



Kerala State Electricity Board Limited
(Incorporated under the Companies Act, 1956)
Registered Office: Vidyuthi Bhavanam, Pattom,
Thiruvananthapuram – 695 004.

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ABSTRACT

Implementation of Smart Metering under IPDS – Cancellation of financial assistance – Appointment of M/s. KPMG Advisory Service Private Limited as Project Management Agency (PMA) – Short Closure of Contract – Sanctioned – Orders issued.

CORPORATE OFFICE (IT)

B.O.(FTD) No. 661/2020(IT/Proj/IPDS/PFC/Smart Meter/2020-21/) Thiruvananthapuram, dated
03.11.2020

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- Read: 1. B.O.(FTD) No.1384/2018(IT/CU/PFC/Smart Meter/2018-19/), dated 30.05.2018.
2. Note No. IT/Proj/IPDS/PFC/Smart Meter/2020-21/98 dated 09.10.2020 of the Chief Engineer (IT, CR & CAPs) to the Full Time Directors (Agenda No. 43/10/20).

ORDER

The Chief Engineer (IT, CR & CAPs) as per the note read above has reported that the Ministry of Power, Government of India has issued guidelines for installation of Smart metering solutions for UDAY participating states under Integrated Power Development Scheme (IPDS). Based on this direction, the DPR for Rs. 64.36 Crore (having 60% of the allocation as grant) was approved by PFC along with a grant component of Rs. 0.32 crore towards engaging a Project Management Agency (PMA). PFC has so far released an amount of Rs. 3.894 Crore as grant (including Rs. 0.032 Crore under PMA cost).

A PMA has to be appointed by KSEBL based on IPDS guidelines in order to facilitate project management and ensuring timely implementation of the schemes. 0.5% of the project cost is being provided as grant towards engaging the PMA. As per B.O. read 1st above, M/s KPMG Advisory Service Pvt. Ltd. was appointed as the PMA for implementation of Smart Metering under IPDS for Rs. 0.32 Crore (inclusive of 18% GST), which is the grant component allocated for PMA towards smart meter implementation.

Subsequently, the Notice Inviting Tender (NIT) for the selection and appointment of the implementation agency for Smart metering was published on 25.07.2018 and the RFP document prepared by the PMA was released on 17.06.2019. The Pre-Qualification Committee meeting held on 31.08.2019 decided to proceed with re-tendering by modifying the RFP document since only one bidder had participated in the tender. The PMA submitted the revised draft RFP document on 02.03.2020.

Based on the Terms of Payment as specified under the contract awarded, PMA became eligible for 20% of payment on completion of 1st and 2nd milestones, which is on "Release of RFP document". The invoices towards these payments, which were recently submitted by PMA, are yet to be processed.

In the meantime, PFC has communicated that the 16th IPDS Monitoring Committee meeting held on 03.08.2020 has decided that all Smart metering projects, where bidding is yet to be initiated / bid process has been initiated but Lol / LoA is yet to be issued by the Utility as on 31.07.2020 stand cancelled and the grant released is to be recovered / adjusted from the Utility. The cancellation includes PMA grant of Rs. 0.32 crore sanctioned for this project.

The remaining grant component to be disbursed by PFC towards implementation of other IPDS schemes (Phase II IT, ERP and RT-DAS) is Rs. 32.98 Crore. Hence, the amount of Rs. 3.894 Crore released as grant (including Rs. 0.032 Crore under PMA cost) towards the implementation of Smart metering scheme under IPDS can be adjusted within the grant component of the existing IT projects.

In view of the above, the Chief Engineer (IT, CR & CAPs) has suggested to short close the LoA issued to M/s. KPMG Advisory Service Pvt. Ltd., appointing them as the PMA for implementation of smart metering, due to the cancellation of Smart metering project by PFC. It is further suggested that, PFC may be requested to allow KSEBL for the release of 20% milestone payment to M/s. KPMG under PMA grant towards implementation of Smart metering scheme for UDAY participating states as PMA had completed their works with respect to 1st and 2nd milestones.

Having considered the matter in detail, the Full Time Directors in the meeting held on 14.10.2020 resolved to accord sanction for the following:

1. To short close the LoA issued to M/s. KPMG Advisory Service Pvt. Ltd. appointing them as the PMA for implementation of Smart Metering for Rs. 0.32 Crore (inclusive of 18% GST) in view of the cancellation of financial assistance for implementation of Smart Metering under IPDS.
2. To request the PFC to allow KSEBL for the release of 20% milestone payment to M/s. KPMG under PMA grant towards implementation of Smart Metering Scheme for UDAY participating states since PMA has completed their works with respect to 1st and 2nd milestones.

Orders are issued accordingly.

**By Order of the
Full Time Directors**

Sd/-

**Lekha G.
Company Secretary (I/C)**

To

The Chief Engineer (IT, CR & CAPs)

Copy to:

1. The Financial Advisor / CIA, K S E B L
2. The TA to CMD / Director D, IT & HRM / GC / T & SO / GE & SCM / Planning & Safety
3. The PA to the Director (Finance)/Secretary (Administration)
4. Records/Stock file and Library / AB Section

Forwarded / By Order



Assistant Executive Engineer