



KERALA STATE ELECTRICITY BOARD Ltd

(Incorporated under the Companies Act, 1956)

Registered Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram – 695 004

CIN: U40100KL2011SGC027424

Website: www.kseb.in

Phone: +91 471 2514576, 2446885, 9446008884

Email: dtksebl@ksebl.in

ABSTRACT

Procurement of Transformer Oil - Arranging purchase from oil companies, both PSUs and Private, having own refineries - Entrusting Chief Engineer (SCM) to arrange the purchase - Sanction accorded - Orders issued.

Corporate Office (SBU-T)

BO (FTD)No.114/2023(D(T,SO,P&S)/T1/Material/Transformer Thiruvananthapuram, Dated: 08.03.2023
Oil/22-23)

- Read: 1. B.O. (FB) No. 935/2012 (SCM/SS/107/2011-12/Transformer oil) dated 14.05.2012.
2. Minutes of the Purchase Committee Meeting No. 9 dated 21.07.2012.
3. Letter No. CET S-AE2/2022,3097/1584 dated 30.01.2023 of the Chief Engineer, Transmission South.
4. Note No. D(T,SO,P&S)/T1/Material/Transformer Oil/22-23 dated 16.02.2023 of the Director (T,SC,P&S) to the Full Time Directors (Agenda Item No. 3/3/23).

ORDER

KSEB had decided, as per B.O. read as 1st above, to invite limited tenders from Public Sector Undertaking (FSU) oil companies only for the purchase of transformer oil, citing that the quality of transformer oil supplied by private firms cannot be fully ensured. Further, the Purchase Committee meeting held on 21.07.2012 decided to authorise the Chief Engineers, Transmission to procure transformer oil as per delegation of powers in line with the above Board order.

As per the letter read as 3rd above, the Chief Engineer (Transmission South) has reported that there is acute shortage of transformer oil in the field due to the inability to make purchase during the last three years. Even though tenders were invited many times during the period, purchase could not be arranged due to insufficient participation from the bidders. To overcome the situation and to ensure participation of more bidders, the Chief Engineer suggested to invite tenders from the oil companies, both PSUs and Private companies having their own refineries in India.

While offering remarks on the issues of poor quality transformer oil supplied by IOCL in a previous order, the LA&DEO has opined that there is no reason or logic in confining purchase of a particular item to PSU alone when KSEBL is meeting its requirement of all other items from sources without insisting the same as Public or Private.

Previous to the decision to limit the purchase only from PSUs based on the above E.O. and the decision of the Purchase Committee as per read as 2nd, Chief Engineer (SCM) had been purchasing transformer oil as a centralised item. Since transformer oil is a fast moving and critical item, the Director (Transmission,SO,P&S) recommended that purchase may be arranged by SCM wing as a centrally procured item. The total requirement of transformer oil for the next year as reported by the Chief Engineers is 300 KL. Inviting tenders from PSUs alone is restricting competition and is resulting in

insufficient participation. Hence, it is suggested to invite open tenders from both PSUs and private oil companies having their own refineries in India, by relaxing the conditions in the B.O. read as 1st above.

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

Having considered the matter in detail, the Full Time Directors in the meeting held on 01.03.2023 resolved to accord sanction to arrange procurement of transformer oil by inviting qualification based open tenders from both PSU oil companies and private oil companies having own refineries in India, by relaxing the conditions stipulated in the order B.O.(FB) No. 985/2012 (SCM/SS/107/2011-12/Transformer oil) dated 14.05.2012 limiting tenders from PSUs only.

Further resolved to authorize the Chief Engineer (SCM) to arrange a future procurement of transformer oil by inviting open tenders from both PSU oil companies as well as private oil companies having own refineries in india and to arrange tender for purchasing 300KL oil immediately.

Orders are issued accordingly.

**By Order of the
Full Time Directors**

Sd/-

**LEKHA G
Company Secretary**

To:

The Chief Engineer (SCM)

Copy to: The Chief Engineers, Transmission South/ Transmission North/ Financial Advisor/ Chief Internal Auditor/ Company Secretary/ Chief Engineer (IT,CR&CAPs)
The TAs to CMD/ D(T,SO,P&S)/ D(D,SCM&IT)/ D(GE&HRM)/ D(GC)/ D(REES,S,N,S&W)
The PA to Director (Finance)
The Sr. CA to Secretary (Administration)
Stock File.

Forwarded / By Order

Sd/-

Assistant Executive Engineer