



## KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

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

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### ABSTRACT

Pallivasal Extension Scheme (2 X 30MW) - Expression of Interest and Request for Proposal for Engineering design, construction works of intake structure, box culvert including Pre-Support System for deep excavation & allied works and construction of tunnel for 584m to intake (both soil & rock) of Pallivasal Extension Scheme - Contract with M/s. BUMI-ZILLION JV - Commencing Defect Liability Period before taking over of the project - Sanctioned - Orders issued.

### Corporate Office (SBU-G/C)

B.O. (FTD) No.141/2024 (DGC/AEEV/PES-Intake/2017)  
Thiruvananthapuram.

Dated:05-04-2024

- Read :
1. B.O. (DB) No.3290/2017(DGC/AEEV/PES-Intake/2017) dated 30.12.2017.
  2. Agreement No.20/CCM/2017-18 dated 15.03.2018.
  3. B.O. (FTD) No.390/2021(DGC/AEEV/PES-Intake/2017) dated 25.05.2021.
  4. B.O. (FTD) No.819/2022 (DGC/AEEV/PES-Intake/2017) dated 07.10.2022.
  5. B.O. (FTD) No.171/2023(DGC/AEEV/PES-Intake/2017) dated 31.03.2023.
  6. Letter No. BZJV/2022-23/385 dated 04.12.2023 of M/s. BUMI-ZILLION JV.
  7. Minutes of 10<sup>th</sup> PMC meeting dated 20.01.2024.
  8. Minutes of meeting convened by the Chairman & Managing Director on 25.01.2024.
  9. Note No. DB-7/CCM/PES I/Intake/2023-24/1355 dated 06.03.2024 of the Deputy Chief Engineer with full powers of Chief Engineer and Project Manager, PES.
  10. Note No. DGC/AEEV/PES-Intake/2017 dated 16.03.2024 of the Director (Generation - Civil) to the Full Time Directors (Agenda No.05-04/2024).

### ORDER

Pallivasal Extension Scheme (2x30 MW) is a major Hydro Electric Project undertaken by KSEBL located in Pallivasal village in Devikulam Taluk. The Project is intended to generate 153.9 Mu per annum to solve the acute shortage of Power in the total grid of Kerala State. The work of Pallivasal Extension Scheme (2x30 MW) was originally awarded to M/s. ESSAR - DEC - CPPL Consortium. The work could not be completed in time due to the failure of the contractor even though time extension was given several times. Later, some portion of the work was arranged separately with the permission of the previous contractor by de-linking Intake, Box Culvert and soil tunnelling due to their inefficiency to carry out this specialized work.

The subject work was awarded to M/s. BUMI-ZILLION JV for an amount of Rs 109,44,03,495/- as per B.O. read as 1<sup>st</sup> above. The official date of commencement and completion of the work as per agreement are 01.02.2018 and 31.12.2020 respectively. The work commenced on 22.01.2018 and completed within the extended period of 31.07.2023. The work includes construction of intake pool, box culvert and tunnel driving including lining for a length of 584m.

The time of completion of work were extended up to 31.12.2021 and 31.12.2022 as per B.O. read as

3<sup>rd</sup> and 4<sup>th</sup> above. Later, as per B.O. read as 5<sup>th</sup> above, KSEBL had accorded sanction for extending the time of completion of the contract up to 30.04.2023, for completing the necessary works required for the trial run of the 1<sup>st</sup> machine and up to 31.07.2023 for the entire completion for the remaining works after trial run, with detailed schedule breakup and without any additional financial commitment on either side.

The Deputy Chief Engineer & PM, PES as per note read as 9<sup>th</sup> above has reported that the contractor as per letter read as 6<sup>th</sup> above has informed that they had successfully completed the work within the extended date of completion ie 31.07.2023 by effectively utilising the sanctioned shut down period and had submitted the as-built drawings, O&M Manuals and various documents including technical specifications, Electrical circuit diagrams etc on 21.10.2023. The defect liability period will start on 01.08.2023. With the extension of the defect liability period, the release period of the Performance Bank Guarantee and the withheld amount is increased. The contractor has requested to start the defect liability period with effect from 01.08.2023 and to issue completion certificate for the subject work. They had assured that they will keep their authorised personnels at the time of tunnel filling and a security guard will be deployed up to tunnel filling works.

The Deputy Chief Engineer & PM, PES has reported the following in this regard:

- (i) The contractor has executed the schedule items as per agreement and extra items required for the satisfactory completion of the work within the extended period of completion ie 31.07.2023.
- (ii) They had supplied as-built drawings, circuit diagram drawings, guarantee certificates, test certificates, operation and maintenance manuals etc. on 21.10.2023.
- (iii) As on 21.10.2023, training for three officers of KSEBL on the operation of the installed equipments, were given by the contractor.

It is reported that the contractor has fulfilled all the conditions as per agreement on 21.10.2023, except the testing and commissioning of the project and taking over of the project. The delay in testing and commissioning of the project and taking over of the project are not due to the fault of this contractor.

The 10<sup>th</sup> Project Monitoring Committee held on 20.01.2024 has decided to recommend for the commencement of defect liability period for the subject work from 21.10.2023, as the contractor has completed all the requirements for taking over of the project after testing and commissioning as per agreement conditions on that date and to issue completion certificate on the date of taking over of the Project. The Chairman & Managing Director in the meeting convened on 25.01.2024 has decided to consider the same as per the recommendations of PMC.

The Financial Advisor vide remarks dated 08.02.2024 has also opined that the proposal may be considered. It may be ensured that technical support of the contractor will be available at the time of testing and commissioning of the project.

The Deputy Chief Engineer & PM, PES has recommended that, under the above circumstances, the contractor's request to consider the commencement of defect liability period from an earlier date than the date of taking over of the project may be considered. The date of commencement of defect liability period may be considered from 21.10.2023, i.e, the date on which they completed the other requirements except taking over of the project as per terms and conditions of the agreement. The completion certificate can be issued only after taking over of the project, after testing and commissioning of the project, as the dues and liabilities, if any, can be finalized only after that.

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

Having considered the matter in detail, the Full Time Directors resolved to accord sanction

- (i) to commence the Defect Liability Period for the work of "Pallivasal Extension Scheme (2x30MW) - Expression of Interest and Request for Proposal for Engineering design, construction works of intake structure, box culvert including Pre-Support System for deep excavation & allied

works and construction of tunnel for 584m to intake (both soil & rock) of Pallivasal Extension Scheme" in contract with M/s. BUMI-ZILLION JV, from 21.10.2023 and (ii) to issue the completion certificate to the contractor on the date of taking over of the project.

It was also directed to follow up the project properly and ensure commissioning in time.

Orders are issued accordingly.

By Order of the Full Time Directors

Signed by

Lekha G

Date: 05-04-2024 17:03:08

LEKHA G

Company Secretary

To:

The Deputy Chief Engineer & Project Manager, Pallivasal Extension Scheme with full powers of Chief Engineer, Meencut.

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)

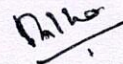
The PA to the Director (Finance & HRM)

The Sr.CA to the Secretary (Administration)

The RCAO/ RAO

Stock File.

Forwarded / By Order



Assistant Executive Engineer