

**Abstract**

Erection of Supplied Electro Hydro Mechanical Equipment and Supply and Erection of BOP Equipment of Pallivasal Extension Scheme Hydroelectric Project (2x30MW) - Retender and modification of tender conditions - Sanctioned - Orders issued.

Corporate Office (SBU-G/E)

B.O (FTD)No. 568 /2021 (No. 25/AE2/2014/CE(PED)) Thiruvananthapuram. Dated: 09 - 08 - 2021

- Read:-
1. B.O. (DB) No.221/2020 (D(GE)/G2/PES/2019-20) dated 19-03-2020.
 2. Tender No. CEPED/06/2020-21 dated 10-07-2020.
 3. Office Memorandum dated 23-07-2020 of the Joint Secretary, Public Procurement Division of Department of Expenditure under Ministry of Finance.
 4. Tender No. CEPED/08/2020-21 dated 04 - 08-2020.
 5. B.O.(DB) No.10/2021 (25/AE2/2014/CE(PED) dated 11 -01-2021.
 6. Work Order No : 09/2020-21 dated 19 -01-2021.
 7. Circular No. FA/Tax Cell/GST-Tendering/2020-21 dated 24-02-2021 of the Financial Adviser.
 8. Note No. 25/AE2/2014/CE(PED)/496 dated 29-07-2021 of the Chief Engineer (Gen.&PED) to the Full Time Directors (Agenda No. 54/8/21).

ORDER

As per B.O read as 1st above sanction was accorded to the revised estimate for the balance works of Pallivasal Extension Scheme Hydro Electric Project amounting to Rs.144 Cr (Civil-Rs.73 Cr and E&M Rs.71 Cr.) and the Chief Engineer (Generation & PED) was authorized to invite tender with modified Commercial and PQ conditions on reverse bidding basis taking Rs.71 Cr as the cap for balance E&M works excluding the amount for execution of PLCC system (Rs.1.335 Cr.). Accordingly, reverse e-bid was floated in the platform provided by MSTC as per tender read as 2nd above. This tender was cancelled since only a single bidder participated in the bid and Re-e-reverse bid was invited as per tender read as 4th above. Two bidders; M/s. SSIPL -Allonward Consortium (consortium between M/s. Shri Saravana Industries Private Limited, Trichy (leader) and M/s. Hunan Allonward Hydro Generating Equipment Co Ltd., China (Member) and M/s. TVPPL-KSK-REHPL-DEC Consortium (Consortium between M/s. Tavasya Venture Partners Private Limited, M/S. KSK Fabricators and Erectors Private Limited, M/s. Raajratna Energy Holdings Private Limited and M/s. Dongfang Electric Corporation Co. Ltd., China) participated in the bid and pre-qualification bids were opened on 03-09-2020. Both the Consortiums have one Chinese partner each in it namely M/s. Hunan Allonward Hydro Generating Equipment Co Ltd. and M/s. Dongfang Electric Corporation Co. Ltd., China respectively.

The Chief Engineer (Generation & PED) has reported that as per tender conditions, " *If single bidder or lead bidder or member of Consortium is a foreign entity then their respective documents attached with the application shall be attested / Notarized by Notary public before they are submitted to the Indian embassy/consulate in the respective country for attestation for approval*". Subsequently in the tender process, M/s. TVPPL-KSK-REHPL-DEC Consortium became L1 and LOA and work order were issued on 11.01.2021 and 19.01.2021 respectively with the contract amount of Rs. 66,74,01,023/-.

It was reported that as per Office Memorandum read as 3rd above, any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey

projects) only if the bidder is registered with the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade(DPIIT). When M/s. TVPPL-KSK-REHPL-DEC Consortium was requested to furnish the Embassy attested documents, the lead bidder M/s. TVPPL informed that M/s. DEC Dongfeng Electric Machinery Co Ltd. which is the sister concerned company of M/s. Dongfang Electric Corporation (DEC) had submitted the documents for Embassy attestation since the work was entrusted to them by M/s. Dongfang Electric Corporation(DEC), who participated in the tender. Further M/s. TVPPL-KSK-REHPL-DEC consortium had requested for changing the consortium partner in the Consortium agreement. As per the legal opinion of Legal Adviser and Disciplinary Enquiry Officer regarding the change, M/s. TVPPL-KSK-REHPL-DEC Consortium was intimated about the documents required for such change and requested to furnish the same. However the firm was unable to comply with this.

M/s. TVPPL-KSK-REHPL-DEC Consortium expressed their inability to submit the necessary Embassy attested documents and the proof of registration with DPIIT as per the OM read as 3rd above, in writing on 29-04-2021. Subsequently the other bidder (L2), M/s. SSIPL- Allonward Consortium agreed to match the L1 rate and to submit Embassy attested documents and also intimated that M/s. Hunan Allonward, their Chinese partner has applied for Embassy attestation of the documents and has applied to DPIIT for getting approval. But it was intimated by the Ministry of Commerce that the application of M/s Hunan Allonward Hydro Generating Equipment Co Ltd received was not complete and hence they have sent a letter to them citing deficiencies and requesting to submit updated application for further processing and also that the OM dated 23-07-2020 mandates that such entities should be registered in the competent authority at the time of submission of bids and requested to review the subject procurement. M/s. SSIPL-Allonward consortium L2 bidder could not furnish the Embassy attested documents within the stipulated time. Hence M/s. SSIPL was intimated that tender had to be cancelled.

Considering that both the bidders were unable to produce the required documents in time, the Chief Engineer (Gen. &PED) requested sanction for cancelling the tender after cancelling the W.O. issued to M/s. TVPPL-KSK-REHPL-DEC Consortium and to retender the work with reverse bidding basis taking Rs. 61,72,80,616/- (PAC amount excluding GST) as the cap and reverse auction. Hence, it was requested to exempt the bidders M/s. SSIPL - Allonward Consortium and M/s. TVPPL-KSK-REHPL-DEC Consortium from forfeiting their bid security.

It is further reported that a major portion of the supply for the project has already been completed. Hence the contractor for the execution of the balance work need not be a manufacturer subject to the condition that the contractor procure the indigenously manufactured automation and control equipment like governor, excitation etc. from reputed indigenous manufacturers and carry out the erection, testing and commissioning of these items through the manufacturer of the equipment. Hence it is requested, to modify the tender conditions for pre-qualification as described below, if retender is opted.

Sl No.	Existing Clause		Proposed Modification/addition
	Clause No.	Description	
1	2.29.1	<p>For Hydro Electric projects with installed capacity of and above 25MW.</p> <p>The bidder must be an established contractor having experience in Planning, Engineering, supply, erection, testing and commissioning of complete Electro Mechanical</p>	<p>The bidder must be an established contractor having experience in erection, testing and commissioning of complete electro mechanical and hydro mechanical equipment and experience in planning, engineering, supply erection, testing and commissioning of complete BoP</p>

	<p>&Hydro mechanical Equipment of hydro Electric projects .The bidder shall either himself(if he is a hydro turbine manufacturer) or by engaging an experienced manufacturer of hydro machines of similar capacity shall ensure proper supervision of the erection, testing and commissioning of the supplied and the partially erected equipment as per Appendix 1&2 consisting of turbine, generator and associated equipment and shall also ensure supply of the balance imported spares in the list at Appendix 3 and any other imported item required for successful commissioning of the project and shall provide guarantee as required in the tender conditions. The bidder should have satisfactorily completed similar works of at least two hydroelectric projects of capacity not less than 50% of the total station capacity proposed for the project as a bidder during the last ten years as on the date of notice inviting bid and the same are in successful operation for a minimum period of two years. 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.</p> <p>Note: - For the purpose of pre-qualification, similar works shall mean, Previous experience in Planning, Engineering, Supply, Erection, Testing and Commissioning of</p>	<p>equipment. The successful bidder shall ensure proper erection, testing and commissioning of the supplied and the partially erected equipment as per Appendix 1&2 consisting of turbine, Generator and associated equipment in the list at Appendix 3 and any other item required for the successful commissioning of the project and shall provide guarantee as required in the tender conditions. The erection contractor who can also be a hydro turbine manufacturer should have satisfactorily completed at least two hydroelectric projects of unit capacity of at least 15MW vertical Pelton set during the last ten years as on the date of notice inviting bid and the same are in successful operation for a minimum period of two years. The bidder should also have satisfactorily completed the BoP portion at least one hydroelectric project of capacity of at least 15MW (25% of the station capacity) including planning, engineering and supply during the last ten years as on the date of notice inviting bid. 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. The bidder shall procure Digital governor system, Excitation (excluding excitation transformer) DCS and protection from the indigenous manufacturers ABB/Andritz/GE/Voith and get testing and commissioning carried out by the manufacturer of that item as a package including supervision of erection.</p> <p>All relays shall be from vendors having indigenous supply and service facility and of ABB/ GE/ Alstom/ Siemens/ Schneider/ Cell/ Andritz.</p>
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		Electrical, Electro-Mechanical and Hydro-Mechanical equipment of Hydroelectric Projects .	
2			In case the bidder or consortium partner of the bidder is from a country which shares a land border with India then he should have registered with the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade(DPIIT) as per Office Memorandum dated 23.07.2020 of the Joint Secretary, Public Procurement Division of Department of Expenditure under Ministry of Finance. Without DPIIT certificate along with the bid, the bidder will not be pre-qualified
3	2.26.2.2	Previous experience in Planning, Engineering, Design, Supply, Erection, Testing and Commissioning of complete Electrical, Electro-mechanical and Hydro- Mechanical equipment of Hydro generating stations.	Previous experience in Erection, Testing and Commissioning of complete Electrical, Electro-mechanical and Hydro- Mechanical equipment and planning, engineering, Design, Supply of complete BoP equipment of Hydro generating stations is required.
4	2.26.2.1	The bidder shall be an established contractor who has carried out erection, testing and commissioning of complete electromechanical & hydro mechanical equipment of hydroelectric projects including supply of auxiliary equipment. He can also be a turnkey contractor with experience of similar SHP/HEP works.	The bidder shall include erection contractor who has carried out erection, testing and commissioning of complete electromechanical & hydro mechanical equipment of hydroelectric projects. The bidder shall also include established contractor who has supplied balance of plant equipment
5	2.26.2.3	The present tender is intended for completing the erection of the already supplied and balance required electromechanical & hydro mechanical equipment and the balance of plant equipment including supply of balance electromechanical	The present tender is intended for completing the erection of the already supplied and balance required electromechanical & hydro mechanical equipment and the balance of plant equipment including supply of balance electromechanical & hydro mechanical equipment and the BOP Equipment required for the satisfactory

	<p>&hydromechanical equipment and the BOP Equipment required for the satisfactory commissioning .The bidder is requested to ascertain the supplied equipment before bidding.</p> <p>The bidder shall either himself (if he is a hydro turbine manufacturer) or by engaging an experienced manufacturer of hydro machines of similar capacity shall ensure proper supervision of the erection, testing and commissioning of the supplied and the partially erected equipment as per Appendix 1&2 consisting of turbine, generator and associated equipment and shall also ensure supply of the balance imported spares in the list at Appendix 3 and any other imported item required for successful commissioning of the project and shall provide guarantee as required in the tender conditions.</p> <p>In case the manufacturer engaged by the bidder is from a foreign country, the said manufacturer shall either have a service facility of their own in India in existence for at least three years for the items supplied/erected by them or shall ensure arrangement for the service of their supplied/erected items through a consortium partner in India and this should be ensured through a proper agreement.</p>	<p>commissioning. The bidder is requested to ascertain the supplied equipment before bidding.</p> <p>The bidder shall either himself or engage an experienced erection contractor of hydro machines of at least 15MW unit capacity Vertical machine and shall ensure proper supervision of the erection, testing and commissioning of the supplied and the partially erected equipment as per Appendix 1&2 consisting of turbine, generator and associated equipment and shall also ensure supply of the balance spares in the list at Appendix 3 and any other item required for successful commissioning of the project and shall provide guarantee as required in the tender conditions.</p> <p>The bidder shall procure Digital governor system, Excitation (excluding excitation transformer) DCS and protection from the indigenous manufacturers ABB/Andritz/ GE/ Voith and get testing and commissioning carried out by the manufacturer of that item as a package including supervision for erection.</p> <p>All relays shall be from vendors having indigenous supply and service facility and of either ABB/ GE/ Alstom/ Siemens Schneider/ Cell/ Andritz.</p> <p>The bidder shall carry out planning engineering, design and supply and erection of all other balance of plant equipment satisfactorily.</p> <p>The bidder shall carry out all the E&M works satisfactorily for the commissioning of the project excluding power evacuation.</p>
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The matter was placed before the Full Time Directors as per Note read as 8th above. Having considered the matter in detail, the Full Time Directors in the meeting held on 04-08-2021 resolved to accord sanction for the following.

1. To cancel the W.O. issued to M/s. TVPPL-KSK-REHPL-DEC Consortium and retender.
2. To exempt the pre-qualified bidders M/s. SSIPL - Allonward Consortium and M/s. TVPPL-KSK-REHPL-DEC Consortium from forfeiting their bid security since the present tender is cancelled.
3. To modify tender conditions for pre-qualification as detailed above for the retender.
4. To retender with reverse bidding basis taking Rs.61,72,80,616/- (PAC amount excluding GST) as the cap and reverse auction in anticipation of approval by Board of Directors of KSEBL.

Orders are issued accordingly.

By Order of the Full Time Directors,

Sd/-
Lekha G
Company Secretary (In charge)

To

The Chief Engineer (Generation & PED), Moolamattom.

The Deputy Chief Engineer (Projects-Electrical Designs).

Copy to:

The Financial Advisor/ The Chief Internal Auditor/The Company Secretary.

The Chief Engineer (IT)/ The RCAO/The RAO.

The TA to Chairman & MD/ Director (GE&SCM)/ Director(GC)/ Director (Trans.&SO)/ Director (D,IT&HRM) /Director (Planning, Safety& REES).

The PA to Director (Finance).

Forwarded / By Order

Shri K. K. K.
Asst. Exe. Engineer

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10.08.21