

## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)
Registered Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram -695004
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## **Abstract**

Execution of balance civil works of Chathankottunada SHEP Stage II-Contract with M/s K.K.Builders - Time Extension - Sanctioned - Orders issued

## CORPORATE OFFICE (SBU-G/C)

B.O(FTD) No 199 /2021 (DGC/AEE VI/CHKN /2014) Thiruvananthapuram, Dated 12.03.2021

Read: 1. B.O (FTD) No.2497/2017(DGC/AEEVI/CHKN/2014) dated 07.10.2017

- 2. Agreement No. CECCN/05/2017-18 dated 04.11.2017
- 3. B.O(FTD) No 98/2020 (DGC/AEE VI/CHKTN /2014) dated 14.02.2020.
- 4.. Letter Nos.CECCN/DB/05/CKNA/Balance civil works/2017-18/ dated 11.01.2021, 30.01.2021 & 05.03.2021 of the Chief Engineer (Civil Construction) North.
- 5.Note No.FA/Tender 1/7/2021 dated 28.01.2021 of the Financial Advisor.
- 6. Note No.DGC/AEEVI/CHKN /2014 dated 08.03.2021 of the Director (Generation-Civil) (Agenda 24 /3/21)

## **ORDER**

The Chathankottunada SHEP stage II (2MW X3) is a run off the river scheme in Kuttiadi river basin in Kozhikode District. This scheme envisages utilization of the inflow from two streams viz. Poothampara and Karingad and the expected annual generation is 14.76 MU.

The subject work was awarded to M/s K.K. Builders, Civil Engineering Contractors, Peravoor, Kannur as per B.O read as 1<sup>st</sup> above and the agreement read as 2<sup>nd</sup> above was executed. The contractor had commenced the work on 09.11.2017 and 93.78% of civil work and 45% of E&M works are completed as on 28.02.2021. The period of completion of the project was on 11.11.2019 as per original agreement and the same was extended up to 31.12.2020 as per B.O read as 3<sup>rd</sup> above without imposing penalty and liquidated damages and without any additional financial commitment on both sides as the reason for delay are genuine and beyond the control of the contractor.

The Chief Engineer (Civil Construction) North as per letter dated 11.01.2021 read above has reported that the contractor as per his letter dated 02.09.2020 has requested to extend the period of completion of the work up to 23.07.2021 with proportionate rate enhancement. The matter has been verified in detail by the 8<sup>th</sup> PMC meeting held on 04.12.2020.

The Chief Engineer has reported that Covid 19 Pandemic and Monsoon rains hindered the execution of the work which affected progress adversely. Thus the contractor had lost 96 days after the previous time extension owing to Covid19 pandemic, abnormal seepage into machine-bay area due to heavy rainfall in the locality, etc. Under this circumstance the Chief Engineer stated that the reasons for non-completion of the work within the stipulated time in the contract are not attributable to the contractor since it is beyond their control. Also, the reasons for extension of period of contract falls under the clauses 5.3.7 and 5.3.9 of the agreement.

The 8<sup>th</sup> Project Monitoring Committee meeting held on 04.12.2020 recommended to extend the time of completion of the work up to 7<sup>th</sup> April 2021, subject to the condition that all necessary works has to be completed, to convey the water upto MIV, well before 31.01.2021 to facilitate spinning one unit on 31.01.2021 and can be synchronized by 15<sup>th</sup> February 2021. The Financial Adviser also recommended the same as per note read as 5<sup>th</sup> above.

But aftermath of unexpected flash flood occurred in the area on 8.1.2021 caused flood in the Power house machine pits, penstock, track, etc. This lead to non-fulfillment of the condition stipulated in the 8<sup>th</sup> PMC by the contractor. In the circumstance, the 9<sup>th</sup> Project Monitoring Committee held on 02.03.2021 has revisited the earlier condition and decided to withdraw the earlier condition in the backdrop of flash flood. Consequently, the Chief Engineer has recommended to accord time extension of the contract upto 7<sup>th</sup> April 2021 without imposing penalty or liquidated damages as the reason for the delay are beyond the control of the contractor.

The matter was placed before the Full Time Directors as per note read as 6<sup>th</sup> above. Having considered the matter in detail, the Full Time Directors in the meeting held on 09.03.2021 resolved to accord sanction to extend the time of completion of the contract executed with M/s K.K. Builders, Peravoor, Kannur for the execution of balance civil works of Chathankottunada SHEP stage II(3x2MW) upto 7<sup>th</sup> April 2021 without imposing penalty or liquidated damages as the reason for the delay are beyond the control of the contractor.

The Chief Engineer (Civil Construction) North shall take further action in this regard. Orders are issued accordingly.

By Order of the Full Time Directors
Sd/LEKHA.G
Company Secretary i/c

To: The Chief Engineer (Civil Construction) North

Copy to: 1. The Financial Adviser/ The Chief Internal Auditor

2. The RCAO/RAO

3. The Deputy Chief Engineer (IT)

4. TA to CMD/ Dir(D&IT&HRM)/ Dir(T,SO&REES)/Dir (GE&SCM)/Dir(Plg&S)/Dir(GC)

5. PA to Dir (F)/ Company Secretary

6. FC Supdt/ Librarian/Stock file / File

Forwarded / By Order

**Assistant Executive Engineer**