KERALA STATE ELECTRICITY BOARD LIMITED



(Incorporated under the Companies Act, 1956)
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ABSTRACT

Tenders invited for the work "Upgradation of 19.74 km Mavelikkara-Thiruvalla 66kV DC line to 110kV" - Finalization of tender and placing work order with the single bidder, M/s. Fathima Engineering Co. Pvt Ltd., at their negotiated quoted price of Rs.18,27,65,986/-, which is 11.51% above PAC - Sanction accorded - Orders issued.

Corporate Office (SBU-T)

B.O.(DB) No. 23 /2024 [D(T,SO&P)/T2/ Tvla-Mvka Tender Excess/2023-24] TVPM Dtd:10-01-2024

Read: 1. B.O. (FTD) No. 203/2020 [D(T&SO&S)/T1/Pallom-Mavelikara/2019-20] dated 18.03.2020.

- 2. TS No.13/2020-21 dated 11.08.2020 of the Chief Engineer (Transmission South)
- 3. Working Estimate Sanction order dated 09.11.2021.
- 4. Bid No.CE(TS)/EE1/AEEIV/06/Mavelikkara-Thiruvalla/2021-2022 dated 07.12.2021.
- 5.Bid No. CE(TS)/EE1/AEEIV/07/Mavelikkara-Thiruvalla/2022-2023 dated 19.12.2022.
- 6. Note No. CETS/AE2/2022/775(15) dated 23.06.2023 of Chief Engineer (Transmission South).
- 7. No. FA/Tender 2/44/2023 dated 07.07.2023 of the Financial Advisor.
- 8. Letter No. FECPL/KSEBL-MVK TVLA/210/2023 dated 04.09.2023 of M/s.Fathima Engg. Co. Ltd.
- 9. Note No. D(T,SO&P)/T2/Tvla-Mvka Tender Excess/2023-24 dated 23.11.2023 of the Director (T,SO&P) to the Board of Directors .
- 10. Proceedings of the 74 th meeting of the Board of Directors held on 23.11.2023 vide Agenda No. 07-11/2023.
- 11.Note No. D(T,SO&P)/RT2/Tvla-MvkaTender Excess/2023-24/I/13415/2023 dated 13.12.2023 of the Director (T,SO&P) to the Board of Directors.
- 12. Proceedings of the 75 th meeting of the Board of Directors held on 18.12.2023 (OA 01-12/2023).

ORDER

Revised Administrative Sanction for Rs.78.10 Crore was accorded as per B.O read as 1st above for the upgradation of Pallom-Mavelikkara 66kV DC feeder to 110kV, construction of 110kV bay extension at 110kV Substation, Mavelikkara, construction of 110kV bay extension and 2 Nos. of 110kV feeder bays at 220kV Substation, Pallom and upgradation of 66kV Substation, Changanassery to 110kV under Transmission Circle, Alappuzha.

Out of the total sanctioned amount of Rs.78.10 Crore, the amount sanctioned for the upgradation of 19.74 km Mavelikkara-Thiruvalla 66kV DC line to 110kV is Rs.26.25 Crore. Technical sanction was accorded as per order read as 2nd above and the Working Estimate sanctioned as per order read as 3rd above.

The work involves dismantling of existing lines and towers, tower foundation works, tower erection and stringing of 110kV DC line, with the line materials and accessories supplied by KSEBL (except OPGW and its accessories) and testing and commissioning of the line.

The work was tendered with a PAC of Rs.16,38,93,746/- (excluding GST) as per the Bid read as 4th above. M/s. V-Tech Engineers, Nagpur quoted the lowest rate of 9.9% above PAC, which was later reduced to 9.75% above PAC on negotiation. However, since the progress of work by the firm in another ongoing work under the same Circle was very poor, the Chief Engineer recommended not to consider the firm for the subject work and negotiated with the second lowest firm, M/s. Fathima Engineering Co. Pvt Ltd., who agreed to carry out the work at the same rate as that offered by M/s.V-Tech Engineers.

Based on the remarks of Financial Adviser and the direction of the Director (T,SOP&S), the Chief Engineer (Transmission South) re-tendered the work as per bid read as 5th above. Only one bidder, M/s. Fathima Engineering Co. Pvt Ltd., Kollemcode, was prequalified and the price bid of the lone bidder was opened. The firm quoted Rs.18,32,65,986/-, which is 11.82% above the PAC. Though the Chief Engineer (Transmission South) negotiated with the firm for rate reduction, the firm was not ready to reduce the price further.

The Chief Engineer (Transmission South) as per note read as 6th above, requested sanction for finalising the tender and awarding the work to the single qualified bidder, M/s. Fathima Engineering Co. Pvt. Ltd., Kollemcode, at their offered price of Rs.18,32,65,986/- (11.82 % above PAC).

Based on the remarks of the Financial Adviser, as per letter read as 7th above, the Director (T,SO&P) conducted further negotiation with the lone bidder and the firm offered a reduction of Rs.5,00,000/- from the quoted price, as per letter read as 8th above. The final negotiated amount is Rs.18,27,65,986/-, which is 11.51% above PAC. On comparison with the Local Market Rates, the final negotiated amount is found to be 2.568% below the amount arrived with Local Market Rates.

The matter of finalization of tender with the lone bidder was placed before the 74th meeting of the Board of Directors held on 23.11.2023 as per the note read as 9th above. After discussing the matter, the Board directed to place the details of the action taken against the L1 bidder, M/s.V-Tech Engineers, Nagpur who was not considered in the first tender for the work, and deferred the matter as per the proceedings read as 10th above.

As per note read as 11th above, the matter was again placed before the 75th meeting of the Board of Directors held on 18.12.2023. The Board was informed that the work of upgradation of Alappuzha-Pooppally 66kV line to 110kV was awarded to M/s V-Tech Engineers, Nagpur on 21.01.2021 with official date of completion as 13.09.2022. But the contractor could achieve only 10% progress within the scheduled completion period in spite of constant follow

up from the field office. Therefore, termination notice was issued to the contractor on 12.05.2023. Based on the assurance given by the contractor to complete the work by 31.01.2024 during the personal hearing conducted by the Chief Engineer (Transmission South) on 03.07.2023, sanction was accorded for extending the completion period of the work up to 31.12.2023 by imposing liquidated damages. All the documents were submitted for the perusal of directors.

Having considered all the above matters in detail, the Board of Directors -

RESOLVED to accord sanction to finalize the tender and to award the work to the single qualified bidder, M/s.Fathima Engineering Co. Pvt. Ltd., 8/34A, Fathimapuram, Kollemcode P.O, KK Dist., Tamilnadu at their negotiated quoted price of Rs.18,27,65,986/- (Rupees Eighteen Crore Twenty Seven Lakh Sixty Five Thousand Nine Hundred and Eighty Six Only), which is 11.51% above the PAC, for the work "Upgradation of 19.74 km Mavelikkara-Thiruvalla 66kV DC line to 110kV".

RESOLVED ALSO to fix accountability on the part of officials involved in the first tender for the work "Upgradation of 19.74 km Mavelikkara-Thiruvalla 66kV DC line to 110kV".

Orders are issued accordingly.

By Order of the Director Board

LEKHA G
COMPANY SECRETARY

To:

The Chief Engineer (Transmission South)

Copy to

The Company Secretary/ Chief Engineer (IT,CR&CAPS)/ Financial Advisor/ Chief Internal Auditor

Deputy Chief Engineer, Transmission Circle, Alappuzha

The TA to the Chairman & Managing Director / Director (Generation-Civil) /

Director (Distribution, Safety, SCM & IT) / Director(Transmission, SO & Planning)/

Director (Generation - Electrical, REES, SOURA, Sports & Welfare)

The PA to the Director (Finance & HRM)

The Sr.CA to the Secretary (Administration)

Stock File.

Forwarded / By Order

Assistant Executive Engineer

