



## KERALA STATE ELECTRICITY BOARD LIMITED

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

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### **ABSTRACT**

Supply of 11kV/433V, 100kVA (556 nos.), 160kVA (239 nos.) & 250kVA (38 nos.), Distribution Transformers by M/s. KEL, Kochi - Extension of delivery period requested based on force majeure condition - Sanctioned - Orders issued.

### **CORPORATE OFFICE (Supply Chain Management)**

B.O.(DB)No. 446 /2022 (XD/AE3/SCM97/2020-21) Thiruvananthapuram, Dated: 26.05.2022

- Read:
1. Purchase Order No. SCM.97/2020-21/6439 dated 08.02.2021. of the Chief Engineer (SCM).
  2. Letter no. GM/02/KSEB/4301/2021 dated 24.12.2021 of M/s. KEL, Kochi.
  3. Note No. LA&DEO/R21/2022 dtd 25.02.2022 received from the LA&DEO.
  4. Letter No.FA/Tender 3/12/2022 dtd 18.03.2022 from the Financial Adviser.
  5. Note No. XD/AE3/SCM.97/2020-21/2242 dated 21.04.2022 of the Chief Engineer (SCM) submitted to the Full Time Directors (Agenda 86/4/22).
  6. Note No. XD/AE3/SCM.97/2020-21/2459 dated 07.05.2022 of the Chairman & Managing Director.
  7. Proceedings of the 64<sup>th</sup> meeting of Board of Directors vide Agenda 18-5/2022.

### **ORDER**

The purchase Order read as 1<sup>st</sup> above, for the supply of 11kV/433V, 100kVA (556 nos.), 160kVA (239 nos.) & 250kVA (38 nos.), Distribution Transformers was placed with M/s. KEL, Kochi. As per the Purchase Order the delivery schedule of the transformers is from May 2021 to September 2021. But, the firm has completed the supply of transformers by December 2021. The firm as per letter read (2) above has requested for delivery extension, price variation and waiver of Liquidated damages based on force majeure condition on account of Covid-19 pandemic and also requested to apply Force Majeure condition (FMC) based on COVID-19 pandemic for the Purchase Order and to extend the delivery schedule without penalty and with price variation.

It is notified by the Ministry of Finance, Government of India as per Office Memorandum dated 19.02.2020 that COVID -19 situation should be considered as a case of natural calamity and FMC may be invoked, wherever considered appropriate.

As per the letter from the Director General of IEEMA, due to the outbreak of Covid-19 pandemic, there has been a significant rise in the prices of key commodities such as Copper, Steel and Aluminium. To add to this crisis, the Transformer industry has started facing serious problems due to sudden shortage of CRGO Silicon Steel commodity and hence it is requested not to impose any kind of penalties for the delay in execution of contract for the period from February 2020 to March 2022.

The above tender is invited on variable price basis. The firm is eligible for price variation, if they have completed the supplies as per the scheduled delivery period. The firm has claimed that due to the upsurge of Covid-19 pandemic and subsequent lockdown imposed by the Government of Kerala, and in all other parts of the country, the firm could not supply the materials as per the scheduled delivery period. If the delivery extension is granted without penalty and with price variation based on scheduled delivery date (ie, from May 2021 to September 2021), the price variation amount comes to Rs 4.84 crore in addition to Purchase order amount.

The matter was placed before the Full Time Directors as per note read as 5<sup>th</sup> above. The Full Time meeting held on 27.04.2022, discussed the matter and decided to place the matter before the Board of Directors.

Accordingly, the matter was placed before the Board of Directors as per note read as 6<sup>th</sup> above. The meeting of the Director Board held on 12.05.2022 examined the matter in detail and resolved to extend the delivery period for the supply of 100, 160 & 250 kVA Distribution Transformers, against Purchase Order No. P.O. No. SCM.97/2020-21/6439 dated 08.02.2021 placed with M/s. KEL, Kochi as detailed below, without penalty and with price variation calculated as on the scheduled date of supply, considering the request of the supplier, based on force majeure conditions, on account of COVID-19 pandemic.

Rating of Distribution Transformer	Scheduled date of delivery as per PO	Quantity (Nos.)		Date of offer for inspection	MDCC No & Date	Extended date of delivery
11kV/433V, 100 kVA	8.5.21	110	55	09.09.21	1/10.09.21	18.09.21
			55	28.09.21	2/29.09.21	06.10.21
	8.6.21	110	55	30.09.21	3/30.09.21	01.12.21
			55			20.10.21
	8.7.21	110	5	12.10.21	4/16.10.21	20.10.21
			70			17.11.21
	8.8.21	110	35	05.11.21	5/15.11.21	13.12.21
			75			24.12.21
	8.9.21	116	35	12.11.21	6/26.11.21	24.12.21
			1			24.12.21
		115	23.11.21		22.12.21	
11kV/433V, 160 kVA	8.5.21	60	60	08.09.21	1/10.09.21	17.09.21
	8.6.21	60	30	28.09.21	2/30.09.21	06.11.21
			30	12.10.21	3/16.10.21	02.12.21
	8.7.21	60	60	17.11.21	4/26.11.21	23.12.21
8.8.21	59	59	23.12.21			
11kV/433V, 250 kVA	8.5.21	13	13	18.6.21	1/24.06.21	29.06.21
	8.6.21	13	13	31.8.21	2/03.09.21	07.09.21
	8.7.21	12	12	17.9.21	3/18.09.21	16.10.21

Orders are issued accordingly.

**BY ORDER OF THE DIRECTOR BOARD,**

**sd/-  
LEKHA.G  
COMPANY SECRETARY (In charge)**

To

The Chief Engineer (SCM)

Copy to:-

1. The Legal Advisor & Disciplinary Enquiry Officer.
2. The Deputy Chief Engineer (IT), KSEB Limited.
3. TA to Chairman & Managing Director/ Director (D&IT)/Director (P&S, SCM)/ Director (T&SO)/ Director (G-E) / Director (G-C) / Director (REES incl. SOURA, S&W)
4. Company Secretary
5. PA to Director (Finance)/Senior C.A. to Secretary(Administration)
6. The Fair Copy Superintendent, Board Secretariat
7. The Library, KSEB Limited/Stock file.

Forwarded/ By Order



**Assistant Engineer**