



**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 Enterprise Resource Planning (ERP) in KSEBL under Partial turnkey basis / departmental execution – Appointment of M/s. KPMG Advisory Service Private Limited as Project Management Agency (PMA) – Extension of Contract – Sanctioned – Orders issued.

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### **CORPORATE OFFICE (IT)**

B.O.(FTD) No. 648/2020(IT/Proj/IPDS/PMA/ERP/2020-21/) Thiruvananthapuram, dated 28.10.2020

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- Read: 1. B.O. (FTD) No. 403/2019(IT/Proj/IPDS/ERP/2019-20/), dated 20.05.2019.  
2. Letter no. KERALA/KSEBL/22092020 dated 22.09.2020 of M/s. KPMG.  
3. Note No. IT/Proj/IPDS/PMA/ERP/2020-21/99 dated 09.10.2020 of the Chief Engineer (IT, CR & CAPs) to the Full Time Directors (Agenda No. 42/10/20).

### **ORDER**

The Chief Engineer (IT, CR & CAPs) as per the note read above has reported that Integrated Power Development Scheme (IPDS) has been launched by Ministry of Power, Government of India and as per IPDS guidelines, schemes for Enterprise Resource Planning (ERP) and IT enablement of distribution sector is envisaged to be covered as per requirement of utility. Even though, the ERP implementation was not included under IPDS initially, KSEBL had decided to implement a comprehensive ERP solution by itself following IPDS guidelines. The decision to implement ERP within IPDS guidelines was taken, expecting to include ERP implementation in future IPDS projects and based on this decision, M/s. KPMG Advisory Service Private Limited was appointed as the Project Management Agency (PMA).

Subsequently, in the 11<sup>th</sup> meeting of IPDS monitoring committee held on 5.12.2017, the project proposal for implementation of ERP in KSEBL was approved for Rs. 42.64 Crore having a grant component of Rs. 25.79 Crore with Partial Turn Key based execution mode. Tenders were invited for identifying an implementation agency for implementing ERP solution in Open Source platform and no vendors participated. Hence, as per B.O. read 1<sup>st</sup> above, sanction was accorded to carry out customization / development and implementation of ERP solution with the in-house development team under the IT wing, as part of Partial turnkey based execution sanctioned by PFC and supply, installation and commissioning of servers, storage etc. through open tender process.

As per the award of contract issued to the PMA, the period of engagement was stipulated as 21 months, which was till the end of October 2018. Based on clause no. 3 “Period of Engagement” of the contract issued to PMA, the contract was extended for a further period of one year without any additional financial commitment, up to 1<sup>st</sup> November 2019.

The contract was further extended up to the end of August 2020 with a monthly retainer-ship fee of Rs. 3,34,800 (excluding taxes), as the preparation of essential documentation was included as additional scopes in contract, in addition to the pending milestone based payments for the fulfillment of the ERP implementation project.

As the development / customization and implementation of ERP is progressing, PFC has communicated that the IPDS monitoring committee in its 16<sup>th</sup> meeting held on 3<sup>rd</sup> August 2020 has approved the time extension for completion of ERP project of KSEBL up to 31<sup>st</sup> March 2021. In response to the request of KSEBL to continue the services of PMA without any additional financial commitment, M/s. KPMG intimated as per letter read (2) above their consent in extending the PMA contract validity till 31<sup>st</sup> March 2021.

The services of PMA is essential for the successful completion of the project as the development/ customization and implementation of ERP is done departmentally under the supervision of a dedicated team, which is scheduled for completion by 31<sup>st</sup> March 2021. PMA certification is also required in order to claim the departmental execution cost.

In view of the above, the Chief Engineer (IT, CR & CAPs) has suggested to extend the contract for PMA, M/s. KPMG till 31<sup>st</sup> March 2021, with the pending amount as per the milestone based payments as in the original LoA.

Having considered the matter in detail, the Full Time Directors in the meeting held on 14.10.2020 resolved to accord sanction to extend the contract for PMA, M/s. KPMG Advisory Service Private Limited towards implementation of ERP till 31<sup>st</sup> March 2021 with the pending milestone based payments as in the original LoA and without any additional financial commitments to KSEBL.

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**