

/22064/2024


KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

Registered Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004

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ABSTRACT

Transgrid - GIS package 2 - Construction of 400kV GIS substation, Kottayam - Request of M/s Toshiba T&D systems (India) Ltd for payment against the additional quantity of work carried out for cable laying - Sanctioned - Orders issued.

Corporate Office (SBU-T)

B.O. (FTD) No.67/2024 (DIRTSO-AE5/TG/KottayamSS)
Thiruvananthapuram

Dated: 12-02-2024

Read : 1. B.O. (DB) No. 223/2020 [D(T&SO)/T7/TransGrid/400kV Kottayam/2019-20] dated 20.03.2020.
2. P.O. No. 01/20-21/CE/TG/SRR and W.O. No. 01/20-21/CE/TG/SRR dated 02.04.2020 of the Chief Engineer (TransGrid).
3. Letter No. 09DFG19-TM-0110-A-0388 dated 13.11.2023 of M/s Toshiba.
4. Letter No. 09DFG19-TM-0110-A-0390 dated 27.11.2023 of M/s Toshiba.
5. Note No. DB 42/CE/TG/400kV Kottayam /2023-24/1111 dated 06.12.2023 of the Chief Engineer (Transgrid).
6. Letter No. E 10492/FA/Tender-2/1/2024 dated 06.01.2024 of the Financial Adviser.
7. Note No. DIRTSO-AE5/TG/Kottayam SS/I/17990/2024 dated 18.01.2024 of the Director (Transmission, System Operation & Planning) (Agenda No. 10-02/2024).

ORDER

Administrative Sanction was accorded by KSEBL as per B.O. No.2886 dated 20.11.2017 for the construction of 400 kV GIS Substation at Kottayam for an amount of Rs.285 Crores. Based on sanction as per order read as 1st above, the work was awarded on turnkey basis to M/s Toshiba T&D systems (India) Ltd (TTDI) at their negotiated quoted price of Rs.111,00,19,676/- (excluding GST), which is 31.66% below the tendered PAC. The project was completed and the Kottayam 400kV GIS substation was commissioned in May 2023.

During the project execution, M/s Toshiba raised claim for compensation citing the additional financial burden due to the abnormal increase in the quantity of items such as GI structure, HV/LV cables, EHT cables in the BoQ items and due to the execution of culvert and retaining wall which was not included in their scope of work. Two amendments were issued by the Chief Engineer (TransGrid) on 05.04.2023 and 10.08.2023 respectively with approval of the Board, for the deviated quantities and extra items for a total amount of Rs.5.76 Crore. M/s Toshiba conditionally accepted the amendment orders as per letter read as 3rd above, stating that acceptance of the amended P.O. and W.O. will in no way make invalid their claim for compensation.

The request of M/s Toshiba claiming compensation was discussed by the Director (T,SO&P) with the Chief Engineer (TransGrid) and the project team, in which it was concluded that the claim for

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compensation for the additional quantity executed by the contractor citing price increase of the affected items cannot be accepted as it is against the contract conditions, and also the additional supply and works done by them were already paid at the respective BoQ rates as per contract. However, for the BoQ item 42 'Laying of power cable and control cables' of the Service contract, for which the measurement in the schedule is given as 'Lot', there is a genuine reason to consider the request of the contractor since the actual executed quantity has increased abnormally (six times) and was not anticipated during the bidding stage.

Based on the above, the Chief Engineer (TransGrid), as per note read as 4th above recommended that the labour incurred by the contractor for BoQ item 42 may be considered for payment on pro-rata basis as the measurement in the BoQ is in 'Lot' and the actual supply quantity had increased by six times (Item No. 28 in P.O). The Chief Engineer further stated that, as per the contract terms if there is an increase in the actual supplied quantity, the payment will be made for the actual supply, but for the installation part, the rates are based on "Lot".

On completion of the works an additional quantity of 45010 meter of LV power and control cables is laid, which is approximately 5 times (5.36) of the estimated quantity of 8390 meter. The amount (labour) for laying the additional 5 lots would come to Rs.24,33,367.6/- excluding GST (Rs.4,86,673.52 per lot x 5 lots) as per the rate in the W.O. As per letter read 3rd above, M/s Toshiba had requested for a compensation of Rs.4,96,70,217/- (excluding GST) towards the financial burden due to abnormal material price escalation for major impacted items in respect of the additional works executed by them. This amount include Rs.14,78,302/- for the installation of additional quantity of LV cables.

The Financial Adviser, as per letter read as 6th above, opined that the suggestion to allow payment of Rs.14,78,302/- as compensation for the additional labour done by the contractor against BoQ item 42 of the W.O (for which the measurement is given as 'lot' in the BoQ), corresponding to the increased supply quantity (6.36 times the estimated quantity) of the item 28 in P.O can be considered.

Accordingly, the recommendation to pay an amount of Rs.14,78,302/- as compensation towards the extra labour done by the contractor corresponding to the increased supply quantity of LV power cables is placed before the Full Time Directors as per note read as 6th above for decision.

Having considered the matter, the Full Time Directors resolved to accord sanction to pay an amount of Rs.14,78,302/-/- (Rupees Fourteen Lakh Seventy Eight Thousand Three Hundred and Two only) excluding GST to M/s Toshiba T&D systems India Ltd as compensation for the additional work (item No. 42 of W.O schedule 01/20-21/CE/TG/SRR dated 02.04.2020) executed by them against the increased supply quantity (5.36 times the estimated quantity) of the corresponding item (item No. 28 of P.O. schedule 01/20-21/CE/TG/SRR dated 02.04.2020) as part of the project (GIS 2 package - construction of 400kV GIS, Kottayam). Orders are issued accordingly.

By Order of the Full Time Directors

Sd/-
LEKHA G
COMPANY SECRETARY

To:

The Chief Engineer (TransGrid)

Copy to:

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

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)

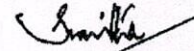
The PA to the Director (Finance & HRM)

The Sr.CA to the Secretary (Administration)

The RCAO/ RAO

Stock File.

Forwarded / By Order



Assistant Engineer