



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated Under the Companies Act, 1956)

Registered Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram-695004, Kerala

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ABSTRACT

Manufacturing and supply of galvanized 11m & 12m A Poles- Placing additional orders to the existing Purchase Orders and Time extension-sanctioned - orders issued.

Corporate Office (Supply Chain Management)

B.O.(FTD) No. 412 /2021 CE/SCM/XC/AEC II/Pole/2019-20.dated, Thiruvananthapuram01.06.2021 | 780

- Read: 1.Office Memorandum No.F.18/14/2020-PPD dtd 19/02/2020 & 13/05/2020 Government of India Ministry of Finance on Force Majeure Clause.
2. Note No. CE/SCM/XC/AEC II/Pole/2019-20 /1101 dated 20.05.2021 of Chief Engineer (SCM) submitted to Full Time Directors . (Agenda no.65/5/21)

ORDER

Tender was invited vide Bid.No.KSEB/SCM/eP.26/2019-20 dated 29/11/2019 for the supply of Galvanized A Poles of various sizes 4,000 Nos. (3,000 Nos - 11m and 1,000Nos -12m. Hence Purchase Order was placed with M/s.Vijay Transmissions Private Limited vide Purchase Order No.SCM.138/2019-20/8348 dated 17/02/2020 as detailed below.

SL.No	Description item	Unit	Unit all inclusive rate/ MT (Rs.)
1	11m Galvanized A Poles (3,000 Nos.)	MT	71,001.00
2	12m Galvanized A Poles (1,000 Nos.)	MT	71,001.00

As per Clause 7 - Delivery period and schedule:- Supply shall commence within 60 days, from the date of Purchase Order and Complete within 150 days ie, upto 17/07/2020.M/s.Vijay Transmission Private Limited offered first lot on 08/06/2020 and 2nd lot on 03/07/2020 .

The Deputy Chief Engineer, Civil Circle, Pallom vide letter dated 25/08/2020 requested Chief Engineer (SCM) to take urgent action to stop the delivery of A Poles. Based on the above request vide letter dated 8.9.2020 the firm was informed to replace the already supplied A Poles due to quality issue and directed the firm to stop further supply of A Poles.Later on vide letter dated 14/09/2020 the Deputy Chief Engineer, Pallom informed that, as the materials are in urgent demand for field works, the firm may be allowed to continue the supply, provided the materials are of good quality as stipulated in the Purchase Order.

The issue was taken up with the Director (G-E&SCM) and then to the Chairman & Managing Director, KSEBL as per note read 2above and it was decided to expedite the supply of A poles by M/s.Vijay Transmission Private Limited, strictly as per the Purchase Order Conditions. Accordingly

M/s.Vijay Transmission Pvt Limited was informed from this office vide letter dated 19/11/2020., to complete the supply of A poles immediately, subject to the penalty of Purchase Order conditions,without affecting the work of KSEBL. Thereafter firm has started immediately the supply of A Poles and MDCC allocation completed on 20/04/2021 for the full supply of 3000 Nos of 11m A poles and 1000Nos of 12m A Poles, i.e., within 5 months from the date of allowing the firm to re-start the supply of A Poles(19.11.2020 to 20.4.2021).

Clause on Force Majeure"Clause-18 - Force Majeure Conditions is included in the tender"
As per the Clause-18, "Force Majeure Condition" of the Purchase Order, suitable extension of delivery period may be granted under Force majeure Condition. As per Office Memorandum of Government of India read (1)above, the lockdown period following corona virus spreading (COVID-19) should be considered as a case of natural calamity and Force Majeure Condition may be invoked. As per Office Memorandum dated 13.5.2020, invoking FMC, date of completion of contractual obligations which had to be completed on or after 20th February 2020 shall stand extended for a period not less than three months and not more than six months.

The period of contract of Purchase Order placed with the firm M/s.Vijay Transmission Pvt Ltd was from 17/02/2020 to 17/07/2020, which is during the above period. Considering the above FMC, period of contract of Purchase Order placed with M/s.Vijay Transmission Pvt. Limited may be extended for 6 months without imposing penalty. Further supply was delayed due to stop delivery notice issued by KSEBL on 8.9.2020,based on report of Deputy Chief Engineer,Pallom vide letter dated 25.8.2020 upto 19/11/2020(3 months). As such the firm is eligible for time extension for total 9 months for the above reasons from 17.2.2020 upto 17.11.2020.

In the meantime, the Director (Distribution, IT & HRM) vide note dated 06/03/2021 reported that though it was decided to arrange 2000 A Poles per month from the three MF Units , there is acute delay in the supply of A Poles than expected. Also the supply from M/s.Vijay Transmission Pvt. Limited as per Purchase Order dated 17/02/2020 is nearing completion. It is also reported that severe shortage of A Poles is reported from the field for Dyuthi works as well as Deposit works. In view of this the Director (Distribution, IT & HRM) requested to explore the possibility of arranging 25% additional quantity of A poles from the existing Purchase Order.

Based on the above, in order to meet the emergency requirement of A Poles, the firm was requested to inform their willingness to supply 25% additional quantity. The firm vide letter dated 17/03/2021 informed their willingness to supply 25% additional quantity of A Poles with existing terms and conditions of the Purchase Order.

The issue was placed before the Full time Directors meeting held on 7/05/2021 (Agenda 12/5/2021) and was deferred. The matter is again placed before the Full Time Directors for decision by the Chief Engineer(SCM), as per note read (3)above. Having considered the matter in detail, the Full Time Directors in its meeting held on 28.05.2021 resolved to accord sanction to allow extension of delivery period against P.O.No.SCM.138/2019-20/8348 dated 17/02/2020 placed with M/s.Vijay Transmission Pvt Limited,Chhattisgarh, under Force Majeure Condition and considering that the supply was delayed based on directions from KSEBL to stop the supply of A Poles and later allowed to re-start the supply of A Poles and the present COVID-19 scenario, with waiver of penalty upto 11/05/2021 and with price variation during the original scheduled period only.

Further resolved to authorize the Chief Engineer (SCM) to place additional purchase order for 25% quantity of A poles against the original Purchase order No.SCM.138/2019-20/8348 dated 17/02/2020 placed with M/s.Vijay Trans mission Pvt Ltd.at the same rates, terms and conditions and with price - re-fixation. The rates and quantity (25% of original order) are detailed as below: -

Sl.No	Item	Quantity (MT)	Unit All inclusive rate/MT	Total Amount (Rs.)
1)	11M A Pole-750 Nos	199.482	71,001.00	1,41,63,421.00
2)	12M A Pole-250 Nos	73.945	71,001.00	52,50,168.00
	Total	273.427		1,94,13,589.00

(Total Financial Commitment is Rs.1,94,13,589/- (Rupees One Crore Ninety four Lakhs Thirteen Thousand Five Hundred and Eighty nine only)

Orders are issued accordingly.

By order of the Full Time Directors

Sd/-

**LEKHA .G.
COMPANY SECRETARY In Charge.**

To

The Chief Engineer (SCM)

Copy to:-

1. The Financial Adviser/The Legal Adviser & Disciplinary Enquiry Officer.
2. The Chief Internal Auditor/The Company Secretary.
3. The Chief Vigilance Officer
4. ✓ The Chief Engineer (IT)/The RCAO/The RAO.
5. TA to the Chairman & Managing Director/Director (GE&SCM)/ Director (Distribution IT& HRM)/ Director (T & SO)/ Director (Generation - Civil)/Director(Planning and Safety)
6. PA to Director (Finance)/Secretary (Administration)
7. Library/Stock file.

FORWARDED / BY ORDER



Assistant Engineer