



**KERALA STATE ELECTRICITY BOARD Ltd**

(Incorporated under the Companies Act, 1956)

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

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**ABSTRACT**

Review and refinement of General Conditions of Contract and Pre-Qualification conditions applied to Electro mechanical works of Hydro projects (Balance items) Sanctioned - Orders issued.

**Corporate Office (SBU - G/E)**

B.O.(FTD) No. 226 /2024 (DGE/G2/AEE3/Tender modifications/2024-25) Thiruvananthapuram.

Dated:10-05-2024

Read : 1. B.O.(DB) No.211/2024(DGE/G2/AEE3/GCC-E and M/2024-part I) dated 06.05.2024.  
2. Note No.DGE/G2/AEE3/Tender Modifications/2024-25 dated 19.04.2024 submitted to Full Time Directors(Agenda No.32-05/2024).

**ORDER**

As per B.O. read as 1<sup>st</sup> above in principle approval was accorded for the review and refinement of General Conditions of Contract and Pre-Qualifications proposed for Electro Mechanical works of Hydro projects and decisions were made for clauses 1 to 26. For the balance clauses 27 to 41, it was decided to adopt the clause from central PSUs such as NHPC and other utilities, if available, or to take appropriate decisions.

Accordingly the proposed modifications on balance items of tender conditions with existing conditions, proposals from various bidders, existing condition for same in central PSUs such as NHPC and other utilities and proposal of KSEBL with justification in the tabular format was circulated to the Full Time Directors as per note read as 2<sup>nd</sup> above.

The Full Time Directors resolved to accord in principle approval for the Review and refinement of General Conditions of Contract and Pre-Qualification conditions applied to Electro mechanical works of Hydro projects (**Balance items 27 to 41**) as given below.

**27. Penalty : Clause 5.3.10**

The Full time Directors decided to continue the existing conditions as under

"The contract is liable to .....only during the period of completion.

**28. Re assignment : Clause 5.3.19**

The Full time Directors decided to continue the existing conditions as under:

The work shall not be re-assigned to anyone by the Contractor on any reasons.

**29. Possession prior to completion: Clause 5.3.22 & 5.5.15**

The Full time Directors decided to continue the existing conditions as under:

The Engineer-in-charge has the right to take possession or use any completed part of the work. Such possession or use shall not be deemed as an acceptance of any.

**30. Communication facilities: Clause 5.3.21**

The Full time Directors decided to amend the existing clause of Communication facilities as under:

The contractor shall install, operate and maintain walky-talky/ telephone communication connected to the site offices of the contractor in good working order at or near the different work sites in order to have prompt communication round the clock every day, with some responsible employee of the contractor, put in charge. The contractor shall also install, maintain and operate such other communication and signal facilities as are necessary for the safe and efficient execution of the work. The Contractor shall have a fax and internet facilities at the work site. Authorised employees of the KSEBL shall have free use of such facilities installed by the contractor for the transmission of official message. The entire cost of providing and maintaining communication as provided in this paragraph shall be included in the quoted rate for different items and no extra claim for the above will be entertained.

*The Arrangements for Permission of walky talky from relevant authorities for its use at site will be done by KSEBL.*

**31.Right to Vary work : Clause 5.5.5**

The Full time Directors decided to amend the existing clause of Right to Vary work as under:

In exigencies of completing the work properly and timely, the KSEBL reserves the right to vary from the terms and specifications of works already communicated and to carry out them in an entirely different manner that may be considered most suitable. The contractor shall carry out such variations as directed to be done by the Engineer-in-charge.

*The variations from the terms and specifications of works already communicated shall constitute Change Orders and the Contractor shall be paid and given extra time for such variation, as per change order proposal for such variation, if it leads to additional works.*

If an entirely different item is demanded to be executed, change order of item is to be considered as extra item.

**32. Breach of Contract: Clause Article X**

The Full time Directors decided to continue the existing conditions as under:

If the Contractor commits breach of all or any of the terms or Conditions of Contract the KSEBL shall be entitled to recover from the Contractor all damages it might suffer thereby. The amount thus due could be recovered from the Contractor in any manner the KSEBL chooses including recovery by Revenue Recovery Proceedings.

**33. Recovery of Generation loss during Defect Liability period on failure to rectify defects within reasonable period: Clause Article XI**

The Full time Directors decided to delete the existing clause and adopt the corresponding clause in NHPC as under:

The Contractor shall depute, initially, for first 50% of the time of Defect Liability Period, at site one coordinator and sufficient number of Supervisors/skilled Technicians, to coordinate and repair, modify and replace the faulty system in Defect Liability Period. The Engineer-in-charge shall approve the list of above mentioned manpower. The above skilled manpower shall take up all necessary steps for repair, modification or replacement of defects, deficiencies or damages. If the effective steps to repair, modification or replacement of defects, deficiencies or damages are beyond the scope of expertise available

at site, the employer shall notify the same to the contractor. In such case if effective steps to repair, modification or replacement of defects, deficiencies or damages are not taken within seven days of the date of notification thereof by the employer to the contractor, or, if such repair, modification or replacement is not completed with reasonable promptitude by the contractor at its own expense, as required by the Employer in accordance with this Article, the Employer shall be entitled, to cause the same, to be made good by other agencies or otherwise and deduct expenses (of which the certificate of Employer shall be final) from any sum that may by then or at any time thereafter becomes due to the contractor under the Contract or from the amount released by encashing bank guarantees provided by the Contractor under the contract or recover otherwise from the contractor including any for the remaining period of Defect Liability Period the above manpower shall be reviewed and finalized by the Engineer-in-charge for any replacement/alterations. (Cl 18 of DilbangHEP,NHPCVol II)

#### **34. Limitation of Liability**

The Full time Directors decided to continue the existing conditions (already approved vide B.O.(DB)No.396/2020(D(GE)/G2/Genl/Tender/2020-21) dated 8.6.2020) as under:

Limitation of liability Except in case of criminal negligence or willful misconduct, (a) the Contractor shall not be liable to KSEBL, whether in Contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Contractor to pay liquidated damages to KSEBL, and (b) the aggregate liability of the Contractor to KSEBL, whether under this Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective goods or to any obligation of the Contractor to indemnify KSEBL with respect to infringement of patent rights.

#### **35. Bid Prices: Clause No 1, Part B**

The Full time Directors decided to adopt the proposed clause as under:

If the supply is made after the Scheduled Delivery Period, the lowest of the following should be allowed:

1. Updated Price as per IEEMA Price Variation on the scheduled date of delivery.
2. Updated Price as per IEEMA Price Variation on the actual date of delivery.

Also, in case of any extension granted beyond scheduled delivery period, the extended delivery shall be treated as contractual delivery for the purpose of calculating Price Variation.

#### **36. Model Test:**

The Full time Directors decided to continue the existing conditions as under:

The Purchaser shall have the option to get the model test performed by the contractor at an extra cost after the award of the contract. For this purpose, the Bidder shall quote charges for conducting the model test in his laboratory and or in an independent approved laboratory in the presence of Purchaser's Engineers. In that event, the manufacture of any part of the prototype turbine shall be started only after the efficiency and other guarantees and requirements of the turbine are established and fulfilled on the basis of model tests. In case the contractor has already performed model test on homologous models, the purchaser may, at his discretion, permit the contractor to proceed with the manufacture after approval by the purchaser of the model test report, copy of which is furnished by the contractor within one month of award of contract. The bidder should provide sufficient details of

model test to the KSEBL so as to ensure surety that such test has been carried out.  
**This clause is mandatory only for Turbines of capacity greater than 5MW, and not required for turbines less than 5MW Capacity.**

**37. Upcoming generator refurbishment of KSEB tenders**

The Full time Directors decided to adopt the proposed clause as under:

For major Refurbishment works, only OEM should be allowed to participate.

**38. Completion time for Generator refurbishment tender**

The Full time Directors decided to adopt the proposed clause as under:

The time of completion vary and depends on the nature of work and on the gravity of fault.

**39. Qualification criteria for Technical Capability (SHPs and HPs): Clause 29.2 Vol I**

The Full time Directors decided to adopt the corresponding clause in NHPC as under:

The Bidder shall be an established manufacturer of hydraulic turbines who has designed manufactured supplied erected and commissioned a turbine of similar type and capacity (at least 50% of the unit capacity of the highest proposed unit) as a Bidder during the last twenty years as on the notice inviting bid and the same shall be in successful operation for a minimum period of two years. He can also be a turnkey contractor with experience of similar SHP/HP works. In case of Consortium, all partners combined need to meet the requirement. However a consortium partner's experience/capability in his specific area of work /service will be considered only if it is in his scope of work as per the consortium agreement. He should also have commissioned at least one station of capacity 50% of proposed station during the above period and shall be in successful operation. He should also have installed at least one MIV of similar diameter in a project in last twenty years.

**40. Technical Capability: Clause 2.26.2.1 of Vol 1**

The Full time Directors decided to adopt the corresponding clause in NHPC as under:

The bidder shall be an established indigenous manufacturer of hydraulic turbines who has designed, manufactured, supplied, erected and commissioned hydro generating units of similar type and capacity. He can also be a turnkey contractor with experience of similar SHP/HEP works.

**41. Availability of manufacturing facility of hydraulic turbines and/or generators:  
 Clause 2.26.2.3**

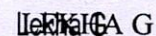
The Full time Directors decided to adopt the proposed clause as under:

The Major Electro Mechanical Supplies including generators shall be indigenous having manufacturing and service facility in India.

Orders are issued accordingly.

By Order of Full Time Directors

Signed by

 L. K. G. G.

COMPANY SECRETARY  
 Date: 10-05-2024 18:21:04

To:

The Deputy Chief Engineer (PED) with full powers of Chief Engineer

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)

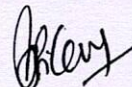
The PA to the Director (Finance & HRM)

The Sr.CA to the Secretary (Administration)

The RCAO/ RAO

Stock File.

**Forwarded / By Order**



**Assistant Executive Engineer**