 1 no. Ground mounted SPV plant on the land, owned by KSEBL, to generate and deliver 655 kWp in total in the locations of northern region of Kerala, under Integrated Power Development Scheme.

Orders are issued accordingly.


By the order of the Director Board
Sd/-

LEKHA G
Company Secretary in Charge

To
The Chief Engineer (Renewable Energy & Energy Savings)

Copy to:
TA to Chairman & Managing Director / TA to Director (T&SO)/ TA to Director (CP, GE, SCM& Safety) / TA to Director (Distribution & IT) / TA to Director (G-C& HRM) / PA to Director (Finance)/ Sr.CA to secretary (Administration)/ The CA to CVO (Vigilance & Security), KSEBL/ Fair copy section/Library.

Forwarded by order


Assistant Engineer