



## KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

Registered Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004

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### ABSTRACT

Implementation of Upper Kallar Small Hydro Electric Project (2 MW/ 5.14MU) Contract with M/s Power Mech - Pentafllo - Hydro Magus - SEW Consortium - Time Extension - Sanctioned - Orders issued.

### CORPORATE OFFICE (SBU-G/C)

BO (FTD)No.434/2023(DGC/AEE-VI/UPKLR/2014)

Thiruvananthapuram, Dated: 04.10.2023

- Read: 1 Agreement No.03/CECC/2016-17 dated 06.08.2016.  
2. B.O. (FTD) No.1977/2018 (DGC/AEE VI/URKLR/2014) dated 10.12.2018.  
3. B.O. (FTD) No.842/2019 (DGC/AEE VI/URKLR/2019) dated 15.11.2019.  
4. B.O. (FTD) No.492/2020 (DGC/AEE VI/URKLR/2014) dated 27.07.2020.  
5. B.O. (FTD) No.210/2021 (DGC/AEE VI/URKLR/2014) dated 19.03.2021.  
6. B.O. (FTD) No.38/2022 (DGC/AEE VI/URKLR/2014) dated 13.01.2022.  
7. Note Nos. CE- CCS-TVM-AE4/2022/229(19) dated 20.04.2023, 08.06.2023, 26.07.2023 & 08.09.2023 of the Chief Engineer (Civil - Construction) South.  
8. Remarks of the Financial Adviser vide letter No.FA/Tender-1/01/2023 dated 02.02.2023.  
9. Note No LA& DEO/R/41/2023 dated 28.03.2023 of the LA & DEO.  
10. Note No.DGC/AEEVI/UPKLR /2014 dated 11.09.2023 of the Director (Generation-Civil) to the Full Time Directors.(Agenda No:9-09/2023)

### ORDER

The contract for the implementation of Upper Kallar SHEP was awarded to M/s.Power Mech-Pentafllo-Hydro Magus-SEW Consortium as a single package for Rs.15,24,07,927/-. The date of commencement of work as per agreement was on 02.08.2016 and the period of completion of the project was 24 months which expired on 01.08.2018. Considering various hindrances encountered during the implementation of the scheme sanction was accorded as per B.Os. read as 2<sup>nd</sup> to 6<sup>th</sup> above to extend the time of completion up to 31.12.2021 due to reasons such as the regulations imposed by Government due to the COVID-19 pandemic, adverse climatic conditions, non-completion of the piling works at Power house area and penstock route arranged through a separate contractor etc.

The Chief Engineer (Civil - Construction) South as per note read as 7<sup>th</sup> above has reported that the contractor as per his letter dated 27.09.2022 has requested to extend the period of completion up to 15.11.2022 without L.D/ Penalty. It was reported that the major milestone of the project is the power generation from the power plant and the project was already commissioned on 30.09.2021 and the plant is in commercial operation since then. At the time of commissioning, all the major works were completed by the contractor except some miscellaneous works which would not affect the power generation. But the contractor failed to

complete the balance works as assured by him .

The 15<sup>th</sup> PMC meeting held on 10.08.2022 decided to recommend the time extension to the Board upto 15.11.2022 with penalty for the Civil works executed after 31.12.2021 and with regard to E&M works, it was decided to recommend time extension with penalty for the works carried out from 10.8.2022.

The Chief Engineer(C-C) South has reported that in the case of Civil works, 5% of the bill amount of the Civil works executed after 31.12.2021 is proposed as penalty since the contractor has already achieved the major mile stone of commissioning the project ie on 30.09.2021 within the extended time of completion up to 31.12.2021. All the Civil works were completed on 17.10.2022.

Remarks on the above was obtained from the Financial adviser as per note read as 8<sup>th</sup> above and legal opinion obtained from the Legal Adviser & Disciplinary Enquiry Officer as per the note read as 9<sup>th</sup> above.

The Deputy Chief Engineer(PED) with full power of Chief Engineer as per the letter dated 13.04.2023 has reported that penalty for E & M works comes to Rs.3,37,910/- which is worked out as 1% value of delayed work for each day of slippage calculated from 10.08.2022 for the work done after 10.08.2022. The Deputy Chief Engineer (PED) has reported that the contractor had completed the performance/efficiency test on 05<sup>th</sup> December 2022 and the work was completed on 18.01.2023.

The Chief Engineer (C-C) South has further reported that as the whole work was completed only on 18.01.2023, the contractor as per the letter dated 12.05.2023 has again requested time extension upto 31.01.2023. 16<sup>th</sup> PMC held on 20.05.2023 also discussed the penalty to be imposed for Civil & E&M works as 5% of the bill amount of Civil works executed after 31.12.2021 amounting to Rs.1,31,393/- and with penalty amounting to Rs.3,37,910/- for E&M works executed after 10.08.2022. It is reported that the generation started since 30.09.2021 and the whole works under the scope of agreement for E&M works were completed on 31.01.2023.

The Chief Engineer has further reported that the claim of damages occurred during flood to the partially completed structures such as foundations for anchors and saddle has not been received from the insurance company. Also, it is reported that the recovery for the same has not been effected from the contractor till date. The total claim of the damage comes to Rs.13,49,506/-. The Chief Engineer recommended that this amount has to be recovered from their pending payment.

Considering the recommendation of the PMC, the Chief Engineer (C-C) South has requested to extend time of completion of the contract with M/s. Power Mech - Pentaflo - Hydro Magus-SEW Consortium for the implementation of Upper Kallar Small Hydro Electric Project (2 MW/ 5.14 Mu) up to 31.01.2023 with penalty at 5% of the bill amount of Civil works executed after 31.12.2021 amounting to Rs.1,31,393/- & with penalty amounting to Rs.3,37,910/- for E&M works executed after 10.08.2022 and recovery towards insurance amounting to Rs.13,49,506/-.

The matter was circulated among the Full Time Directors as per the note read as 10<sup>th</sup> above.

Having considered the matter in detail, the Full Time Directors resolved to accord sanction to extend the time of completion of the contract with M/s. Power Mech - Pentaflo - Hydro Magus-SEW Consortium for the implementation of Upper Kallar Small Hydro Electric Project (2 MW/

5.14 Mu) up to 31.01.2023 with penalty at 5% of the bill amount of Civil works executed after 31.12.2021 amounting to Rs.1,31,393/- & with penalty amounting to Rs.3,37,910/- for E&M works executed after 10.08.2022 and recovery towards insurance amounting to Rs.13,49,506/-

Orders are issued accordingly.

**By Order of the  
Full Time Directors**

*Sd/.*

**LEKHA G  
Company Secretary**

To:

The Chief Engineer (Civil - Construction) South, Thiruvananthapuram.

Copy to: The Chief Engineer (IT,CR & CAPS)/ Company Secretary/ Financial Advisor/ LA&DEO  
The TA to the Chairman & Managing Director / Director (Generation-Civil)/ Director  
(Generation-Electrical, REES, Soura, Sports & Welfare)/ Director (Distribution, Safety,  
IT & SCM)/ Director (Transmission & SO and Planning)  
The PA to the Director (Finance & HRM).  
The RCAO/RAO  
The Sr.CA to the Secretary (Administration).  
Stock File.

Forwarded / By Order

*Lekha*

Assistant Executive Engineer