



# KERALA STATE ELECTRICITY BOARD LIMITED

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

Erection of Supplied Electro Hydro Mechanical Equipment and Supply and Erection of BOP Equipment of Pallivasal Extension Scheme Hydroelectric Project (2x30MW) - Evaluation of Price Bid - Sanctioned - Orders issued.

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

B.O. (DB)No. 10 /2021 (25/AE2/2014/CE(PED)) Thiruvananthapuram. Dated: 11 - 01 - 2021

- Read:-
1. Proceedings of the 55<sup>th</sup> Meeting of the Board of Directors held on 14-10-2020 vide Agenda No. 26-10/2020.
  2. Note No. FA/Tender-I/71/2020 dated 14-10-2020 of the Financial Adviser.
  3. B.O. (DB)No. 647A /2020 (25/AE2/2014/CE(PED)) dated 28- 10 -2020.
  4. Note No. 25/AE2/2014/CE(PED)/1018 dated 17-11-2020 of the Chief Engineer (Gen. & PED) to the Full Time Directors.
  5. Note No. 25/AE2/2014/CE(PED) dated 03-12-2020 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. 08-12/2020.

### ORDER

The sanction was accorded as per B.O read as 3<sup>rd</sup> above to authorize the Chief Engineer (Generation & PED) to award the work of Erection of Supplied Electro Hydro Mechanical Equipment and Supply and Erection of BOP Equipment of (2x30MW) Pallivasal Extension Scheme Hydroelectric Project to the L1 bidder M/s. TVPPL-KSK-REHPL-DEC Consortium at their rock bottom rate of Rs.67,07,37,027/- (Rupees Sixty seven Crore seven lakh thirty seven thousand and twenty seven only) inclusive of taxes, which is 3.65% below PAC, on the condition that accuracy of Technical Sanction estimate shall be confirmed by the Director (Generation - Electrical) and the quoted amount is within the estimate amount based on local market rates.

The Financial Adviser as per note read as 2<sup>nd</sup> above has remarked to ensure that rates quoted are reasonable when compared to the estimate rates of each item and there is no unreasonable loading in the supply portion. The Chief Engineer (Generation & PED) intimated that since this is a turnkey work, item wise evaluation is not envisaged. It was also intimated that as per tender conditions, there is no ceiling for supply portion alone and that ceiling was given for the total PAC including supply and service.

Subsequently the firm reduced their amount to Rs. 67,00,00,000/-. The bidder was directed to avoid the quoted item 1.040 which was not to be quoted as per corrigendum in the tendering stage. Thus an amount of Rs. 25,98,977.25 including taxes was deducted by the bidder and they submitted a revised BOQ. The total of supply portion of revised BOQ becomes Rs.57,00,65,923.75 which is above the estimate portion of supply amount of Rs.51,98,77,728/-. The total quoted amount is Rs. 66,74,01,024/-.

Subsequently as directed, M/s.TVPPL-KSK-REHPL-DEC was requested to reduce the rates of the items for which their quoted rate is higher than estimate rates and to submit the revised BOQ. The bidder as per letter No. TVPPL/KSEBL/PES/tender/2020-21/05 dated 13.11.2020 intimated that if KSEBL felt that their quoted prices for BOQ1 are front loaded then they are agreeable to KSEBL retaining additional 14% amount against the payment of supply of individual

items and releasing the aforesaid amount after the erection of respective equipment and confirmed that the aforesaid retention amount will be an addition to 10% of amount mentioned in the supply portion of Vol-II, Cl. 5.2.3 (Item rate system) of referred tender and requested to issue the work order incorporating the aforementioned modification in payment terms only for supply portion. It is reported that 14% retention amount for supply portion comes to Rs. 79,814,574.4/-

The Chief Engineer (Gen. & PED) recommended to award the subject work to the L1 bidder M/s.TVPPL-KSK-REHPL-DEC Consortium (Reference No. 456) at their negotiated rate of Rs. 66,74,01,023/-, inclusive of taxes with condition to retain 14% of amount for supply portion amounting to Rs. 79,814,574.4/-, which will be released after the erection of respective equipment in addition to 10% of retention amount as per the tender mentioned in the supply portion of Vol-II, Cl. 5.2.3 (Item rate system) of referred tender. 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.

The Board was informed that the accuracy of the technical sanction estimate had been verified and the bidder was requested to reduce the quoted rates of the items which is higher than estimate rate. The Board was also informed that the rates was negotiated to Rs. 66,74,01,023/- and to address the issue of front loading in the quoted rates a proposal to retain 14% of the amount for supply portion was placed before the Board.

Having considered the matter in detail, the Board of Directors in its meeting held on 01-01-2021 resolved to authorize the Chief Engineer (Generation & PED) to award the work of Erection of Supplied Electro Hydro Mechanical Equipment and Supply and Erection of BOP Equipment of (2x30MW) Pallivasal Extension Scheme Hydroelectric Project to the L1 bidder M/s.TVPPL-KSK-REHPL-DEC Consortium (Reference No. 456) at their negotiated rate of Rs.66,74,01,023/-, inclusive of taxes, which is 4.13% below estimate rate with condition to retain 14% of amount for supply portion amounting to Rs. 7,98,14,574.4/-, which will be released after the erection of respective equipment in addition to 10% of retention amount mentioned in the supply portion of Vol-II, Cl. 5.2.3 (Item rate system) of referred tender.

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).

Forwarded / By Order

*Sunil Kumar*  
Asst. Executive Engineer

DESPATCHED

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11.01.2021