

## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN: U40100KL2011SGC027424

Registered Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram-695004 Website: <a href="www.kseb.in">www.kseb.in</a>
Phone:(0) +91 471 2514283 E-mail: <a href="mailto:dgekseb@kseb.in">dgekseb@kseb.in</a>





## **Abstract**

Execution of E&M part of Peruvannamuzhy Small Hydro Electric Project (2X3 MW) - Sanction for awarding the work - Orders issued.

Corporate Office (SBU-G/E)

B.O. (DB)No. 7 /2021 (129/AE4/2018/CE(PED)) Thiruvananthapuram. Dated: 11 - 01- 2021

Read:

- 1. B.O. (DB) No. 194/2020 (D(GE)/G2/P.Muzhy/2019-20./Tvpm) dated 17.03.2020.
- 2. B.O (DB) No. 396/2020 (D(GE)/G2/Genl/Tender/2020-21) dated 08-06-2020.
- 3. Note No. FA/Tender 1/78/2020 dated 06-11-2020 of the Financial Adviser.
- 4. Note No. 129/AE4/2018/CE(PED)/1036 dated 18-11-2020 of the Chief Engineer (Gen. & PED) to the Full Time Directors.
- 5. Note No. 129/AE4/2018/CE(PED) dated 02-12-2020 of the Chairman and Managing Director to the Board of Directors.
- 6. Proceedings of the 56<sup>th</sup> Meeting of the Board of Directors held on 01-01-2021 vide Agenda No. 6-12/2020.

## **ORDER**

As per B.O. read as 1<sup>st</sup> above, revised Administrative sanction was accorded for the cost estimate of Rs. 92.61 Cr(Civil works - Rs.50.52 Cr,E&M works-Rs.37.88 Cr and power evacuation-Rs.4.21 Cr) for the construction of Peruvannamuzhy (2x3MW) SHEP.

Accordingly, e-tender was invited on 25.03.2020 with a PAC of Rs. 37.88 Crore with the prevailing commercial and PQ conditions. Subsequently, the tender was cancelled and reetender invited on 17-06-2020 incorporating the modified commercial and technical conditions as per B.O read as 2<sup>nd</sup> above. In response four firms, M/s. Mecamidi HPP India Private Limited, (bid id 906628), M/s. Kirloskar Brothers Ltd, (bid id 910284), M/s. Voith Hydro Private Limited (bid id 922979), M/s. B Fouress Private Limited (bid id 934153) participated in the bid. The PQ committee meeting held on 13.10.2020 decided to pre qualify M/s. Kirloskar Brothers Ltd., M/s. Voith Hydro Private Limited and M/s. B Fouress Private Limited. Accordingly, the price bids of the pre-qualified bidders were opened on 16.10.2020. M/s. Kirloskar Brothers Ltd. has emerged as the L1 bidder with quoted amount of Rs. 31,29,20,000/- (Schedule-A1 (BOQ1) Supply- Rs. 28,91,30,080.19, Schedule-A2 (BOQ2) Service - Rs. 2,37,89,919.81). The prices quoted for the Supply portion includes Unit Freight and Insurance and GST @ 18 % of (Unit Basic rate + Freight & Insurance) for all items. The freight @1.5% of basic price and insurance 0.5% of basic price). For service portion (BOQ- 2), GST quoted is @ 18 %. The firm was requested to offer their rock bottom price and the firm offered an amount of Rs. 31,28,95,000/-

The Chief Engineer (Gen. & PED) reported that on evaluation of the price bid submitted by the bidder, certain discrepancies were noted. (In BOQ 1 for Item No. 1.39 (mandatory spares), M/s. Kirloskar Brothers Ltd quoted an amount of Rs.2,19,14,132.78 including taxes which shall be limited to Rs. 53,78,601/- in line with Volume 4 Annexure 1, as per tender conditions. Also the item 1.40 of BOQ1 and 2.41 of BOQ 2 shall be corrected as zero:

It is reported that M/s. Kirloskar Brothers Ltd had corrected the above discrepancies and also considered the offered discount of Rs.25000.13 to the item No.2.38 of BOQ2 in Schedule A2(service). Thus the revised rock bottom rate is Rs. 29,39,73,415.66 (Schedule-A1 (BOQ1)-

Supply -Rs. 27,03,04,156.29 and Schedule-A2 (BOQ2)-Service - Rs. 2,36,69,259.37).

The Financial Adviser remarked that the price quoted by M/s. Kirloskar Brothers Ltd is below the PAC, hence the work may be awarded to the L1 bidder at revised and rock bottom rate.

As directed, M/s. Kirloskar Brothers Ltd was requested to reduce the high quoted rates for bringing it within DSR+10% tolerance limit or LMR as per G.O.(P)No.54/2019/Fin dated 04.05.2019. M/s. Kirloskar Brothers Ltd informed that the total E&M package quoted by them is Rs.29,39,73,416/- (with mandatory spares price) as against PAC rate of Rs.37.88 Crore. Also informed that prices offered are in line with the given scope and specification considering the current Pandemic situation and for ensuring the timely completion of the project. They requested to consider their quoted price of Rs. 29,39,73,416/- as the final offer which includes the discount of Rs.25000/-.

The tender is invited for the seventh time. The PAC of the work is Rs. 37.88 crore. Considering the market scenario, the rate quoted by L1 bidder, Rs. 29,39,73,416/- including taxes and duties which is 22.41% below PAC is reasonable and is below the estimate rate. Hence it was recommended to award the work to M/s. Kirloskar Brothers Ltd. at their rock bottom rate amount of Rs. 29,39,73,416/- including taxes and duties which is 22.41% below PAC. The total financial commitment will be Rs. 29,39,73,416/- (Rupees Twenty nine Crore Thirty nine Lakh Seventy three thousand Four hundred and sixteen only). The matter was considered by the Full Time Directors in the meeting held on 20-11-2020 as per Note read as 4<sup>th</sup> above and resolved to place the matter before the Board of Directors of KSEBL. Accordingly, the matter was placed before the Board of Directors as per Note read as 5<sup>th</sup> above.

Having considered the matter in detail, the Board in its meeting held on 01-01-2021 resolved to award the Supply and execution of the Electro mechanical works of Peruvannamuzhy Small Hydro Electric Project (2X3 MW) to M/s. Kirloskar Brothers Ltd. at their rock bottom rate amount of Rs.29,39,73,416/-(Rupees Twenty nine Crore Thirty nine Lakh Seventy three thousand Four hundred and sixteen only) which is 22.41% below PAC. The total financial commitment will be Rs.29,39,73,416/-( Rupees Twenty nine Crore Thirty nine Lakh Seventy three thousand Four hundred and sixteen only) including taxes and duties as per the present rules applicable to KSEBL provided that Bank Guarantee shall be collected as per G.O(P)No. 429/15/Fin dated 28-09-2015 or as modified from time to time.

Orders are issued accordingly.

By Order of the Director Board,

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 Deputy Chief Engineer (IT)/ The RCAO/The RAO. The TA to Chairman & MD/ Director (GE&SCM)/ Director (GC)/ Director (Trans.,SO&REES)/ Director (D,IT &HRM) /Director (Planning &Safety). The PA to Director (Finance).

JESPATCHES 323 Forwarded / By Order

Sund Runon

Asst. Executive Engineer