



## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

CIN:U40100KL2011SGC027424

Reg. Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004, Kerala

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### Abstract

Preparation of estimates and method of tendering – Sanctioned - Orders issued.

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

BO(DB)No.23 /2021( DGC/AEEV/Pallivasal/Ext pipe/2020 ) TVPM dated:13 .01.2021

- Read:
1. Proceedings of the 55<sup>th</sup> meeting of the Board of Directors held on 14.10.2020 (Agenda 18-10/2020).
  2. BO(DB)No.690/2020(DGC/AEEV/Pallivasal/Ext pipe /2020) dated 10.11.2020.
  3. Note No. DB45/CCM/PES/PEN II/2020-21/548 dated 20.11.2020 of the Deputy Chief Engineer & Project Manager, PES with full powers of Chief Engineer.
  4. Note No. CECCN/DB/01/General/2012-13 dated: 24/11/2020 of the Chief Engineer (Civil-Construction) North.
  5. Note No. CE(C-DS)/78/General/2020-21 dated: 25/11/2020 of the Chief Engineer (Civil-Dam Safety & DRIP).
  6. Note No. CE(C-I & CC)/10/General/2020-21/ dated 30.11.2020 of the Chief Engineer (Civil – Investigation & Construction Central) .
  7. Note No. DGC/AEEV/Pallivasal/Ext pipe/2020 dated 22.12.2020 of the Chairman & Managing Director to the Board of Directors.
  8. Proceedings of the 56<sup>th</sup> meeting of the Board of Directors held on 01.01.2021 (Agenda 24-12/2020).

### ORDER

The Board of Directors in its 55<sup>th</sup> meeting held on 14.10.2020 vide Agenda No. 18-10/2020 had accorded revised Administrative Sanction of Rs 47.67 Crore for extending 1600 mm dia Penstock pipe from Anchor block A9 of PES to the existing Pallivasal Power House subject to the conditions as under.

- i. Detailed estimates shall be prepared based on PRICE software in compliance of stipulations in G.O.(P) No.8/2018/Fin dated 15.01.2018 before issuing Technical Sanction.
- ii. Technical Sanction authority shall review the necessity of allowing excess cost of cement as per mix design as the work shall be tendered on item rate basis only as per prevailing Government rules.
- iii. The provision for using department rubble @50% only is not justifiable as the rubble is already reported to be available at dump yard. Realistic assessment of departmental rubble shall be incorporated in the estimate by the Technical

Accordingly orders were issued as per B.O read as 2<sup>nd</sup> above.

The Chief Engineers of Civil wing has furnished the remarks in adopting the above conditions in the preparation of estimates and tendering on item rate basis for future projects.

The matter was placed before the Full Time Directors meeting held on 16.12.2020. As decided by the Full Time Directors, detailed proposal was placed before the 56<sup>th</sup> meeting of the Board of Directors in adopting the above conditions in the preparation of estimates and tendering on item rate basis for future projects as per note read as 7<sup>th</sup> above under Agenda Item 24-12/2020.

The Director (Transmission & System Operation ) explained that percentage basis system followed in KSEB Limited is more suitable than Item rate system because this will avoid the confusion on item wise excess over estimate being abnormal due to the exorbitant item rate quoting. Since the percentage is uniformly applied on all items the financial implication due to any excess item will be limited to that extent. After examining the matter in detail, the Additional Chief Secretary(Finance) directed that the procedure in this regard in other Central PSUs need to be examined and the matter should be put up for a final decision in the next Board meeting. Till that time status quo can be maintained. After detailed discussion, the Board as per proceedings read as 8<sup>th</sup> above

RESOLVED TO prepare estimates based on price software as per G.O.(P) No.8/2018/Fin dated 15.01.2018 before issuing technical sanction.

RESOLVED TO continue the present practice of giving provision for using actual quantity of cement as per mix design in the estimate.

RESOLVED FURTHER to continue the present practice of giving provision for using department rubble @50% in the estimate considering the facts that realistic assessment of departmental rubble at the time of preparation of estimate is not possible and also stacking the rubble will be difficult due to non availability of sufficient stack yards at hilly project areas.

Orders are issued accordingly.

By Order of the Director Board,

Sd/-

LEKHA G.

COMPANY SECRETARY IN CHARGE

To

All the Chief Engineers & Deputy Chief Engineer, with F/P of Chief Engineer .

Copy to:

The Chief Internal Auditor/ Financial Adviser

The Chief Engineer (IT)

The RCAO/The RAO

The TA to CMD/Director(GC)/Director(D,IT&HRM)/ Director(T&SO)/Director (CP&S)/  
Director (GE&SCM )

The PA to Director (Finance) /Company Secretary

Library/Stock File

Forwarded / By Order

*D. K. S.*

Assistant Executive Engineer