



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated Under the Companies Act, 1956 (No.1/1956)

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CIN :U40100KL2011SGC027424

ABSTRACT

Manufacture and Supply of 8m & 9m PSC Poles to various Electrical Circles - Extension of period of contract due to force majeure condition - Approved – Orders issued.

Corporate Office (SCM)

B.O.(FTD) No.496/2020 (PC/SCM/PSC poles/2017-18/General) dated, Thiruvananthapuram 27/07/2020

- Read:-
- 1) B.O.(DB)No.206/2020 (PC/SCM/PSC Poles/17-18/North & South Central/Addl.PO) dated 18/03/2020.
 - 2) Office Memorandum No.F.18/4/2020 – PPD dated 19/02/2020 of the Deputy Secretary to the Government of India on Force Majeure Clause FMC.
 - 3) Office Memorandum No.F.18/4/2020-PPD dated 13.05.2020 Government of India ,Ministry of Finance.
 - 4) Order No.40-3/2020—DM-I(A) dated 24.03.2020 of Government of India, Ministry of Home Affairs.
 - 5) Order No.40-3/2020-DM-I(A) dated 30.05.2020 of Government of India, Ministry of Home Affairs.
 - 6) G.O.MS.No.324 dated 30.06.2020 of the Revenue and Disaster Management (DM-II Department of the Government of Tamil Nadu.
 - 7) Note No. PC/SCM/PSC poles/2017-18/General/1820 dated 09/07/2020 of Deputy Chief Engineer (SCM) – in charge submitted to Full Time Directors (Agenda Item No. 49/7/20)

ORDER

The Additional Purchase Orders were placed with various PSC Poles suppliers based on the decisions as per Board Order dated 18/03/2020 read 1st above with the period of time extension of supply against original Purchase Orders upto 30/09/2020. The period of supply against the above additional Purchase Orders were for six months from 4/2020 to 9/2020. Unfortunately after placing the Purchase Orders, Lockdown was declared by Government of India/ Government of Kerala w.e.f.25 /03/2020, due to COVID 19 pandemic situation.

As per office Memorandum read 2nd above, the Lockdown period following COVID-19 shall be considered as a case of natural calamity and Force Majeure Condition can be invoked.

All the firms have requested to extend the period of supply against original and additional Purchase Orders placed with them for 3 months from 30/09/2020 following the

Lockdown due to COVID-19 i.e., upto 31/12/2020, considering Force Majeure Clause and not to recover any penalty for three months from 4/2020 to 6/2020.

Purchase Orders vide No.SCM.241/2017-18/ 7663 dated 09/03/2018 and No.SCM.15/2018-19/281 dated 11/04/2018 were placed with M/s.Gautam Cement Works, Chennai for the manufacture and supply of 8m & 9m PSC Poles for 2 years to various Electrical Circles. The period of completion of supply of the above Purchase Order dated 09/03/2018 placed with M/s.Gautam Cement Works in Northern and North Malabar Regions was upto 31/05/2020. Also the period of completion of supply of Original Purchase Order dated 11/04/2018 placed with M/s.Gautam Cement Works in Southern and Central Regions and Additional Purchase Order placed in Thodupuzha was upto 30/06/2020.

Based on the Lockdown declared by the Government of India due to COVID-19: M/s.Gautam Cement Works as per letter dated 18/04/2020 has requested KSEBL to extend their period of supply for 4 months and not to impose penalty/Liquidated Damages for 4 months period and allow them to complete the supply of ordered quantity.

The supply of the firm M/s.Gautam Cement Works against Original Purchase Orders were almost regular. Supply against Additional Purchase Order placed in Thodupuzha Circle was also completed. The balance quantity to be supplied by the firm is allocated by the Deputy Chief Engineers of the concerned Electrical Circles and the above Circles are in need of the allocated quantity for meeting urgent requirement.

All the pole supplying firms have requested to extend the period of supply against Original and additional Purchase Orders placed with them for 3 months from 30/09/2020, following the Lockdown due to COVID-19 i.e., upto 31/12/2020, considering Force Majeure Clause and not to recover penalty for three months from 4/2020 to 6/2020.

As per the Purchase Order, the Clause on Force Majeure is detailed below:

B.39. FORCE MAJEURE CONDITION. "The supplier will not be liable for any liquidated damages for such delay due to force majeure conditions such as acts of god, acts of public enemy, act of government, fire, floods, epidemics, quarantine, restrictions, riots, civil commotion and freight embargo, provided that supplier notify within 10 days from the beginning of such delay due to force majeure conditions, with valid proof for force majeure conditions. The KSEBL will verify that fact on merit and may grant suitable extensions of delivery period. The decision of Chief Engineer (SCM) will be final in this matter".

As per Clause-B-39 'Force Majeure Condition' of the Purchase Order, suitable extension of delivery period may be granted under Force Majeure Condition.

Also as per Office Memorandum of Government of India read 2nd above, the Lockdown period following Corona Virus spreading(COVID 19) should be considered as a case of natural calamity and Force Majeure Condition may be invoked.

The period of contract of Purchase Orders placed with various PSC Pole suppliers (In side Kerala) is to be extended for 3 months, considering the present lockdown declared period by the Government of India/Government of Kerala from 25.03.2020 to 30.06.2020 due to COVID-19, vide papers read as 3rd, 4th and 5th above, in order to complete the supply of ordered quantity of 8m and 9m PSC Poles against the Purchase Orders placed with them, as per clause B – 39, Force Majeure conditions of the Purchase Order.

The period of contract of Purchase Orders placed with M/s.Gautam Cement Works (Out side Kerala) is to be extended for 4 months, considering the present lockdown period declared by the Government of India/Government of Tamil Nadu from 25.03.2020 to 31.07.2020 due to COVID-19, vide 3rd, 4th, 5th and 6th above, in order to complete the supply of ordered quantity of 8m and 9m PSC Poles against the Purchase Orders placed with them, as per Clause-B-39, Force Majeure conditions of the Purchase Order.

As the occurrence of the pandemic COVID-19 situation and the subsequent country wide lockdown was unexpected, the proposal for time extension, considering the period of lockdown declared in the respective States was placed before the Full Time Directors by the Deputy Chief Engineer (SCM) – in charge, as per note read as 7th above.

Having considered the matter in detail the Full Time Directors in its meeting held on 22/07/2020.

Resolved to accord sanction to extend the period of supply against Additional Purchase Orders dated 18/03/2020, 19/03/2020 & 20/03/2020 placed with various PSC Pole suppliers and the respective original Purchase Orders for 3 months from 30/09/2020 i.e., upto 31/12/2020 ,with re-scheduling of the monthly target by the respective Deputy Chief Engineers, considering the lockdown period from 25/03/2020 to 30/06/2020 due to Corona Virus outbreak, in order to complete the supply of ordered quantity, with applicable price variation upto extended period of contract and not to impose penalty for short supply during the period of 3 months from April 2020, as per Clause-B-39, Force Majeure Condition.

Further resolved to extend the period of completion of supply against original Purchase Order No.SCM.241/2017-18/7663 dated 09/03/2018 placed with M/s.Gautam Cement Works in Northern and North Malabar Regions from 31.05.2020 to 30.09.2020, for 4 months, considering the lockdown period from 25.03.2020 to 31.07.2020, declared in Tamil

quantity, with applicable price variation upto extended period of contract and not to impose penalty for short supply during the period of 4 months from March 2020, as per Clause-B-39, Force Majeure Condition.

Further resolved to extend the period of completion of supply against original Purchase Order No.SCM.15/2018-19/281 dated 11.04.2018 and its additional Purchase Order dated 23.12.2019 placed with M/s. Gautam Cement Works in Southern and Central Regions from 30.06.2020 to 31.10.2020, for 4 months, considering the lockdown period from 25.3.2020 to 31.07.2020, declared in Tamil Nadu due to Corona Virus outbreak, in order to complete the supply of ordered quantity with applicable price variation upto extended period of contract and not to impose penalty for short supply during the period of 4 months from April 2020, as per Clause-B-39, Force Majeure Condition.

Orders are issued accordingly.

BY ORDER OF THE FULL TIME DIRECTORS

Sd/-
Lekha.G

Company Secretary in charge

To

The Deputy Chief Engineer (SCM) – in charge.

Copy to:- The Chief Internal Auditor/CA to Company Secretary,
The Chief Engineer (Distribution-North Malabar/North/South/Central)
The Deputy Chief Engineer, All Electrical Circles
The TA to Chairman & Managing Director.
The TA to Director (Distribution, IT & HRM), TA to Director (G-E & SCM),
TA to Director (Generation – Civil), TA to Director (Transmission, System Operation & REES), TA to Director (Planning & S)
The Financial Adviser/Sr. CA to Secretary (Administration)
Fair Copy Superintendent/Library/Stock file.

Forwarded/ By Order



Assistant Executive Engineer (Civil)