



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN :U40100KL2011SGC027424
Registered Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram-695004, Kerala.
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ABSTRACT

Soura Phase I and II - Performance Bank Guarantee -Reducing from 10 % to 3% -
Approved - **Order Issued**

CORPORATE OFFICE (SOURA)

BO(FTD)No.181/2021(Soura/Performance Bank Guarantee/2020-21) Tvpm dt 26.2.2021

- Read :** 1. F No. 283/114/2018- GRID SOLAR dated 22.12.2020 of the Ministry of New and Renewable Energy
- 2.Note No. Soura/Performance Bank Guarantee/2020-21 dated 27.01.2021 of the State Nodal Officer, Soura Project submitted to the Chairman and Managing Director
3. Note No. Soura/Performance Bank Guarantee/2020-21/600 dated 22.2.2021 of the State Nodal Officer, Soura Project submitted to the Full Time Directors (Agenda No.91/2/21)

ORDER

In Soura Phase – I EPC contracts, the Performance Guarantee as per EPC Agreement furnished by the contractors is 10 % of the EPC contract value. In Soura Phase – II for empanelment of developers in Soura Phase – II subsidy scheme , the empanelled contractors have furnished Empanelment Bank guarantee of Rs.10 lakhs and is also required to furnish 10 % Performance Bank Guarantee prior to the issue of EPC orders .

As part of the relief measures on account of economy slow down due to COVID 19 pandemic the Government of India, Ministry of Finance vide Notification no.F.9/4/2020-PPD dated 12.11.2020 had decided to reduce the Performance Security from the existing 5-10% to 3% of the value of the contract for all existing contracts. The Ministry of New and Renewable Energy as per paper read as 1 above have requested Energy / Renewable Energy Departments of State Government to provide the relaxations, as suggested in the OM of the Ministry of Finance.

The State Nodal Officer as per note read as 2nd above informed that the EPC contractors in Phase – I as well as the empanelled developers in Phase – II had forwarded request to allow them to reduce the PBG to 3 % of the EPC contract value and suggested to allow EPC contractors in Phase – I to reduce the performance guarantee from the existing 10% to 3% of EPC contract value. The Chairman and Managing Director accorded

sanction to follow the decision as per BO (FTD)No. 61 /2021(No.129/AE4/2018/CE(PED) dated 23.1.2021 on the matter , wherein reduction to 6 % of the contract value has been allowed.

The State Nodal Officer as per note read as 3rd above requested to reconsider the matter based on the directive from Ministry of New and Renewable Energy to provide the relaxation of reduction of Performance Guarantee from 5-10 % to 3 % of the value of contract, specifically for Renewable Energy Projects.

Having considered the matter in detail, the Full Time Directors in its meeting held on 25.2.2021

- (i) Resolved to accord sanction to allow the EPC contractors in Soura Phase I & II projects to reduce the Performance Security from 10 % to 3 % based on the directive issued by the Ministry of New and Renewable Energy
- (ii) Further resolved to make applicable the reduction in Performance Security for all Renewable Energy projects in KSEBL.

Orders are issued accordingly

By order of the Full Time Directors,
Sd/-

LEKHA G

Company Secretary - in charge

To
The State Nodal Officer, Soura Project.

Copy To

1. The Chief Engineer (REES)
2. The Financial Advisor/Chief Internal Auditor
3. TA to the Chairman & Managing Director
4. TA to the Director (D, IT & HRM)
5. TA to the Director (T&SO)
6. TA to the Director (Gen - Ele & SCM)
7. TA to the Director (Gen - Civil)
8. TA to the Director (Planning & Safety)
9. PA to the Director (Finance)/Company Secretary
10. The Fair Copy Superintendent, Board Secretariat, Library

FORWARDED BY ORDER


ASSISTANT EXECUTIVE ENGINEER