



KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

Registered Office: Vidyuthi Bhavanam, Pattom,

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ABSTRACT

Replacement of Wicket Gate cup seal of Neriamangalam Machines - Sanction for availing spares and services through the OEM, Ms. Andritz Hydro - Sanctioned - Orders issued.

Corporate Office (SBU-G/E)

BO (FTD)No.183/2023(DGE/G3/Neriyamangalam WG repl.) † ‡ Thiruvananthapuram, Dated: 05.04.2023

- Read: 1. Offer dated 18.11.2022 received from M/s. Andritz Hydro.
2. Letter No. SR/SSB/SS/NRMANGLM/22-23/22-520-R3/01 dated 17.02.2023 received from M/s. Andritz Hydro.
3. Letter No.CEG/AEE-VII/NLM/General/2022-23/1705 dated 01.03.2023 of the Chief Engineer (Generation) and the estimate enclosed.
4. Note No. DGE/G3/Neriyamangalam WG repl/2022-23 /166 dated 24.03.2023 of the Director (Gen.-Ele.&HRM) (Agenda item No.71/3/23).

ORDER

The Neriamangalam HEP was commissioned in 1961 with 2 units and the third machine was put in to service after two years. Later RMU works of these three machines were carried out during 2004-2006 by M/s. Andritz Hydro Pvt Ltd, formerly known as M/s. VATECH. Wicket gates of these units were also replaced during RMU work and the wicket gate cup seal bushing was replaced with maintenance free self lubricating bushings. The leakage noticed in the wicket gate cup seal during the last year could not be rectified, as the wicket gate is made as maintenance free, it was unable to dismantle the bushing. Therefore the issue was reported to M/s. Andritz Hydro Pvt Ltd, the OEM. They have visited the power house, and submitted their offer for the replacement work of Wicket Gate cup seal including supply of materials. Subsequently, they have offered a reduction of 1% for supply as well as work part.

Accordingly, an estimate amounting to Rs.2,15,00,000/- (Rupees Two Crore Fifteen Lakh only) for OEM purchase/ service has been prepared. The scope of work includes supply of spares for all the three machines and service charge for one machine. The payment clause and Limitation of liability clause were modified as follows and got accepted by M/s. Andritz Hydro.

Payment clause

"90 (Ninety) percent of the basic price of the materials with 100% taxes and duties, shall be paid after delivery and inspection of the materials at site. Balance 10 percent price of all the materials along with the service charges will be paid together on successful completion of installation, testing and commissioning of the unit and execution of performance Bank Guarantee for an amount equivalent to 10% of the total contract price valid for the entire guarantee period."

Limitation of liability clause " has been modified as

"Except in case of criminal negligence or wilful misconduct, the aggregate liability of the contractor in this contract to owner, whether under the contract, in tort or otherwise including the cost of repairing or replacing defective equipment, shall not exceed the total contract price including escalation.

As per the quotation the delivery period is 8 months from the date of contract and 50 days for the dismantling, erection testing and commissioning from the date of handing over of the machine in dewatered condition. The shortest supply and work schedule was requested and M/s. Andritz submitted revised work schedule for 45 days.

Even though the submitted estimate includes procurement of spares for all the 3 units, it is expected that the work of only one unit could be completed during 2023-24. After observing/ studying the work procedure carried out by the OEM, the possibility of carrying out the work of the remaining two units with the work force of KSEBL can be explored since the OEM had reported that no special tools are required for carrying out the work.

As the estimate is above the delegated limits of Chief Engineer, sanction was requested by the Chief Engineer (Generation) for an estimate amounting to Rs.2,15,00,000/- (Rupees Two Crores Fifteen Lakhs only).

Accordingly the matter was placed before Full Time Directors as per note read as 4th above.

Having considered the matter in detail, the Full Time Director's meeting held on 27.03.2023 resolved to accord sanction for an estimate amounting to Rs.2,15,00,000/- (Rupees Two Crores Fifteen Lakh only) including unforeseen charges of Rs.2,47,054/- for carrying out the replacement of Wicket Gate cup seal of Neriyamangalam HEP machines by availing spares and services of the OEM, M/s Andritz Hydro as follows:

- Procurement of spares for replacement work of Wicket Gate cup seal of all the three machines at Neriyamangalam HEP from the OEM, M/s. Andritz Hydro @ Rs.1,12,70,677.00 (Rs. 95,51,421.00 + 18% GST) and
- Arranging the work of replacement of Wicket Gate cup seal of one machine Neriyamangalam HEP through the OEM, M/s. Andritz Hydro @ Rs.99,82,269.00 (Rs.84,59,550.00 + 18 % GST).

Further resolved to authorise the Chief Engineer (Generation) to issue work order to M/s Andritz, the OEM

Further resolved that after studying/observing the work procedure carried out by the OEM, as informed in the meeting, carried out the work of remaining two units with the work force of KSEBL

Orders are issued accordingly

**By Order of the
Full Time Directors**

Sd/-

**LEKHA G
Company Secretary**

To:
The Chief Engineer (Generation), Moolamattom.

Copy to: The Financial Advisor/ Chief Internal Auditor/ Company Secretary/ Chief Engineer
(IT)
The TA to Chairman & MD/ Director (GE)/ Director(GC)/ Director (Trans., SO,
P&S)/
Director (D,IT&SCM) /Director (REES,Soura,Nilavu,Sports & Welfare).
The PA to Director (Finance &HRM)
The CA to Secretary (Administration)/ RCAO/ RAO
Stock File.

Forwarded / By Order

Handwritten signature and date: 10/11/23

Assistant Executive Engineer