



KERALA STATE ELECTRICITY BOARD Ltd
(Incorporated under the Companies Act, 1956)
Registered Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004

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ABSTRACT

Material Procurement - Pending issues raised by the Manufacturers and Suppliers in SCM unit - Specific observations and remarks - consolidated - Revision of the Bidding Document for Procurement - Sanctioned - Orders issued.

Corporate Office (Supply Chain Management)

B.O. (DB) No.69/2024 (SCM/TA-GI/2023-24) Thiruvananthapuram.

Dated:13-02-2024

- Read :
1. Note No. CMD/107/Projects – Issues/2023 dated 26.10.2023.
 2. Draft report no. 1 of the Committee for Standardization of Tender conditions for Procurement of materials.
 3. Note No. SCM/TA-GI/2023-24 dated 03.02.2024 of the Chairman & Managing Director (C.R 01 of 02.2024).

ORDER

Procurement and Supply Chain Management is one of the most important functions in any company. In procurement, every bidding should be studied after successful bidding, during supply and post supply. It is not only important to concurrently study successful bidding but also failed bidding to understand the reasons for failure of the bids. Such concurrent analysis improves the procurement and other related processes. The quality of work, life of infrastructure, operational performance, as well as company's financial performance depends on the improvement in procurement by ensuring quality of standard material procured at the right time in the right quantity and for the right projects (prioritized projects).

In this back ground, it is imperative to ensure that there is cost efficiency efforts taken in every action including procurement and supply chain management of the Company.

In order to streamline the procurement and achieve efficiencies in terms of quality and cost, as early as on 20th September 2022 specific instructions were issued to Finance Division in the meeting indicating constitution of a committee to work out the proposal. Subsequently, on 8th and 14th December 2022, instructions were given to all Strategic Business Units (SBU), Finance and SCM divisions in particular to study and submit the proposals to improve the procurement as per the CMD Note No - 66 dated 8th December 2022 and 74/ CMD dated 14th December 2022 respectively.

Thereafter throughout the year in every monthly meeting it was asked to work on various issues raised by the suppliers, manufacturers, EPC agencies regarding procurement especially bidding documents, agreement conditions and to take measures to streamline the procurement of material and services.

It was specifically instructed that procurement cycle to start in September and complete the process by December in every year and place the orders so as to ensure that there is no material shortage. Also, for the works contracts, it was instructed to prioritize works, accordingly prepare the schedule for procurement. In spite of the best efforts taken, there was no progress and actions from any of the Strategic Business Units.

As per the note no 155/CMD dated 22^d Nov 2023 of CMD, it was once again instructed to all SBUs to conduct series of workshops with the material suppliers, EPC contractors etc. Accordingly, the workshops were conducted.

It is proposed to do appropriate changes in Procurement and Supply Chain Management. The framework for procurement and supply chain management was placed before Board of Directors.

It is noticed that the present Bidding documents are old version and no fruitful efforts taken in the past to incorporate appropriate changes. Because of this, the bidding response became restrictive and multiple supplies marred with one or the other issues. It becomes problematic to take decisions at later stages regarding payments, penalty, barring the Agency etc. Therefore it is highly essential to amend the Bidding documents as per the specifications, conditions etc which are usually practiced by DISCOMs and Central PSUs to streamline the procurement.

The basic principles for the procurement shall be followed are -

- a. The conditions shall be similar as in practice in other Power Utilities all over the country and in Central PSUs.
- b. The Technical Specifications shall be such that there is no vendor locking
- c. The Technical Specifications shall not be drafted for monopolistic product.
- d. The Technical Specifications shall be worked out as per the National Standards and used by all other Utilities and Central PSUs.
- e. If there is any change in technical specification of any material, such specific proposal shall be put up for decision by putting up detailed rationale in terms of cost, quality and performance.
- f. The quality testing parameters shall be standard as prescribed by DISCOMs and Central PSUs. Any specific addition has to be added based on rationale by taking decision as per the prescribed process.
- g. The procurement shall follow the CVC guidelines.
- h. As per the CVC guidelines the negotiation clause shall be appropriately amended in the Bidding document.
- i. Kerala State Government Procurement Guidelines of Finance Department shall be taken for reference for relevant procurement.
- j. Standard Bidding Document of the Ministry of Power, Government of India shall be referred for any relevant procurement.
- k. GEM portal shall be used, wherever possible for the specific procurements.

The Chairman & Managing Director has proposed to pass resolution by circulation as per note read above to incorporate modifications / changes over the time period in the relevant terms and conditions in tender documents to ensure more participation from the prospective bidders. The following documents were brought to the notice of the Board in the Circular Resolution proposed:

- a. The Pending issues raised by Agencies in the centralized procurement files in certain procurement files for last 3 years were consolidated (Annexure-1).
- b. Report on the workshops conducted with the manufacturers / suppliers on 6th, 7th & 11th December 2023 were also consolidated (Annexure- 2). The practice for similar instance in other Utilities were also considered, for revision in certain clauses.
- c. A draft Bidding Document as proposed by the SCM wing incorporating suggestions for modifications in the Tender Conditions for Procurement, from representative from LA & DEO, CIA & Finance wing, but not including the proposals in Annexures 1 & 2 (Annexure-3).

122282/2024

Having considered the matter in detail, the Board of Directors has passed the following resolution by circulation (CR Item No.01 of 02-2024).

"RESOLVED THAT the Tender conditions for procurement of materials can be standardized incorporating the changes as proposed in three Annexures subject to the following conditions that:

1. The tender modifications listed in Annexure 1 has been noted and Annexure 2 suggested amendments will be explained by putting up with all the details and justification.
2. Wherever there are changes in the bidding, which are also seen in Manuals of other DISCOMS etc., that need to be explicitly mentioned as well and an item wise document may be presented before the next Board meeting.
3. No modification is allowed in the conditions once the bid has been finalized and orders placed.

RESOLVED FURTHER THAT Director (D, SCM & S) and Chief Engineer (SCM) shall be authorized to modify Bidding conditions, if there are amendments to be incorporated from time to time subject to condition that such changes to be done by following due process of decision making in the Company.

Orders are issued accordingly.

By Order of the Director Board

Signed by

Lekha G

Date: 13-02-2024 13:18:52

COMPANY SECRETARY

To:

1. The Director (D, SCM & S)
2. The Chief Engineer (SCM)

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

[Signature]
Assistant Executive Engineer

Issues raised by Manufacturer / Supply Contractor

Issues raised by Manufacturer - M/s. **Bhadora Industries Pvt. Ltd., Tikamgarh, Madhya Pradesh**

Tender No. : Bid Nos.SCM/ep.58/2020-21 dtd 21/12/2020 and SCM/ep.64/2020-21 dtd 22/12/2020 of 2.5 sq.mm and 6 sq.mm WP wire

Description : Risk and cost amount assessed by KSEBL towards the short closing of Purchase Order No. 58/2021-22/4365 dated 06/09/2021 for 2.5 sq.mm and Purchase Order No. 54/2021-22/3117 dated 09/08/2021 for 6 sq.mm Weather Proof wires - Writ Petition Nos. WP(C)No.10564 and WP(C) No.5276/2023 filed by M/s. Bhadora Industries Pvt. Ltd., Tikamgarh, Madhya Pradesh against the same - Request from M/s. Bhadora Industries Pvt. Ltd., Tikamgarh, Madhya Pradesh to release payment against the supply of ACSR Rabbit conductors.

Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser / LA&DEO	Proposal
1	Holding of risk and cost amount of Rs. 1,17,96,885/- assessed by KSEBL towards the short closing of Purchase Order No.58/2021-22/4365 dated 06/09/2021 for 2.5 sq.mm and Purchase Order No.54/2021-22/3117 dated 09/08/2021 for 6 sq.mm Weather Proof wires from the payment towards the supply of ACSR Rabbit Conductors vide Purchase Order No.SCM.100/2022-23/8537 dated 10/03/2023.	22.06.2023	No issues related with the supply of ACSR Rabbit conductors against the firm.	As per the remarks of the LA & DEO, Chief Engineer (SCM) may be allowed to make payment to the supplier from any purchase order placed with the firm only after ensuring that the risk and cost amount assessed against the purchase orders for Weather proof wires by KSEBL is retained by the Board.	As per the Judgement dated 19.12.2023 of the Honble High Court of Kerala in WP (C) No.10564 & No. 5276, hearing conducted by the Chief Engineer(SCM) on 01.02.2024. Report regarding the same to be submitted before the Honble High Court within one month.
2	Case filed by the firm before the Honble High court of Kerala against the shortclosure of the Purchase Orders	2022	PO was placed with M/s Bhadora Industries Pvt.Ltd for supply of 78960 coils of 2.5 sq.mm and 17850 coils of 6sq.mm WP Wire. The firm failed to complete the supply. Hence PO s short closed and BG s Forfeited as per decision of board.	The High court has extended the interim order forfour months till the pendency of this writ petition.WP@ No.19564 &5276.	As per the Judgement dated 19.12.2023 of the Honble High Court of Kerala in WP (C) No.10564 & No. 5276, hearing conducted by the Chief Engineer(SCM) on 01.02.2024. Report regarding the same to be submitted before the Honble High Court within one month.
PO NO.SCM 47&49 /RFVR-II/2023-24/3946 dated 18/10/2023.					
Supply of 102000 coils of 2.5 sq.mm and 20235 coils of 6 sq.mm TC WP Wire - M/s Shree Bhagwati Cables					
Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser	Proposal
3	The firm has requested to consider them as new entrant and to placeorder for 10% of the tender quantity.	2023	PO was placed with M/s Shree Bhagwati Cables for the supply of 102000 coils of 2.5 sq.mm and 20235 coils of 6 sq.mm WP Wire via RFVR-II.Based on their Production capacity and financial capability. The firm informed that they could supply only 10% of the tender quantity.	To place purchase order based on their production capacity.	Action to be initiated for blacklisting the firm and for arranging alternate purchase.
KSEBL/SCM/113/19-20/ dated 30/11/2019.					
Supply of 231 km of 11kv 3*300 sq.mm XLPE UG Cable.- Gupta Power Infrastructure Ltd					
Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser	Proposal
4	The firm informed that no liability is outstanding against the supply of UG Cable	26/9/2023	PO was placed with M/s Gupta Power Infrastructure Ltd for the supply of 11kv XLPE UG Cable.As per BO dated 4.4.2022 delivery schedule extension granted to original PO and price refixation to additional PO.Hence the firm has to remit liability amount of Rs. 17,28,337.83 to KSEBL.	As per clause 12.832 date of opening of new price bid is treated as effective date, whereas as per clause 3 of Annexure V- Price variation Formula it is fixed as the last date fixed for receipt of new bid.ILA opined that "when there is a conflict between a general and a special provision, the latter shall prevail."	Action to be initiated for encashing BG amount if the firm is not remitting the liability amount.

Annexure - 1

KSEB/SCM/39/2020-21/4236 dated 6/11/2020 PO for supply of 25 km of 11kv XLPE UG Cable - M/s Gemscab industries Ltd.			
Sl. No.	Issue raised by agency	Since when	Remarks from SCM
5	The firm informed that no liability is outstanding against the supply of UG Cable	11-07-2023	PO placed with M/s Gemscab industries Ltd. For supply of 25 km of 11kv XLPE UG Cable. Vide BO Dated 4.4.2022 price refixatio effected for supply made after 22.01.2021.Hence firm requested to remit amount of Rs.68.93 lakhs.
Tender No. : Description	KSEB/SCM/eP.34/2022-23 dated 15/10/2022 Supply of 12500 km of XLPE Insulated ACSR Rabbit Conductor -M/s.Traco		
Sl. No.	Issue raised by agency	Since when	Remarks from SCM
6	M/s.Traco requested for financial support (Letter of Credit) from KSEBL for Rs.15 crores in every month till completion of the supply with necessary amendments in delivery schedule for 5 months.	14-08-2023	As per the FTD decision on 11/08/2023,no delivery extension was granted to M/s.Traco for the quantity ordered .Proceeded with alternate purchase for shortfall quantity of XLPE Insulated ACSR Rabbit Conductor for 10549.925 km by Ms.Traco. Willingness collected from the next higher bidder-L2 and from the new entrant. Note submitted to Full Time Directors for alternate purchase of XLPE Insulated ACSR Rabbit Conductor along with the remarks of Financial Advisor on 11/11/2023. Remarks from LA & DEO awaited.
Issues raised by Manufacturer – M/s.Kerala State Cable and Conductor Manufacturers' Association			
Tender No. : Bid invited for the Procurement of ACSR Conductors upto 19 strands by KSEBL			
Description : – Request for amendment of pre-qualification criteria of e-tender invited by KSEBL for State MSMEs -Request from the Kerala State Cable and Conductor Manufacturers Association			
Sl. No.	Issue raised by agency	Since when	Remarks from SCM
7	The issue raised in the representation is regarding the turnover clause specified in the tender invited by KSEBL for the supply of ACSR Raccoon & Rabbit Conductors. As per the pre-qualification conditions approved by the KSEBL, 'The Bidder should have sufficient financial capacity to manufacture and supply the item within KSEB Ltd's desired delivery schedule. The firm should have a minimum annual turn over of 75% PAC of the quoted Circles for the last 3 consecutive years.' The tender for the supply of ACSR Raccoon & Rabbit Conductors is invited circle wise for the 25 Electrical Circles based on circle wise requirement.	Invitation of open tender from 2021-22	Annual Turn Over (75% PAC) is approved by the Board to ensure the financial capacity/stability of the bidders to supply the ordered quantity in time to complete the time bound targeted/maintenance works. The present procurement procedures are being done as per the new MSME order G.O (RT) No.5382/2020/Fin dated 18/09/2020 of Finance Department and related orders granting 50% purchase preference and 15% price preference to the State PSUs and local MSMEs. Single tender is invited for both Raccoon & Rabbit conductors circle wise and Purchase orders issued to the circle wise L1 bidders and State PSU/State MSMEs complying the Government order.
Sl. No.	Issue raised by agency	Since when	Remarks from the Financial Adviser
			As per clause 12 & 32 date of opening of new price bid is treated as effective date, whereas as per clause 3 of Annexure V- Price variation Formula it is fixed as the last date fixed for receipt of new bid.ILA opined that "when there is a conflict between a general and a special provision, the latter shall prevail."
Sl. No.	Issue raised by agency	Since when	Remarks from the Financial Adviser / LA&DEO
			Financial Advisor recommended to Place Purchase order with M/s. Pairival Industries Limited,Jharkhand (new-entrant)for the remaining shortfall quantity as a special case since the financial commitment to the board will be less than the existing purchase contract. Penal provisions as per agreement terms may be imposed on M/s.Traco cables as it is observed that they are making default in supply contracts in recent period. LA & DEO has opined to cancel the existing tender.
Sl. No.	Issue raised by agency	Since when	Remarks from the Financial Adviser
			As per tender conditions,only 10% of the total quantity are allotted to new-entrants. If the new-entrants have enough production capacity and solvency for the entire item, the quantity for new entrants could be increased to 30% or more.
Sl. No.	Issue raised by agency	Since when	Remarks from the Financial Adviser
			Considering the request of KSCCMA, KSEBL proposes to invite separate tenders for the future requirement of ACSR Raccoon and Rabbit conductors circle wise, without inviting single tender by bundling together ACSR Raccoon and Rabbit conductors. This will allow more flexibility to the participant bidders including the State MSMEs to quote for both Raccoon and Rabbit conductors circle wise to the tune of their turn over.
Sl. No.	Issue raised by agency	Since when	Remarks from the Financial Adviser
			The Hon'ble High Court of Kerala vide judgement dated 25.01.2023 dismissed the Writ Appeal No.97/2023 filed by the Kerala State Cable and Conductor Manufacturers Association questioning the prequalification condition of KSEBL stipulating minimum annual turn over of 75% of Probable Amount of Contract (PAC) in the open tender invited for ACSR conductors during the F.Y. 2022-23. As per the Judgement, there is no merit in the appeal and the stipulation of 75% of PAC in fact is to protect the interest of KSEB and in no way has violated the MSME Government orders.

Tender No. / P.O. No.	P.O.No.SCM.142/2015-16/5608 dated 05/03/2016 placed with M/s Macedon Vinimay Pvt. Limited. (Tender no. KSEB/SCM/EP18/2015-16)				
Description	Supply of 11,537Nos. of Automatic Street Light Controllers with provision for metering				
Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser / LA&DEO	Proposal
8	<p>Material supply is completed. The guarantee period was upto 30/11/2021. While collecting NLC from the consignees, the Deputy Chief Engineer, Electrical Circle, Thrissur, Perumbavoor, Kottayam informed a total liability amount of Rs.25,75,433/ as the firm failed to repair/replace the units failed during warranty period and the matter was informed to the firm.</p> <p>The firm informed that they were never informed about the non- functioning of units and its location during the guarantee period and they never received any communication from KSEBL informing the faulty units and their locations.</p>	30-11-2021	<p>Instructed to consignee (the Deputy Chief Engineer, Electrical Circle, Thrissur, Perumbavoor, Kottayam) to furnish copy of letters intimating the firm with locations regarding non-functioning of Automatic Street Light Controller and detailed calculation of Liability amount.</p>	Not applicable.	—
9	<p>Issue raised by agency</p> <p>Materials supply is completed. The guarantee period was upto 30/11/2021. While collecting NLC from the consignees, the deputy Chief Engineer, Electrical circle, Thrissur reported that 784nos ASLC in various Sections under that Circle became faulty during guarantee period and requested the firm to attend the complaint. It was also reported that the faulty 359 units were repaired by KSEBL by entrusting the work with external agencies as M/s JILCO did not repair them in time and fixed the expenditure as the firm's liability. Total liability amount reported from the circle is Rs.9,52,352/-. The firm reported that they are neither in receipt of any complaint from KSEBL verbal or written nor any time frame was given to them beyond which the department would rectify the defects on</p>	30.11.2021	<p>A meeting was convened on 4.1.2024 with the firm and the Deputy Chief Engineer, Electrical circle, Thrissur for settling the issue amicably.</p>	<p>No steps known to law has been taken to address the alleged failure on the part of the contractor. In all probability, the failure in establishing the fact that the lapses were intimated in time, the rectification of defects by o/wr. volition etc will be detrimental to KSEBL in case of legal proceedings</p>	Proposal
Description	Supply of 4,944Nos. of Automatic Street Light Controllers with provision for metering for RAPDRP				
P.O.No.SCM.143/2015-16/5609 dated 05/03/2016	placed with M/s. Jain Industrial Lighting Corporation Limited. (Tender no. KSEB/SCM/EP18/2015-16)				

eP 39/2022-23 dated 19.12.2022 - M/s Capital Power Systems					
Supply of 3.5 lakh single phase meters having ToD facility and LCD display with Backlit of Rating 5-30A, Accuracy class 1.0					
Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser	Proposal
10	Request of M/s Capital Power Systems Ltd, Noida to accept 'PUYA' make memory chip	Aug-23	<p>The single phase meters with 'PUYA' make memory chips were rejected by KSEBL as this memory chip is not included in the list of components as per the tender conditions. The firm's contention that the list of makes of components is attached herewith as a guideline is not withstanding due to the below mentioned reasons. 1. As per clause 11, Special instructions in the purchase order, the firm has to submit 3 sample meters incorporating all the deviations pointed out at various stages and get approved before delivery of the first lot. The bulk supply should be strictly as per the technical specification of the order and as per the sample meter approved. Accordingly, the sample meters were supplied by the firm at TMR, Thirumala. As per the report of the Executive Engineer, TMR Thirumala dated 25.10.2023, in the sample evaluation, the memory chip used was of "ST" make which is mentioned in the list of components in tender specification. But during bulk supply, the firm used a memory chip not mentioned in the list. 2.As per clause 14(special instructions) of purchase order, internal components of the meters will be verified for conformity with component specification (clause 23. of technical specification of P.O) of this order by opening one meter from random lot supplied.</p> <p>The lot shall be rejected if the component of the meter does not conform to the specification. Any change in component during inspection and delivery of meter shall be properly intimated to KSEBL and shall get approved. It may please be noted that as per the pre-despatch inspection report of the inspecting officer, dated 27.6.2023 and 19.7.2023, the memory chip used in the meters offered in the first and second lot were of "ST" make. The performance of "puya " make memory chip is not known to KSEBL since the same is not used here. Since the meters play a vital role in billing, the use of a memory chip, whose performance is not known to KSEBL is not recommended.</p>	The firm had filed WP (C)before the Hon'ble High Court of Kerala praying that the Court may pass an order directing KSEBL not to reject the already supplied 2 lakh meters with "PUYA" make memory chip. Statement of Facts filed by KSEBL. Hearing posted for this month.	
KSEB/SCM/eP10/2022-23 dtd 05.05.2022 -M/s Ensol Multi clean Equipments Pvt Ltd,					
Purchase of 25 nos. Mini Truck Mounted aerial work platform					
11	Purchase order was placed with M/s Ensol Multi clean Equipments Pvt Ltd, Jaipur for the supply of 25 nos. of Mini truck mounted aerial work platform vide purchase order no. SCM 53/22-23 dated 27.9.2022 and the supply was completed by May 2023. Vide G.O (P) no. 29/2023/TRANS dated 8.12.2023, GoK accorded sanction to grant exemptions to the violations noticed, for registering the 25 nos. of N1 category vehicles (Goods Chassis) as "Specific Purpose Vehicle" by invoking the powers conferred under Rule 334 of Kerala Motor Vehicles Rules, 1989 and Rule 2 of the overall dimension of Motor Vehicles Rule 1991 with certain conditions (1) to (5) listed in the Government order.	May-23	The Regional Transport Officer of certain districts are not willing to register the vehicle as "SPV" under private category. The vehicle owned by the Deputy Chief Engineer, Trivandrum (Urban) was registered on 11.12.2023 as armoured/Specialized vehicle by the RTO, Tvpm under private category.	Not applicable	The Transport Commissioner, Kerala may be requested to give direction to the concerned RTO/s Joint RTOs of the respective districts to take suitable action to register the vehicle in the same manner as is done by the RTO, Tvpm.

Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser	Proposal
12	<p>M/s.Kapco Electric Pvt Ltd was informed that there is a liability amount of Rs. 2,28,283/- towards risk and cost of the rejected materials against Purchase Orders</p> <p>(1) SCM.151/2017-18 and (2) SCM.152/IPDS Both dated 16.12.2017. After adjusting the EMD, balance amount to be remitted by the firm is Rs. 52983/-. The firm has complained on 27.07.2023 about</p> <p>(1) Calculation of Ground Rent-its methodology</p> <p>(2) GST not visible to them in the GST Portal</p> <p>(3) The PO chosen for risk and cost liability Calculations. Hence they demand to refund the excess deductions after recalculating the liability based on their claims.</p>	27.07.2023	<p>The Firm could not Complete the supply against the POs and hence the risk and cost liability was computed. An interim note had been submitted to the Director (SCM) in this regard on 11.08.2023. The Details from Consignee had been collected and remarks from FA also had been Sought Simultaneously. Liability has been recalculated based on the following criteria:</p> <p>1) FA Remarks</p> <p>2) Limited GR to 90 days for those items not under Consideration for Re-Test</p> <p>3) For those items under re-test, the days after termination of PO ie after 07.12.2019 is used in calculations for revised Ground Rent. A Final Calculation has been putup for approval. The liabilities against other POs under Transmission Wing has also been included thereby arriving at a net liability of Rs.399483/-. Another existing liability of Rs 42120/-under Monitoring Wing (For other POs under Gurantee period)is also to be included in the final consolidated liability statement of M/s Kapco against all other POs under the SCM Wing. Such a Final Consolidated Statements indicating all the liabilities of the firm under SCM is to be prepared for ease of communication to the firm and smooth collection of the liability in case of any legal action to be initiated.</p>	<p>The Methodology adopted for risk and cost liability assessment based on alternate PO SCM.83/2018-19 dtd 03.09.2018 is correct and justified. A correction need to be applied to the liability statement prepared against the Pos, 151 and 152 based on wrong selection of values of retention etc. The Methodology to be chosen for Ground rent calculation can be made based on the discretion of the agreement authority as the retesting delayed the disposal of rejected items against the Pos. Appropriate decision in this regard may be made by the agreement authority. Further details regarding GST are to be collected from the consignees.</p>	<p>Revised note to the Dir(SCM) with recalculation of liability considering all the existing liabilities of the firm M/s Kapco Electric Pvt Ltd is to be prepared</p>

Supply of 12 Nos. of 400 kV Current transformers (under PSDF Scheme) by M/s.Toshiba Transmission & Distribution Systems (India) Pvt. Limited, Telangana – Releasing Bank guarantees

Tender No./PO. Description :	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser / LA&DEO	Proposal
13	M/s.Toshiba Transmission & Distribution Systems (India)Pvt.Ltd has requested to release the Bank Guarantees amounting to Rs 386900/- and Rs7,73,800/, since the guarantee period as per the purchase order is over.	10.05.22	M/s.Toshiba Transmission & Distribution Systems (India) Pvt. Limited, Telangana had supplied 12 Nos. of 400kV Current Transformers (CTs) at 400kV Substation, Madakkathara (under PSDF scheme) on 04.10.2016, guarantee period of which expired on 18.06.2019. This office requested the consignee EE,TD,Madakkathara to furnish NLC. The consignee informed that the CTs are having tan delta values in an increasing trend, though within limits. As the firm has stopped the production of 400kV CTs, the firm may replace the items with those of new manufacturer. NLC can be issued only after the same. But the firm is not agreeable to the above, citing the reasons that the tan delta values are within limits and the CTs are still in service. As the Guarantee period expired on 18.06.2019, the Bank guarantees are to be released, after recovering liability if any. Hence the Deputy Chief Engineer, TC, Thrissur and Chief Engineer(TN) were requested to furnish NLC/Liability details. In reply, the CE(TN) furnished liability amount of Rs. 1,06,93,599/- for the CTs which are still in service.	Remarks of LA&DEO: It is seen that the facts have been comprehended in its correct perspective by that office. As per the civil law followed in the land, an actionable claim will lie against a supplier / manufacturer during the guarantee period as per the terms specified in the said period. Thereafter the LA&DEO has remarked that chance of agreement provisions, if any. Otherwise the law of getting meaningful result seems to be remote in demanding the liability as raised by the Chief Engineer (Transmission North). Limitation will be attracted and the party who is raising claim for damage has to do so within a period of 3 years on raising dispute and the same has to be adjudicated by an independent authority like a court of law or Arbitrator.	The Current Transformers are still reported to be in service. The Bank guarantee amounting to Rs 386900/- and Rs7,73,800/-are valid only upto 29.02.2024.and the firm is not willing to extend the validity any further. The LA&DEO has remarked that chance of getting meaningful result seems to be remote in demanding the liability as raised by the Chief Engineer (Transmission North).
			These CTs were installed on 19/06/2017 (6 nos.), 17/07/2017 (3 nos.) and 05/01/2018 (3 nos.). Due to the increasing trend in tan delta values, the CTs were taken back by the supplier on 07/09/2019 (4 nos.), 24/09/2019 (2 nos.) and 23/06/2020 (6 nos.). The CTs were returned on 12/03/2020, 16/03/2020 (7 nos.) and 27/02/2021 (5 nos.). The CTs were installed after servicing on 15/04/2020 (6 nos.) and 17/04/2021 (6 nos.). The total amount of purchase for 12 nos. of CTs was Rs.77,37,815/-. But the liability amount claimed by the Chief Engineer (Transmission North) for the CTs which are in service is Rs.1,06,93,599/-. Considering the points mentioned above, the calculation of liability amount furnished by the Chief Engineer (Transmission North) is not justifiable. The Bank guarantees amounting to Rs.3,86,900/- and Rs.7,73,800/- were valid upto 30.06.2023. The firm was unwilling to extend the validity further and after much persuasion, the validity was extended up to 30.12.2023 (For six months) and informed that the BGs will not be extended any further.	In the instant case, it is an admitted fact that the guarantee period expired on 18/06/2019 and the officials concerned are having no case that they have initiated any proceedings known to law against the supplier for the alleged damages within the period permitted under the statute. Added to that, it is seen that to the belated queries, the firm in question has raised serious objections. Therefore prima facie, the chance of getting meaningful result seems to be remote in demanding the liability as fixed by the Chief Engineer (Transmission North). However, by way of abundant caution, an effective consultation may be made with Sri.Antony Makkath, Senior Standing Counsel after inviting his attention to the facts in its entirety. A competent officer or team of officials may be deputed for the purpose along with documents after ascertaining the Counsel's availability.	The matter has been taken up with the CMD,KSEBL through the Director (D,SCM,S&IT) requesting what the Bank Guarantees amounting to Rs 386900/- and Rs 7,73,800/- of Security deposit and performance respectively by M/s. Toshiba Transmission & Distribution Systems (India) Pvt. Limited, Telangana against the supply of 400kV Current transformers may be released after recovering an amount of Rs, 6,77,520/- towards penalty for delayed replacement of materials, even though the Chief Engineer (Transmission North) has assessed the liability amount as Rs.1,06,93,599/- (or) As per the direction of the Director (Distribution,IT& SCM), to initiate debarring procedure against the firm M/s. Toshiba Transmission & Distribution Systems (India) Pvt.

Tender No./PO No : e-Tender ep.28/23-24 for the purchase of 15nos. 20MVA,110/11kV Transformers - TELK
 Description : Supply of 20MVA, 110/11kV, Three Phase Power Transformer-15Nos

Sl. No.	Issue raised by agency:	Since when	Remarks from SCM	Remarks from the Financial Adviser / LA&DEO	Proposal
14	<p>KSEBL Condition- If the supplies (offer date) are made after the scheduled delivery period, basic price as per this PO, updated basic price as per IEEMA on the contractual delivery period, the updated basic price as per IEEMA on actual delivery period (Offer date) or the updated rate of new tender/PO issued during the delivery period are compared and lowest price will be allowed.</p> <p>M/s TELK request-updated basic price as per IEEMA on the contractual delivery period, the updated basic price as per IEEMA on actual delivery period (Offer date) compared and lowest price will be allowed.</p>	18.10.2023	<p>In other utilities, for delayed supply updated basic price for contractual/ actual delivery, whichever is lower will be approved</p>	<p>A note in this regard submitted to the Director (D, IT, SCM&S) on 07.11.2023 and as directed the note forwarded to FA on 09.11.2023 in e-Office for getting remarks-FA remarked that "The existing condition in fact is of penal nature so as to alert the supplier to adhere with the scheduled delivery period. It is noted in several cases that the delivery period fixed by us is not reasonable and consequently delivery period extensions requests as well as price variation requests have been raised by the suppliers. Rather than go for piecemeal correction in clauses, it is felt that a comprehensive correction in the delivery period related clauses in our tender conditions is required so as to ensure that we get the materials in time at the same time the supplier get their deserved price"</p>	<p>Tender condition may be modified as "for delayed supply, updated basic price for contractual/actual delivery, whichever is lower will be approved"</p>
15	<p>KSEBL condition- The materials offered should be guaranteed for a minimum period of 120 months from the date of acceptance by the consignee or 114 months from the date of commissioning, whichever is earlier.</p> <p>M/s.TELK request- Guarantee period may kindly be accepted as for minimum period of 60 months from the date of acceptance by the consignee or 54 months from the date of commissioning, whichever is earlier.</p>	18.10.2023	<p>In other Utilities: Maximum Guarantee period is up to 66 months</p> <ul style="list-style-type: none"> • Kashmir Power Distribution Corporation Ltd :- Three Year • APTRANSCO- Five Year • APDCL- Five Year • Maharashtra State Electricity Distribution Company Limited - 60/66 months. • Utarakhand Power Corporation Ltd: period of 24 months from the date of commissioning or 30 months from the date of dispatch whichever is earlier • CEA guidelines: 5 years 	<p>A note in this regard submitted to the Director (D, IT, SCM&S) on 07.11.2023 and as directed the note forwarded to FA on 09.11.2023 in E-Office for getting remarks-FA remarked that-"Regarding the amendment suggested, it is felt that guarantee of an item should be fixed based on our requirements or standard market practice and fixing a uniform term for all items may be discouraged. It is felt that a single guarantee period should start from the acceptance of the materials."</p>	<p>Tender condition may be modified if necessary after obtaining the remarks of Director (T,S&P).</p>
16	<p>The materials, if any, supplied (Offer date) after the scheduled delivery period noted in the order will be accepted only on condition that price of such materials will be re-fixed taking into consideration the updated rate of new bid/purchase Order of such materials with the same specification supplied and accepted by KSEBL Limited on the date of actual supply, updated basic rate as per IEEMA as per the contractual delivery period, updated basic rate as per IEEMA as per the actual delivery period (Offer date) or the basic price as per the order against this bid whichever is lower will be applicable.</p> <p>M/STELK request- Price re-fixation clause may kindly be deleted</p>	18.10.2023	<p>In other utilities, this clause is not seen. If the tender condition for Price Variation is modified as per the proposal in Item (1), the tender condition for refixation for delayed delivery is not relevant.</p>	<p>A note in this regard submitted to the Director (D, IT, SCM&S) on 07.11.2023 and as directed the note forwarded to FA on 09.11.2023 in E-Office for getting remarks. FA remarked that "Rather than go for piecemeal correction in clauses, it is felt that a comprehensive correction in the delivery period related clauses in our tender conditions is required so as to ensure that we get the materials in time at the same time the supplier get their deserved price"</p>	<p>Can be deleted if Proposal in item (14) is approved.</p>

17	<p>Clause no.29: Pre-Qualification conditions for New Entrants in KSEB Limited / any other Power Utilities including KSEB Limited.</p> <p>1. All type test certificate of the tendered item has to be produced at the time of bid.</p> <p>M/s KEL request- requested to issue corrigendum for the tender in order to amend pre-qualification condition to "Submission of all type test certificates before commencement of the supply without affecting the delivery schedule instead of at the time of bid submission", which will help PSU owned by GoK to participate in your tender.</p>	18.10.2023	<p>For most equipment, the technical specifications are the same for various power utilities, so manufacturers can submit type test reports along with their bids. For equipment like power transformers, specifications might be different for various utilities. Furthermore, type tests for heavy equipment are more expensive, and the firm must conduct the type test before participating in a bid without any assurance of getting a Purchase Order for the same item.</p>	<p>A note in this regard submitted to the Director (D, IT, SCM&S) on 07.11.2023 and as directed the note forwarded to FA on 09.11.2023 in E-Office for getting remarks</p>	Tender condition for new entrants may be modified as "In the case of State PSUs, all type test reports of the tendered item shall be produced before offering the inspection of the first lot without affecting the delivery schedule."
<p>e-Tender No. KSEB/SCM/e.P.50/2022-23 dated 01.03.2023. Supply of 5Nos. 8MVA, 33kV/11kV 3 phase Transformers</p>					
Sl. No.	Issue raised by agency	Since when	Remarks from SCM	Remarks from the Financial Adviser / LA&DEO	Proposal
18	<p>KSEBL Condition-</p> <p>Cl. No. 4.2.10- Tan Delta Value - 0.5(As per PET testing Protocol.)</p> <p>M/s Toshiba</p> <p>Tan Delta Value, they guarantee Tan delta value as 1% at 20 Deg. C</p>	01.03.2023	In other utilities the value of tan delta is not seen	<p>Vide note No. D(T &SO)/T 1/Material/PP 22-23/8MVA Trfr (2) Dated: 23.05.2023 the Director (T,SO,P&S) has directed that "You may proceed with the subject tender for the supply of 33 kV, 8MVA transformers with the specifications recommended by the Technical Committee"</p>	
19	<p>Cl. No. 4.2.11- Polarization index - >2 (As per PET testing Protocol.)</p> <p>M/s Toshiba</p> <p>Polarization index - /against this clause, they guarantee Polarization Index value as >1.3.</p>	01.03.2023	<p>In other utilities</p> <p>APDCL : The value will not be less than 1.5.</p> <p>Ministry of Power ,Govt of India- The value will not be less than 1.5</p>	<p>Vide note No. D(T &SO)/T 1/Material/PP 22-23/8MVA Trfr (2) Dated: 23.05.2023 the Director (T,SO,P&S) has directed that "You may proceed with the subject tender for the supply of 33 kV, 8MVA transformers with the specifications recommended by the Technical Committee"</p>	
20	<p>Cl. No. 4.2.12-Dielectric Absorption Ratio ->1.4 (As per PET testing Protocol.)</p> <p>M/s Toshiba</p> <p>Dielectric Absorption Ratio - Against this clause, they guarantee Absorption Index >1.3 for the power transformers</p>	01.03.2023	In other utilities the value of DAR is not seen	<p>Vide note No. D(T &SO)/T 1/Material/PP 22-23/8MVA Trfr (2) Dated: 23.05.2023 the Director (T,SO,P&S) has directed that "You may proceed with the subject tender for the supply of 33 kV, 8MVA transformers with the specifications recommended by the Technical Committee"</p>	
21	Delay in processing of invoices and payment for the supply made		Action by the store authority / consignees		Necessary direction from office of Director (D&SCM) to the field offices
22	Delivery extension requests from firms for avoiding penalty		Each case will be taken up with higher authority on the basis of merit.		Direction to the field offices for timely action in forwarding the NLC is required. Requested IT wing to develop software module NLC/LC) for collecting NLC
23	Delay in BG release after expiry of the contract period		Delay in furnishing the NLC/LC from field		The bid conditions/qualification criteria to be modified allowing the firm to submit before issuing Vendor registration certificates
24	Submission of Type tests after placement of orders		As per the existing bid conditions, 100% of the Type tests shall be submitted for Vendor registration		

Procurement of Materials - Bidding documents

Annexure 2

General Conditions-Modification/Suggestions from various stakeholders during the workshops conducted on 6th, 7th & 11th December 2023

Sl. No.	KSEBL Specifications	Changes suggested by firms	Proposed change in tender condition	KSEBL Remarks
1	Part - 1, Pre-qualification Bid - Section B – Terms & Conditions Clause 5: Originals of Bid Agreement & Bid Form in Kerala stamp paper worth Rs.500/- each enclosed in sealed envelope superscribing the bid number shall be submitted to the Chief Engineer (SCM) before the last date & time of Pre-qualification Bid opening.	KSEBL may please review the requirement of Bid Agreement and Bid form as no other DISCOM/PSU insist for submission of Bid Agreement and Bid form. Bidders from outside Kerala find it difficult to procure Stamp Paper in time to participate in the tender. So, in line with other DISCOM/CPSU, please review the requirement of Bid Agreement and Bid form or change to plain paper instead of Stamp Paper.	Scanned copies of Bid Agreement & Bid form as per stipulated format in Stamp paper shall be uploaded along with bid document. Changes in this regard shall be made wherever applicable.	In other utilities also, the relaxation during COVID 19 period to submit the Bid Agreement & Forms in plain paper, has been lifted.
2	If the supplies (offer date) are made after the scheduled delivery period, basic price as per this PO, updated basic price as per IEEMA on the contractual delivery period, the updated basic price as per IEEMA on actual delivery period (Offer date) or the updated rate of new tender/PO issued during the delivery period are compared and lowest price will be allowed.	KSEBL may kindly consider the following clause for PVC as followed by other DISCOM: 1) For the delayed supply, any increase or decrease in the price variation amount will be calculated for actual delivery, contractual delivery and actual testing and least of the above will be admitted for payment. 2) Alternatively, updated Basic price as on the date of issuance of per IEEMA formula may please be considered. Request KSEBL to kindly update the Basic price of the Transformer as on the date of issuance of PO as per IEEMA formula for the Transformer Orders finalized after more than 3 months of Tender date.	1. Price Variation as per IEEMA formula will be applicable for the materials offered (material readiness date) as per delivery schedule. 2. If the supplies (offer date - material readiness date) are made ahead of the scheduled delivery period, without written request of the Chief Engineer (SCM), updated basic price as per IEEMA on the contractual delivery period and the updated basic price as per IEEMA on actual delivery period (Offer date - material readiness date) are compared and lowest price will be allowed. 3. If the supplies (offer date - material readiness date) are made ahead of the scheduled delivery period, as per the written request of the Chief Engineer (SCM), the updated basic price as per IEEMA on actual delivery period (Offer date - material readiness date) will be allowed. 4. If the supplies (offer date - material readiness date) are made after the scheduled delivery period, updated basic price as per IEEMA on the contractual delivery period, updated basic price as per IEEMA on actual delivery period (Offer date - material readiness date) or the updated basic rate of new tender/PO issued (as per Price Refixation clause) during the actual delivery period are compared and lowest price will be allowed. Note: For calculation of IEEMA, price variation in all the above cases, the date of delivery / supplies is the date on which the material is ready for inspection and not the date of actual supply at site/store.	Tender condition may be modified as "for delayed supply, updated basic price for contractual/actual delivery, whichever is lower will be approved"
3	Predispatch Inspection: The supplier shall give the KSEB Limited's representative 20 days notice in writing of the date and place where the item will be ready for testing.		Predispatch Inspection: The supplier shall give the KSEB Limited's representative minimum 20 days notice in writing of the date and place where the item will be ready for testing. If not, the date of readiness will be taken as 20 days after the date of intimation received in this office. This assumed date of offer will be considered for calculation of penalty, if applicable. Also, the lowest of the updated basic prices for the above two offer dates will be applicable for calculation of price variation.	In most cases, the suppliers are offering materials for inspection, just before the scheduled delivery period and 20 days notice is not adhered. Hence difficulty is being faced for arranging inspectors within the short period.

4	<p>Clause-38 under Part-II (Instructions to Bidders): Price Re-fixation:- 1. For fixed price: The materials, if any, supplied after the scheduled delivery period noted in the order will be accepted only on condition that price of such materials will be re-fixed taking into consideration the rate of new bid / Purchase Order of such materials with the same specifications supplied and accepted by KSEBL on the date of actual supply as per the new bid / Purchase Order or as per this Purchase order, whichever is lower. For variable price: The materials, if any, supplied (Offer date) after the scheduled delivery period noted in the order will be accepted only on condition that price of such materials will be re-fixed taking into consideration the rate of new bid / Purchase Order of such materials with the same specification supplied and accepted by KSEB limited on the date of actual supply, updated basic rate as per IEEMA as per the contractual delivery period, updated basic rate as per IEEMA as per the actual delivery period (Offer date) or the basic price as per the order against this bid whichever is lower will be applicable</p>	<p>This clause is to be modified to consider the subsequent tender rates both ways, if the basic rate lower or higher. This clause seems to be one sided.</p>	<p>Price Re-fixation:- 1. For fixed price : The materials, if any, supplied after the scheduled delivery period noted in the order will be accepted only on condition that price of such materials will be re-fixed taking into consideration the rate of new tender opened / Purchase Order against tender, of such materials with the same specifications supplied and accepted by KSEBL on the date of actual supply as per the new bid / Purchase Order or as per this Purchase order, whichever is lower. 2. For variable price: Price refixation will be done as specified in Price Variation clause (for delayed delivery)</p> <p>The price refixation for materials with both fixed price and variable price will be reviewed in the following cases. (1) New tender opened, but PO not issued. (2) PO issued but material not supplied. (3) Materials supplied, but not accepted. The rate in trial order (to the new entrant) will not be considered for refixation.</p>	<p>Price refixation will not be applied for materials if the materials are supplied within the scheduled delivery period, in case of both Original and 25% additional P.O quantity</p>
5	<p>"37. Purchase Order for an additional quantity up to 25% over and above the original ordered or tendered quantity will be placed if the supplier is willing to supply the additional quantity at the same rate terms and conditions of the original order and accept the KSEB Limited refixation clause, such as the price for this additional quantity shall be refixed if a fall in price occurs in the next price bids opened/ Purchase order placed during the delivery schedule fixed for this additional quantity. Also the materials if any, supplied after the scheduled delivery period noted in the 25% additional quantity order will be accepted only on the condition that price of such materials will be refixed as per Price Refixation Clause.</p>	<p>This clause is to be deleted.</p>	<p>If KSEBL desires, Purchase Order for an additional quantity up to 25% over and above the original ordered or tendered quantity will be placed if the supplier is willing to supply the additional quantity at the same rate, terms and conditions of the original order. The materials if any, supplied after the scheduled delivery period noted in the 25% additional quantity order will be accepted only on the condition that price of such materials will be refixed as per Price Refixation Clause of the original order.</p>	

Sl. No.	KSEBL Specifications	Changes suggested by firms	Proposed change in tender condition	KSEBL Remarks
6	<p>Delivery Schedule:- Supply shall commence within 4th month and complete within 6th month from the date of Purchase Order.</p>	<p>KSEBL may please consider delivery schedule from the date of drawing approval or manufacturing clearance instead of date of PO. CPSU approval and delivery is considered from date of manufacturing clearance or drawing approval.</p>	<p>Delivery schedule: Supply shall commence from the date of drawing approval. The schedule for submission of drawings and approval will generally be as follows: 1. For Power Transformers, C&R panels and 10 panel sets: 1. Submission of drawings: within 20 days from the date of PO. (2) Intimation of comments to firm: within 30 days from the date of receipt of drawings. (3) Submission of revised drawings: within 10 days from the date of intimation of comments. (4) Issuing approval along with instruction to commence manufacturing : 15 days. II. For other materials : 1. Submission of drawings: within 15 days from the date of receipt of drawings. (2) Intimation of comments to firm: within 10 days from the date of intimation of comments. (3) Submission of revised drawings: within 10 days from the date of intimation of comments. (4) Issuing drawing approval: 10 days. Delay in submitting / resubmitting drawing will be attributed to the supplier and will reflect in the delivery schedule. In such case, revised delivery schedule will be intimated along with the drawing approval.</p>	<p>In the case of materials such as Power Transformers and C&R panels, where drawing approval require more time compared to other items, the delivery schedule has already been changed to commence from the date of drawing approval. This may be made applicable for other materials also.</p>
7	<p>The type test report for the bid item within a(stipulated time period) years immediately preceding the date of submission of bid shall be furnished.</p> <p>The type tests should have been conducted by Central Power Research Institute (CPRI) / Electrical Research and Development Association (ERDA)/ KERI/ State Government or Central Government owned NABL Laboratories/ Laboratories of Foreign Country accredited by National Accreditation Body of that Country such as PHELA/KERI/KEMA/CESI etc., if testing facility is not available in India as per IS/IEC relevant Standard. The type test report shall be valid as on the last date of submission of bid.</p>	<p>The type test report for the bid item / or of higher capacity shall be accepted</p> <p>The cost for conducting type tests is very high. Hence for pre-qualification, please accept the firms having general type test reports, i.e., the type test conducted for the general properties of the material.</p> <p>To pre-qualify the firms those who are having general type test reports and the balance type test reports shall be submitted after getting order before the first lot inspection.</p>	<p>Type test report for the bid item / or of higher capacity of the same Voltage rating is acceptable for Pre-Qualification. But in the event of order, the Type Test Reports for Bidded item shall be furnished before offering the inspection of the first lot without affecting the delivery schedule.</p> <p>The type tests should have been conducted by Central Power Research Institute (CPRI) / Electrical Research and Development Association (ERDA)/ State Government or Central Government owned/ approved NABL Laboratories/ any NABL accredited Laboratories/ Laboratories of Foreign Country accredited by National Accreditation Body of that Country such as PHELA/KERI/KEMA/CESI etc., if testing facility is not available in India as per IS/IEC relevant Standard. The type test report shall be valid as on the last date of submission of bid. If the type test report submitted is issued by private NABL accredited laboratory, NABL accreditation certificate valid as on the date of issuance of submitted type test report along with scope for testing of the material type tested shall be submitted along with the bid.</p>	<p>If the type test report submitted is issued by private NABL accredited laboratory, the same shall be accepted, only if the NABL laboratory has the scope for type testing the bid material</p>

8	<p>The firm shall have a minimum experience of preceeding 3 years in the field of design, fabrication, manufacture, testing and supply atleast 3X bidded item as per specification and relevant IS to any other Electricity Boards/ Power Utility in India preferably KSEB Limited. CA certified Attested copies of orders received and executed successfully by the firm along with performance certificate issued by the purchasing authority to prove three years satisfactory performance should be furnished in full shape.</p> <p>The Performance Certificates clearly specifying the period from the date of commissioning to date of issue of such certificate for at least two years from minimum three SEBs/Govt. Utilities of India corresponding to the material directly supplied to them, issued by not below the rank of Executive Engineer, is submitted along with the tender documents. The performance certificates should not be more than 5 years old as on the date of tender opening. It is imperative to ensure that the bidder is currently into the manufacturing of the bidded item. It ensures that the supply chain of the bidder is well in place.</p> <p>2. The bidder must have the requisite latest technical know-how of the bidded item. It ensures the engineering and design infrastructure of the bidder.</p> <p>3. It is also of prime importance that the field performance and the after sales service capabilities of the bidder for the bidded item is assessed.</p>	<p>The Bidder shall have a minimum experience of three out of five years immediately preceding the date of submission of bid, in the field of design, manufacture and successful completion of supply and testing, commissioning of bid item as per specification and relevant IS / IEC to any other Electricity Boards / Power Utility in India preferably KSEB Ltd. The firm should have supplied at least 50% of the bidded quantity atleast for 1 (one) year. Attested scanned copies of purchase orders received and executed successfully by the bidder along with scanned copies of satisfactory performance Certificate to prove 3 years experience should be furnished in full shape.</p>	<p>The Bidder shall have a minimum experience of three out of five years immediately preceding the date of submission of bid, in the field of design, manufacture and successful completion of supply and testing, commissioning of bid item as per specification and relevant IS / IEC to any other Electricity Boards / Power Utility in India preferably KSEB Ltd. The firm should have supplied at least 50% of the bidded quantity atleast for 1 (one) year. Attested scanned copies of purchase orders received and executed successfully by the bidder along with scanned copies of satisfactory performance Certificate to prove 3 years experience should be furnished in full shape. For transmission materials, the performance certificates issued by other Power utility for the bidded item for minimum five years from the date of commissioning shall be submitted.</p>	<p>To assess the performance of Transmission material, 5 years' Performance Certificate is required.</p>
9	<p>MDCC - Material Despatch Clearance Certificate - If the items are offered for inspection as stipulated in relevant clause the materials will be accepted without imposing penalty if they are delivered within 15 days from the date of issue of MDCC</p>		<p>MDCC - Material Despatch Clearance Certificate - If the items are offered for inspection as stipulated in relevant clause the materials will be accepted without imposing penalty if they are delivered (a) within 15 days from the date of issue of MDCC for manufacturers within Kerala State (b). within 25 days from the date of issue of MDCC for manufacturers outside Kerala State</p>	<p>If the items are offered for inspection as stipulated in relevant clause the materials will be accepted without imposing penalty if they are delivered (a) within 15 days from the date of issue of MDCC for manufacturers within Kerala State (b). within 25 days from the date of issue of MDCC for manufacturers outside Kerala State</p>
10	<p>Delivery Schedule -</p>		<p>If supply is not made as per the scheduled date for each lot, alternate Purchase will be done at the risk and cost of the supplier</p>	<p>If supply is not made as per the scheduled date for each lot, alternate Purchase will be done at the risk and cost of the supplier</p>
1	<p>State PSU Tender fee, EMD are exempted for PSU as per Part I and Part II of bid document</p>	<p>Incorporator of Security Deposit also exemption for PSU</p>		<p>Presently as per B.O (08) No.541/ 2021 dated, 20/07/2019, M/s. Traco is allowed to furnish One time Bank Guarantee of Rs.100 Lakh towards Security Deposit and Performance Bank Guarantee against the Purchase Orders issued by KSEBL/Chief Engineer(SCM). M/s. Traco is already defaulting supply and not adhering to the tender delivery schedule. Hence, further relaxation cannot be allowed.</p>

Sl. No.	KSEBL Specifications	Changes suggested by firms	Proposed change in tender condition	KSEBL Remarks
2	Annual Turnover, Networth & Solvency Certificate as per Annexure III & IV of Part I	Tender evaluation of PSUs - should not be linked with these certificates.		The firm should have a minimum annual turnover of 75% PAC of the quoted Circles for the last 3 consecutive years and furnish the turnover along with Profit and Loss account and Balance sheet for the last three financial years on year wise basis. The bidders should produce a solvency certificate, obtained within a period of 6 months for an amount equivalent to quoted PAC or more from the Thahasildar / Nationalized / Scheduled Bank OR a Net worth certificate duly certified by a Chartered Accountant. This is insisted by KSEBL to ensure the financial capacity of bidders to supply the material in time as per the delivery schedule. This cannot be waived for State PSUs.
3	Declaration by Chartered Accountant as per Annexure V of Part I	Self-Declaration Instead of Chartered Accountant		This is insisted by KSEBL to ensure the production capacity of bidders to supply the material in time as per the delivery schedule and cannot be waived for State PSUs.
4	Financial Capacity - minimum annual turnover of 75% PAC of the quoted Circles for the last 3 years as per clause 7 of Conditions for Pre-qualification Part I	Financial capacity - Evaluation should not be linked for eligibility condition in tenders in the case of PSUs		This is insisted by KSEBL to ensure the financial capacity of bidders to supply the material in time as per the delivery schedule and cannot be waived for State PSUs.
5	Type Test Reports	In the case of PSUs - acceptance can also be consider for basic parameter tested type test.		All type test reports as per relevant IS/IEC standards of the bid item is required as per KSEBL tender conditions. Condition cannot be altered for State PSU, as the technical specification of the material supplied is to be ensured.
8	Part II, Clause - 33, Pre dispatch inspection and testing as per clause 33 of Part II	Instead of each lot, inspection can be random - being a PSU.		To ensure quality of material, waiver of Pre-dispatch inspection is not recommended except under unavoidable circumstances, irrespective of bidder category.
1	State MSMEs			
2	The firm should have a minimum annual turnover of 75% PAC of the quoted Circles for the last 3 consecutive years and furnish the turnover along with Profit and Loss account and Balance sheet for the last three financial years on year wise basis.	Due to lack of orders covid, flood etc. the firm could not achieve even 10% of our desired turnover since 2018. Considering our long standing good relationship and excellent performances, the turnover clause may be kindly waived to get eligibility to participated in the tender.		The Hon'ble High Court of Kerala vide judgement dated 25.01.2023 dismissed the Writ Appeal No.97/2023 filed by the local MSMEs(KSCCMA) questioning the prequalification condition of KSEBL stipulating minimum annual turn over of 75% of Probable Amount of Contract (PAC) in the open tender invited for ACSR conductors during the F.Y. 2022-23. As per the judgement, there is no merit in the appeal and the stipulation of 75% of PAC in fact is to protect the interest of KSEBL and in no way has violated the MSME Government orders. Considering the request of KSCCMA, KSEBL proposes to invite separate tenders for the future requirement of ACSR Raccoon and Rabbit conductors circle wise, without inviting single tender by bundling together ACSR Raccoon and Rabbit conductors. This will allow more flexibility to the participant bidders including the State MSMEs to quote for both Raccoon and Rabbit conductors circle wise to the tune of their turnover.
	The Bidders should produce Annual Turnover Certificate duly certified by a Chartered Accountant in the prescribed format Annexure III along with the Bid.	This clause may kindly be waived due to the facts mentioned above.		

Sl. No.	KSEBL Specifications	Changes suggested by firms	Proposed change in tender condition	KSEBL Remarks
3	<p>The firm shall offer full/part quantity of materials subject to their financial capacity</p> <p>For quoting part quantity of materials 2 columns may be provided in the BOC i.e., Quantity offered and Quantity quoted</p>			<p>1.ACSR conductors are procured in KSEBL by inviting open tender (circle wise for 25 nos.Circles) since 2021 in compliance with the Govt order dated 18/09/2020, granting 15% price preference and 50% purchase preference to the State PSUs and MSMEs. The bidders are allowed to quote for one or more circles opted at their convenience, based on their financial capacity.</p> <p>2. There is no issue regarding lack of participating bidders in the case of open tender invited for ACSR Raccoon & Rabbit conductors.The minimum number of participants in the last two nos. open tenders invited on all India basis were around 28 nos.</p> <p>3. There are bidders having sufficient financial capacity to quote for the entire KSEBL requirement. As the tender is invited circle wise for 25 nos. Electrical Circles, the local MSMEs get the option for participating in circles based on their financial capacity. However KSEBL cannot alter the circle wise requirement to tune of the financial capacity of local MSMEs.</p> <p>4. The Circle wise evaluation itself is a tedious process to get the tender finalised. In view of the above, KSEBL cannot further allow the bidders to quote part quantity again in each circles which will make the tender finalisation almost not possible.</p> <p>5.KSEBL had been procuring ACSR Raccoon/ Rabbit/ Weasel Conductors directly from M/s.Traco Cable Company Limited (PSU) and Kerala based MSMEs (10 MSMEs) without tender formalities at definite proportions granting price preference as per the then prevailing orders upto 2021.</p> <p>ACSR conductors are being procured in KSEBL by inviting open tender since 2021 in compliance with the Govt order dated 18/09/2020, granting 15% price preference and 50% purchase preference to the State PSUs and MSMEs.</p> <p>Also as per the G.O dated 21/09/2022, Kerala is the only State to provide both of these incentives together to PSUs & State MSMEs.</p> <p>6.The only issue faced by KSEBL in conductor procurement is resolving the issues faced by State PSUs and local MSMEs. Current financial position of KSEBL is not sufficient to support PSUs or MSMEs exclusively. The proposal cannot be accepted. Quoting part quantity in each circle shall not be allowed. The bidders shall opt for the Circles out of the 25 nos. Electrical circles based on their financial capacity.</p>