

**Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project**

**Date & Time** : 8<sup>th</sup> January 2021 at 11:00AM

**Place** : Virtual Conference(Google Meet)

**Present:**

1. **Dr. Vishwas Mehta IAS**  
Chief Secretary
2. **Sri. Rajesh Kumar Singh IAS**  
Additional Chief Secretary, Finance Department
3. **Sri. T.K. Jose IAS**  
Additional Chief Secretary, Water Resources Department
4. **Dr. A. Jayathilak IAS**  
Principal Secretary, Revenue Department
5. **Sri. K.R. Jyothilal IAS**  
Principal Secretary, Transport Department
6. **Sri. Anand Singh IAS**  
Secretary, Public Works Department
7. **Sri. Aravintha Babu P.K**  
Secretary, Law Department
8. **Sri Pranabjyoti Nath IAS**  
Project Director, KSTP
9. **Smt. Darlene Carmelita D'Cruz**  
Chief Engineer (Projects), KSTP
10. **Sri. Ajith Ramachandran**  
Chief Engineer (Roads), PWD

**Item No. 01 : Confirmation of 116<sup>th</sup> Steering Committee Minutes**

: Confirmed.

**Item No. 02 : Action taken report on the decision of the 116<sup>th</sup> Steering Committee**

: The steering committee noted the action taken report.

**Item No. 03 : Bid Evaluation Report of RKI Works**

- 1. Bid Evaluation Report of RKI-Upgrading SH34 Koyilandy -Tham Mukkam- Areekode- Eranhimavu Road for a length of 46.32km unde Kerala Initiative.**

The bid invitation was published in the dailies Kerala Kaumudy and The 08/09/2020 and in the Kerala e-tender portal on 14/09/2020 with last date of submiss as on 27/10/2020. The following bidders had submitted the bid:

Sl. No.	Name of Bidder	Nationality	Remarks
1	M/s. SreedhanyaConstruction Company	Indian	Single Company
2	M/s. Cherian Varkey Construction Co. (P) Ltd.	Indian	Single Company
3	M/s. Engineering Projects (India) Ltd.	Indian	Single Company Govt. of Indi undertaking
4	M/s. UralunkalLabour Contract Co-operative Society Ltd.	Indian	Single Company

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

On evaluation of the technical bids by the PMC for RKI works, bids received from M/s.Sreedhanya Construction Company and M/s.Cherian Varkey Construction Co. (P) Ltd. were found responsive to the requirements of the bidding documents and was recommended to be invited for opening of their price bids (2nd envelope) for further evaluation.

Accordingly, the price bid opening was done on 12/11/2020 at 11.30 hrs. The details are as follows:-

Sl.No	Name of Bidder	Bid Amount (in Rupees)	Percentage Excess
1.	M/s.Sreedhanya Construction Company	Rs. 2,21,06,50,860/-	4.2% above
2.	M/s.CherianVarkey Construction Co. (P) Ltd.	Rs. 2,29,51,00,000/-	8.19% above

The price quoted by the lowest bidder M/s.Sreedhanya Construction Company is Rs. 221.065 Cr against the estimated cost of Rs. 212.14 Cr. which is 4.2% above the estimate amount. The quoted amount is competitive considering estimated cost of Rs 212.14 Cr. As the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and as the work being an EPC contract to be executed with five years maintenance period the bid may be accepted.

Based on the aforesaid, the steering committee noted that as the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and price is reasonable in comparison to the market values, the bid may be accepted. This is also in line with the procurement arrangements agreed between Bank and KSTP under loan agreement schedule which says, "No negotiations are conducted even with the lowest evaluated responsive bidder".

**2. Bid Evaluation Report of RKI-Upgrading Vythiri-Tharuvana road: km 8+500 Achooranam to Km 21+835 Tharuvana Road under Rebuild Kerala Initiative.**

The bid invitation was published in the dailies Kerala Kaumudy and The Hindu on 08/09/2020 and in the Kerala e-tender portal on 14/09/2020 with last date of submission of bid as on 27/10/2020. The following bidders had submitted the bid:



AES

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

Sl. No.	Name of Bidder	Nationality	Remarks
1	M/s. Malabar Tech.	Indian	Single Company
2	M/s. Midland Engineering & Contracting Company JV M/s. Rayee Gowda Construction Company	Indian	Joint Venture
3	M/s. PMR Construction Company	Indian	Single Company
4	M/s. Uralunkal Labour Contract Co-operative Society Ltd.	Indian	Single Company

On evaluation of the technical bids by the PMC for RKI works, bids received from M/s. Malabar Tech., M/s. Midland Engineering & Contracting Company JV M/s. Rayee Gowda Construction Company, M/s. PMR Construction Company and M/s. Uralunkal Labour Contract Co-operative Society Ltd. were found responsive to the requirements of the bidding documents and was recommended to be invited for opening of their price bids (2<sup>nd</sup> envelope) for further evaluation.

Accordingly, the price bid opening was done on 10/11/2020 at 15.00 hrs. The details are as follows:

Sl. No.	Name of Bidder	Bid Amount (in Rupees)	Percentage Excess
1.	M/s. Malabar Tech.	Rs. 66,94,95,865/-	9.5% above
2.	M/s. Midland Engineering & Contracting Company JV M/s. Rayee Gowda Construction Company	Rs. 63,90,00,000/-	4.5% above
3.	M/s. PMR Construction Company	Rs. 66,52,91,839/-	8.8% above
4.	M/s. Uralunkal Labour Contract Co-operative Society Ltd	Rs. 70,25,50,000/-	14.89% above

The price quoted by the lowest bidder M/s. Midland Engineering & Contracting Company JV M/s. Rayee Gowda Construction Company is Rs. 63.90 Cr against the estimated cost of Rs.

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

61.15 Cr. which is 4.5% above the estimate amount. The quoted amount is competitive considering estimated cost of Rs. 61.15 Cr. As the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and as the work being an EPC contract to be executed with five years maintenance period the bid may be accepted.

Based on the aforesaid, the steering committee noted that as the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and price is reasonable in comparison to the market values, the bid may be accepted. This is also in line with the procurement arrangements agreed between Bank and KSTP under loan agreement schedule which says, "No negotiations are conducted even with the lowest evaluated responsive bidder".

3. Bid Evaluation Report of RKI-Pkg III-Rehabilitation and Upgradation of Kodungallur-Shornur Road Length 34.350 km in Thrissur District In single stage National Competitive Bidding procedure with qualification for admeasurement works contracts.

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The bid invitation was published in the dailies Times of India and Kerala Kaumudi on 05/09/2020 and in the Kerala e-tender portal on 07/09/2020 with last date of submission of bid as on 02/11/2020. The following bidders had submitted the bid:

Sl. No.	Name of Bidder	Nationality	Remarks
1	M/s. Gawar Construction Ltd – M/s. ATCON India Ltd. JV	Indian	Joint Venture
2	M/s. Marymatha Infrastructure (P) Ltd. M/s. MKC Infrastructure Ltd	Indian	Joint Venture
3	M/s Sreedhanya Construction Company	Indian	Single entity

On evaluation of the technical bids by the PMC for RKI works, bid received from M/s. Gawar - Atcon JV and M/s. Marymatha - MKC JV were found responsive to the requirements of the bidding documents and was recommended to be invited for opening of their price bids (2<sup>nd</sup> envelope) for further evaluation.

The bid submitted by M/s. Sreedhanya Construction Company was rejected and found non-responsive as the bidder does not meet the requirement of turnover.



Accordingly, the price bid opening was done on 01/01/2021 at 11.00 hrs. The details are as follows:-

Sl. No.	Name of Bidder	Bid Amount (in Rupees)
1.	M/s. Gawar Construction Ltd – M/s. ATCON India Ltd. JV	Rs. 203,22,46,503.49/-
2.	M/s. Marymatha Infrastructure (P) Ltd. M/s. MKC Infrastructure Ltd	Rs. 230,00,12,527.05/-

The price quoted by M/s. Gawar - Atcon JV is Rs. 203.22 Cr against the estimated cost of Rs. 198.20 Cr. which is 2.53% above the estimate amount. The price quoted by M/s. Marymatha - MKC JV is Rs. 230.001 Cr against the estimated cost of Rs. 198.20 Cr. which is 16.04% above the estimate amount.

M/s. Gawar - Atcon JV being the lowest bidder (L1 –bidder), the Rehabilitation and Up gradation of Kodungallur-Shornur road in Thrissur District to be awarded for an amount of Rs. 203,22,46,503.49/- including all taxes and duties, GST and maintenance for 5 years which is 2.53% above the estimated amount.

Based on the aforesaid, the steering committee noted that as the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and price is reasonable in comparison to the market values, the bid may be accepted.

*The Steering Committee, after detailed discussions, resolved by consensus that:*

**Resolution 1:**

1. M/s Sreedhanya Construction Company be awarded the work RKI- Upgrading Koyilandy –Thamarassery- Mukkam- Areekode- Eranhimavu Road of length 46.32 km under Rebuild Kerala Initiative at their quoted rate of Rs. 221.065 Crore, including GST (4.2% above the estimate amount).
2. M/s Midland Engineering & Contracting Company JV M/s. Rayee Gowda Construction Company be awarded the work RKI- Upgrading Vythiri-Tharuvana road: km 8+500 Achooranam to Km 21+835 Tharuvana Road under Rebuild Kerala Initiative at their quoted rate of Rs. 63.9 Crore, including GST (4.5% above the estimate amount).
3. M/s. Gawar - Atcon JV be awarded the work 'RKI-Rehabilitation and Up gradation of Kodungallur-Shornur Road Length 34.350 km in Thrissur District' at their quoted rate of Rs. 203,22,46,503.49/- Crore, including GST (2.53% above the estimate amount).



AE2

Item No: (04) **Package IIIA- Request for the Extension of time for the work "Upgradation of the road from Thalassery to Kalarode – For completion of the entire project.**

The upgradation work of Thalassery - Kalarode road (IIIA) was awarded to the contractor M/s Dinesh Chandra R Agrawal Infracon (p) Ltd for a contract amount of Rs 156,33,51,422/- and Agreement executed vide Ag No: 272/KSTP/PMT/PWD/2016 dated 23-01-2016. The work commenced on 27-6-2016.

As per contract conditions the following two Milestones had to be achieved by the contractor.

Milestones	Target
Milestone I 26/09/2017	Completion of 10 Km or road up to BC level – 15 months from the commencement date
Milestone II 26/06/2018	Completion of the project in all respects (28.80 Km) – 24 months from the commencement date.

Completion of the Works not achieved within the stipulated time of completion and Extension of Time was granted by the Employer as listed below.

Approval EOT-01:

Employer has approved merging of Milestone-I with Milestone-II with Completion date as 26.06.2018.

Approval EOT-02:

Further to that, Employer has approved the Extension of time for completion of whole of Project up to 31.03.2019.

Approval EOT-03:

Further to that, Employer has approved the Extension of time for completion Whole of the Project except Eranholi Bridge up to 31st October 2019 and for Eranholi Bridge up to 31st December 2019.

Approval EOT-04:

Further to that, Employer has approved the Extension of time for completion of Whole of the Project including Eranholi Bridge and approaches up to 31<sup>st</sup> March 2020.

Approval EOT-05:

Further to that, Employer has approved the Extension of time for completion of Whole of the Project including Eranholi Bridge and approaches up to 31<sup>st</sup> October 2020.

Work is not completed till date and Contractor through letter DRA/KSTP/3A/1205, dated. 20.10.2020 has submitted a fresh application for Extension of Time for completion along with a revised programme.

Contractor's Claim:

- A1 - Delay due to nationwide lockdown declared due to the spread of COVID 19.
- A2 - Delay due to Lock down & Containment zones declared at Project site after resuming the work.
- A3 - Delay due to Adverse Climate condition.
- A4 - Delays due to Revisions made in horizontal/vertical alignment during the progress of work as per instructions.
- A5 - Delay due to Manpower Constraints.
- A6-Delay due to additional proposal for including improvement of 8 new roads
- B3- Delay due to additional works at eranholi bridge (km.2+910)

Recommendations of the Engineer (CSC)

The Engineer has analyzed each delay in details and has given their remarks vide letter no EI/1A/TLO/3810 dated 13-11-2020 . The remark of the Engineer is as follows;

Due to the delay in handing over of land from Km. 2+600 to Km. 3+200 including bridge gap at Eranholi, the reasonable time required for completion of the remaining works for Eranholi Bridge and its approaches including two under passes, high embankment retained on RE work and pavement work. Hence, a 3 months' time is recommended to complete the remaining works and it is recommended to delink the bridge and its approaches from the highway component and to grant EOT up to 31<sup>st</sup> January 2021.





Contractor has submitted a request for taking over of the Roads from Km. 4+000 to Km. 14+000 and the same is under review. Road works remaining are progressing in the remaining stretches.

Sufficient time was given to the Contractor to complete the works and the major reasons for the delay in completion of the road works had been the contractor's cash flow problems. Considering the quantum of works remaining for road works and road safety works, another 2 months' time is required for the Contractor to complete these works. We analyse that the delays occurred are due to the defaults of the Contractor and delays are not attributable to Employer. About 20% of works excluding the Eranholi Bridge & approaches are remaining to be completed and hope the Contractor can complete road works within 31.12.2020. Hence, the Employer may decide whether to grant extension of time for 2 months or to impose Liquidated Damages on the cost of balance works of Highway component.

The final conclusion of the Engineer is as follows

- Extension of time for completion of Eranholi Bridge and both side approaches up to 31st January 2021.
- For the other works excluding Eranholi Bridge and approaches, Contractor is not eligible for extension of time due to delays attributable to Employer. Therefore in accordance with the provisions of Contract suitable decision shall be taken by the Employer.

In view of aforesaid failures of the Contractor, any further award of Extension of time shall be based on condition that Contractor is not eligible for claiming any additional cost on account of this Extension of time.

***The Steering Committee, after detailed discussions, resolved by consensus that:***

**Resolution 02:**

1. Extension of time be granted for Commissioning of Eranholi Bridge up to 31-01-2021 without Liquidated Damages and impose proportionate Liquidated Damages on the cost of balance works of Highway component.
2. Extension be granted based on the condition that the contractor is neither allowed for claiming any additional cost on account of this extension of time nor any increase in cost on account of the Price Adjustment provisions as per clause 13.8 of General Conditions of Contract



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**Item No: (05) Selection of Consulting Services for Authority's Engineer.**

**(a) Selection of Consulting Services for Authority's Engineer for Supervision of 'Rehabilitation & Upgrading the State Highways & Major District Roads, having varying width, by Climatic Resilient Reconstruction, 6 roads in the Northern Districts of Kannur, Kasargod Kozhikode and Wayanad of Kerala State – (Authority Engineer -2) under Rebuild Kerala Initiative'**

Tenders for six roads in the Northern Districts of Kannur, Kasargod Kozhikode and Wayanad of Kerala State – (Authority Engineer -2) under Rebuild Kerala Initiative funded by World Bank, were already floated and are under various stages of procurement. The roads are under EPC mode. The Procurement of the Authority's Engineer has to be carried out for the supervision of the above roads.

In response to the notification published in the dailies on Kerala Kaumudi and Times of India on 12/08/2020 ten applications were received. Based on the Evaluation done by the Evaluation chaired by the Secretary to Government, PWD the following firms are qualified.

1. M/s. Dhruv Consultancy Services Ltd. JV M/s. Arkitechno Consultancy (I) Pvt. Ltd.
2. M/s. TPF Getinsa Eurostudios SL. In. JV With M/s. Segmental consulting and Infrastructure Advisory Pvt. Ltd.
3. M/s. K&J Projects (P) Ltd.
4. M/s. Lion Engineering consultants (Pvt) Ltd., JV M/s. Orion Infra Consulting (P) Ltd.,
5. M/s. Shrikhande Consultants Pvt. Ltd JV M/s. Infrastructure Consultants and Engineering Services.
6. M/s. MSV International Inc JV M/s. JSV Associates Engineers Pvt. Ltd.,
7. M/s. Theme Engineering Services Pvt. Ltd.,
8. M/s. SA Infrastructure Consultants Pvt. Ltd. JV M/s. Specialized Engineering Services Pvt. Ltd.,
9. M/s. Voyants Solutions Pvt. Ltd., JV M/s. G-Eng Advisory Services Pvt. Ltd.
10. M/s. Bloom Companies LLC JV M/s. JR Consultancy Services (P) Ltd.

All ten firms had submitted the proposal. The Technical proposals were opened on 23.09.2020 at 4.00 pm and were evaluated by the Evaluation Committee consisting of Secretary, PWD, Project Director KSTP and Chief Engineer, KSTP and the following scores are allotted.



Sl. No	Consultants' names	Technical Scores
1	M/s. Dhruv Consultancy Services Ltd. JV M/s. Arkitechno Consultancy (1) Pvt. Ltd	93.78
2	M/s. TPF Getinsa Eurostudios SL. In. JV With M/s. Segmental consulting and Infrastructure Advisory Pvt. Ltd.	91.75
3	M/s. K&J Projects (P) Ltd.	92.43
4	M/s. Lion Engineering consultants (Pvt) Ltd., JV M/s. Orion Infra Consulting (P) Ltd.,	94.01
5	M/s. Shrikhande Consultants Pvt. Ltd JV M/s. Infrastructure Consultants and Engineering Services	90.09
6	M/s. MSV International Inc JV M/s. JSV Associates Engineers Pvt. Ltd.,	95.74
7	M/s. Theme Engineering Services Pvt. Ltd.,	97.97
8	M/s. SA Infrastructure Consultants Pvt. Ltd. JV M/s. Specialized Engineering Services Pvt. Ltd.,	96.11
9	M/s. Voyants Solutions Pvt. Ltd., JV M/s. G-Eng Advisory Services Pvt. Ltd.	95.86
10	M/s. Bloom Companies LLc JV M/s. JR Consultancy Services (P) Ltd.	82.73

The following ten firms who scored above 70 points qualified for their Financial proposal opening;

1. M/s. Dhruv Consultancy Services Ltd. JV M/s. Arkitechno Consultancy (1) Pvt. Ltd.
2. M/s. TPF Gelinsa Eurostudios SL. In. JV With M/s. Segmental consulting and Infrastructure Advisory Pvt. Ltd.
3. M/s. K&J Projects (P) Ltd.
4. M/s. Lion Engineering consultants (Pvt) Ltd., JV M/s. Orion Infra Consulting (P) Ltd.,
5. M/s. Shrikhande Consultants Pvt. Ltd JV M/s. Infrastructure Consultants and Engineering Services.
6. M/s. MSV International Inc JV M/s. JSV Associates Engineers Pvt. Ltd.,

7. M/s. Theme Engineering Services Pvt. Ltd.,
8. M/s. SA Infrastructure Consultants Pvt. Ltd. JV M/s. Specialized Engineering Service Pvt. Ltd.,
9. M/s. Voyants Solutions Pvt. Ltd., JV M/s. G-Eng Advisory Services Pvt. Ltd.
10. M/s. Bloom Companies LLC JV M/s. JR Consultancy Services (P) Ltd.

The financial bids were opened on 23.10.2020 at 11.00 am. The combined technical and financial evaluation details are as follows

Sl. No	Consultants' names	Weighted Technical Scores	Financial Score	Weighted Final Scores	Quoted Price (Exclusive of taxes )INR	Rank
1	M/s. Dhruv Consultancy Services Ltd. JV M/s. Arkitechno Consultancy (1) Pvt. Ltd	65.65	56.19	82.50	14,98,50,000/-	10
2	M/s. TPF Getinsa Eurostudios SL. In. JV With M/s. Segmental consulting and Infrastructure Advisory Pvt. Ltd.	64.23	75.21	86.79	11,19,55,010/-	5
3	M/s. K&J Projects (P) Ltd.	64.70	64.26	83.98	13,10,34,700/-	9
4	M/s. Lion Engineering consultants (Pvt) Ltd., JV M/s. Orion Infra Consulting (P) Ltd.,	65.81	69.07	86.53	12,19,17,360/-	6
5	M/s. Shrikhande Consultants Pvt. Ltd JV M/s. Infrastructure Consultants and Engineering Services	63.06	74.05	85.28	11,37,07,777/-	8

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

6	M/s. MSV International JV M/s. JSV Associates Engineers Pvt. Ltd.,	67.02	89.45	93.85	9,413,1,000/-	1
7	M/s. Theme Engineering Services Pvt. Ltd.,	68.58	83.11	93.51	10,13,13,000/-	2
8	M/s. SA Infrastructure Consultants Pvt. Ltd. JV M/s. Specialized Engineering Services Pvt. Ltd.,	67.28	60.73	85.50	13,86,56,772/-	7
9	M/s. Voyants Solutions Pvt. Ltd., JV M/s. G-Eng Advisory Services Pvt. Ltd.	67.10	85.96	92.89	9,79,51,500/-	3
10	M/s. Bloom Companies LLc JV M/s. JR Consultancy Services (P) Ltd.	57.91	100	87.91	8,42,02,800/-	4

(b) Consultancy Services For Authority's Engineer For Supervision Of 'Upgradation of Alappuzha Changanassery Road into Semi Elevated Highway under Rebuild Kerala Initiative'.

Agreement for up gradation work of Alappuzha-Changanassery road into semi elevated highway in the districts of Alappuzha and Kottayam of Kerala under Rebuild Kerala Initiative funded by World Bank and KfW, has already been executed with M/s ULCCS-EVRASCON (JV) under EPC mode of contract. The Procurement of the Authority's Engineer has to be carried out for the supervision of the above road.

In response to the notification published in the dailies on Mathrubhumi and The Indian Express eleven applications were received. Based on the Evaluation done by the committee chaired by the Secretary to Government, PWD the following firms are qualified.

- 1) M/s. L N Malviya Infra Projects Pvt. Ltd



- 2) M/s. Shrikhande Consultants Pvt. Ltd in association with M/s. Infrastructure Consultants and Engineering Services
- 3) M/s. SA Infrastructure Consultants Pvt. Ltd. in JV with M/s. Upham International Corporation in Association with PEMS Engineering Consultants
- 4) M/s. Lion Engineering consultants (Pvt) Ltd. in association with M/s. Orion Infra Consulting Pvt. Ltd.
- 5) M/s. Dhruv Consultancy Services Ltd. in JV with M/s. ARKITECHNO Consultants Pvt. Ltd.
- 6) M/s. Voyants Solutions Pvt. Ltd. in JV with M/s. Technocrats Advisory Services Pvt. Ltd.
- 7) M/s. Ayoleeza Consultants Pvt. Ltd in JV with M/s. Sowil Ltd. in Association with M/s. Elevantly Consultants Pvt. Ltd.
- 8) M/s. Planning & Infrastructural Development Consultants Pvt. Ltd. in JV with M/s. Nation Engineering Office Pvt. Ltd.
- 9) M/s. LEA Associates South Asia Pvt. Ltd. India in Association with M/s. L&T Infrastructure Engineering Ltd., (L&TIEL), India
- 10) M/s. MSV International Inc. in Association with (As a sub-consultant) M/s. JSV Associates Engineers & Consultants Pvt. Ltd.
- 11) M/s. K&J Projects Private Limited in JV with M/s. Almondz Global Infra Consultants Ltd. Association with M/s. COS Consultancy Services.

All eleven firms had submitted the proposal. The Technical proposals were opened on 16.10.2020 at 4.30 pm and were evaluated by the Evaluation Committee consisting of Secretary, PWD, Project Director KSTP and Chief Engineer, KSTP and the following scores are allotted.

Sl. No	Consultants' names	Technical Scores
1	M/s. L N Malviya Infra Projects Pvt. Ltd.	96.80
2	M/s. Shrikhande Consultants Pvt. Ltd. in association with M/s. Infrastructure Consultants and Engineering Services	<b>Non-Responsive (Common Associate M/s. PNT Designs Pvt Ltd.)</b>
3	M/s. SA Infrastructure Consultants Pvt. Ltd. in JV with M/s. Upham International Corporation in Association with PEMS Engineering Consultants	94.48
4	M/s. Lion Engineering consultants (Pvt) Ltd. in association with M/s. Orion Infra Consulting Pvt. Ltd.	96.65

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

5	M/s. Dhruv Consultancy Services Ltd. in JV with M/s. ARKITECHNO Consultants Pvt. Ltd.	94.18
6	M/s. Voyants Solutions Pvt. Ltd. in JV with M/s. Technocrats Advisory Services Pvt. Ltd	96.33
7	M/s. Ayoleeza Consultants Pvt. Ltd. in JV with M/s. Sowil Ltd. in Association with M/s. Elevantly Consultants Pvt. Ltd.	95.44
8	M/s. Planning & Infrastructural Development Consultants Pvt. Ltd. in JV with M/s. National Engineering Office Pvt. Ltd.	<b>Non-Responsive (Common Associate M/s. PNT Designs Pvt. Ltd.)</b>
9	M/s. LEA Associates South Asia Pvt. Ltd. India in Association with M/s. L&T Infrastructure Engineering Ltd., (L&TIEL), India	98.14
10	M/s. MSV International Inc. in Association with (As a sub-consultant) M/s. JSV Associates Engineers & Consultants Pvt. Ltd.	96.40
11	M/s. K&J Projects Private Limited in JV with M/s. Almondz Global Infra Consultants Ltd. in Association with M/s. COS Consultancy Services	95.56

The following nine firms who scored above 70 points qualified for their financial proposal opening:

1. M/s. L N Malviya Infra Projects Pvt. Ltd.
2. M/s. SA Infrastructure Consultants Pvt. Ltd. in JV with M/s. Upham International Corporation in Association with PEMS Engineering Consultants
3. M/s. Lion Engineering consultants (Pvt) Ltd. in association with M/s. Orion Infra Consulting Pvt. Ltd.
4. M/s. Dhruv Consultancy Services Ltd. in JV with M/s. ARKITECHNO Consultants Pvt. Ltd.
5. M/s. Voyants Solutions Pvt. Ltd. in JV with M/s. Technocrats Advisory Services Pvt. Ltd.
6. M/s. Ayoleeza Consultants Pvt. Ltd in JV with M/s. Sowil Ltd. in Association with M/s. Elevantly Consultants Pvt. Ltd.
7. M/s. LEA Associates South Asia Pvt. Ltd. India in Association with M/s. L&T Infrastructure Engineering Ltd., (L&TIEL), India



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

8. M/s. MSV International Inc. in Association with (As a sub-consultant) M/s. JSV Associates Engineers & Consultants Pvt. Ltd.

9. M/s. K&J Projects Private Limited in JV with M/s. Almondz Global Infra Consultants Ltd. in Association with M/s. COS Consultancy Services

The financial bids were opened on 10.12.2020 at 11.00 am. The combined technical and financial evaluation details are as follows.

Sl. No	Consultants' names	Weighted Technical Scores	Financial Score	Weighted Final Scores	Quoted Price (Exclusive of taxes )INR	Rank
1	M/s. L N Malviya Infra Projects Pvt. Ltd.	96.80	96.76	96.79	7,30,07,964/-	2
2	M/s. SA Infrastructure Consultants Pvt. Ltd. in JV with M/s. Upham International Corporation in Association with PEMS Engineering Consultants	94.48	48.35	80.64	14,61,04,419/-	9
3	M/s. Lion Engineering consultants (Pvt) Ltd. in association with M/s. Orion Infra Consulting Pvt. Ltd.	96.65	79.66	91.55	8,86,79,886/-	5
4	M/s. Dhruv Consultancy Services Ltd. in JV with M/s. ARKITECHNO Consultants Pvt. Ltd.	94.18	72.01	87.53	9,81,00,000/-	7



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

5	M/s. Voyants Solutions Pvt. Ltd. in JV with M/s. Technocrats Advisory Services Pvt. Ltd.	96.33	100.00	97.43	7,06,43,500/-	1
6	M/s. Ayoleeza Consultants Pvt. Ltd in JV with M/s. Sowil Ltd. in Association with M/s. Elevantly Consultants Pvt. Ltd.	95.44	89.12	93.54	7,92,66,034/-	4
7	M/s. LEA Associates South Asia Pvt. Ltd. India in Association with M/s. L&T Infrastructure Engineering Ltd., (L&TIEL), India	98.14	67.22	88.87	10,50,85,459/-	6
8	M/s. MSV International Inc. in Association with (As a sub-consultant) M/s. JSV Associates Engineers & Consultants Pvt. Ltd.	96.40	94.31	95.77	7,49,07,000/-	3
9	M/s. K&J Projects Private Limited in JV with M/s. Almondz Global Infra Consultants Ltd. in Association with M/s. COS Consultancy Services	95.56	66.11	86.73	10,68,52,920/-	8

*The Steering Committee, after detailed discussions, resolved by consensus that:*

**Resolution 03:**

1. The proposal of M/s. MSV International Inc JV M/s. JSV Associates Engineers Pvt. Ltd., as Consulting Services for Authority Engineer for supervision of six roads in Northern Districts of Kerala under RKI be approved for an amount of Rs.9,41,31,000/- excluding all local taxes.



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2. The proposal of M/s. Voyants Solutions Pvt. Ltd. in JV with M/s. Technocrats Advisory Services Pvt. Ltd. as Consulting Services for Authority Engineer for supervision of Upgradation of Alappuzha-Changanassery road into semi-elevated highway under RKI be approved for an amount of Rs.7,06,43,500/- excluding all local taxes.

Item No: (06) Output and Performance Based Road Contract (OPBRC) Works

*Pawada*  
(g) OPBRC Package II-Output and Performance based Road Contract for the Maintenance of Roads under Package - 02 in Ponkunnam-Thodupuzha, Vattavada-Top Station Munnar from Top Station to Munnar in Kottayam- Idukki Districts of KERALA.

Output and Performance-based contracting for roads is designed to increase the efficiency and effectiveness of road asset management and maintenance. It should ensure that the physical condition of the roads under contract is adequate for the need of road users, over the entire period of the contract. Administrative Sanction for the work was issued vide G.O.(MS)No.28/2020/PWD Dated, Thiruvananthapuram, 27/02/2020 for an amount of Rs 50 crores per year for OPBRC.

The DPR preparation of OPBRC projects were entrusted to Project Preparation Unit under Design Wing PWD with the assistance of the Road Maintenance Wing PWD for investigation data collection. Out of four packages, in this OPBRC Package II (89.81 Kms), two roads are included. The details of the roads are as follows:

1. Ponkunnam-Thodupuzha Road Ch: 84 /000 to 134/000 [From Ponkunnamand to Vengalloor (Idukki-Ernakulam Border)] (50 Kms)
2. Vattavada-Top Station Munnar Ch:0/000 to 32/150 (From Munnar to Top Station) Ch:0/000 to Ch:7/660 (From Top Station to Vattavada) (39.81 Kms)

The work had been tendered and opened on 30/09/2020 at 03.30 PM. Only One bid received from M/s Theruvath Builders. The Technical Proposal has been evaluated and the bidder was qualified.

Accordingly the Financial offer opened on 09/10/2020. The details are as follows: The OPBRC contract bids are made up of 5 work components, as below,

1. Ordinary maintenance (OM) – Lump sum works during 7 years
2. Initial rectification (IR) - Lump sum works during initial 9 months
3. Periodic maintenance (PM) - Lump sum works during 1<sup>st</sup> 6 years

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4.Minor improvement (MI) – Item rate works during initial 2 years

5.Emergency works (EW) – Provisional sum for emergency works during 7 years.

The bid quoted price figures submitted by the lone bidder contractor till last date of bids submission, 30/09/2020, are as per below, which are found high compared to the corresponding figures in the sanctioned DPR. These are also violating the criteria of Bid data sheet ITB 34.6 in the RFP, that is the sum of 3 quoted figures (IR+PM+MI) is bigger than INR 48 Crores. The component wise quoted figures are as per below.

**Original Quote**

Schedule	OPBRC Component	Esti cost in DPR (INR)	Quoted Amt (INR)	Higher quoted (INR)	Higher %ge
1	OM	146,245,040	259,991,060	113,746,020	77.8
2	IR	38,079,451	38,498,711	419,260	1.1
3	PM	266,055,016	326,472,900	60,417,884	22.7
4	MI	173,219,063	200,984,408	27,765,345	16.0
5	EW	62,359,857	70,000,000	7,640,143	12.3
	<b>TOTAL</b>	<b>685,958,427</b>	<b>895,947,079</b>	<b>209,988,652</b>	<b>30.6</b>
	IR+PM+MI	477,353,530	565,956,019	88,602,489	18.6
		480,000,000	565,956,019	85,956,019	17.91
	OM+IR+PM (LS)	450,379,507	624,962,671	174,583,164	38.8
	OM+IR+PM (LS)+MI	623,598,570	82,59,47,079	202,348,509	32.4

The contractor was asked by KSTP to provide negotiated rate for his bid, which he submitted in 3<sup>rd</sup> week of Nov'20 together with few revised rates.

The summary of such revised rates is as per below.

Schedule	OPBRC Component	Esti cost in DPR (INR)	Rvsd Qtd Amt (INR) R1	Higher quoted (INR)	Higher %ge	Original Vs R1
1	OM	146,245,040	290,000,480	143,755,440	98.3	Increased

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Proj

2	IR	38,079,451	42,879,445	4,799,994	12.6	Increased
3	PM	266,055,016	236,136,156	-29,918,860	-11.2	Reduced
4	MI	173,219,063	200,984,408	27,765,345	16.0	Same
5	EW	62,359,857	78,900,000	16,540,143	26.5	Increased
	<b>TOTAL</b>	<b>685,958,427</b>	<b>84,89,00,489</b>	<b>162,942,062</b>	<b>23.8</b>	Reduced
	IR+PM+MI	477,353,530	480,000,009	2,646,479	0.6	Reduced
		480,000,000	480,000,009	9	0.00	Reduced
	OM+IR+PM (LS)	450,379,507	569,016,081	118,636,574	26.3	Reduced
	OM+IR+PM (LS)+MI	623,598,570	770,000,489	146,401,919	23.5	Reduced

As evident from viewing the figures in above two tables, the contractor has brought down the real effective quoted figure of (OM+IR+PM (LS) +MI) from INR **825,947,079/- (32.4% above)** INR **770,000,489/- (23.5% above)**, with matching the requirements for BDS ITB 34.6 for (IR+PM+MI) sum of 3 quoted figures as INR 48 Crores. The quote for the provisional sum figure for the Emergency works has no effect on payability to the contractor since the emergency works should be paid on basis of work item rates in schedule 4 (MI works) as per the RFP section VI "Tech Spec clause 12 in A1 & clause G3 "Remuneration of Emergency Works". The negotiation submitted by the contractor was not acceptable since the negotiated price of some components exceeds the quote submitted by him in the e-tender site.

Details of RF areas below,

Schedule	OPBRC Component	Esti. cost in DPR (INR)	Rvsd Qtd Amt (INR) RF	Higher quoted (INR)	Higher %ge	Orgnl Vs RF
1	OM	146,245,040	25,94,09,120	11,31,64,080	77.4	Reduced
2	IR	38,079,451	3,84,41,694	3,62,243	1.0	Reduced
3	PM	26,60,55,016	28,05,33,135	1,44,78,119	5.4	Reduced
4	MI	17,32,19,063	20,09,84,408	2,77,65,345	16.0	Same

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

S	EW	6,23,59,857	6,95,00,000	71,40,143	11.4	Reduced
	<b>TOTAL</b>	<b>68,59,58,427</b>	<b>84,88,68,357</b>	<b>16,29,09,930</b>	<b>23.7</b>	Reduced
	IR+PM+MI	47,73,53,530	51,99,59,237	4,26,05,707	8.9	Reduced
		48,00,00,000	51,99,59,237	3,99,59,237	8.32	Reduced
	OM+IR+PM (LS)	45,03,79,507	57,83,83,949	12,80,04,442	28.4	Reduced
	OM+IR+PM (LS)+MI	62,35,98,570	77,93,68,357	15,57,69,787	25.0	Reduced

The OM+IR+PM (LS)+MI figure for this INR **779368357/- (25.0 % above)** is lower than the corresponding figure in original offer. The negotiation submitted by contractor was not acceptable since the negotiated price of some components exceeds the quote submitted by him in the e-tender site. The (IR+PM+MI) figure is not matching the BDS ITB 34.6 requirements of INR 48 Crores. The combined evaluation report is attached as **(Annexure-10 (Page No -138))**

**Conclusion**

*Since it's a single tender it was decided to retender it just like 3 for No. 6(b) given below. Same resolution on page 25 marked X applies here.*

Final negotiated price quoted by the bidder is Rs. **848868357/-** which is 23.70 % more than the estimated cost of Rs. 685958427/-. The negotiated price without emergency work is Rs. **779368357/-** which is 25.0% above the estimated cost. The DPR has been prepared as per DSR 8/1/2016. The bids were published through the Kerala e-tender portal on 27/08/2020 with bid submission date as 30/09/2020. But there is no good response for the bid invitation. Only one bidder responded to the bid invitation. Further OPBRC is a new concept in Kerala PWD with no prior experience in state. As the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and considering all the facts mentioned above and as the work being an OPBRC contract to be executed in a partially hilly terrain with seven years maintenance period there is lesser chance for getting a better offer than this if retendered. Hence this may be considered for acceptance. *8/11/2021*

- b) **OPBRC Package III-Output and Performance Based Road Contract for the maintenance of roads under package-03 in Kollam-Ayoor, Kayamkulam-Mavelikkara-Thiruvalla, K P Road from Kayamkulam to Adoor, Thrikkunnipuzha-Thattarambalam, Pandalam-Kalpatthoor in Kollam, Alappuzha, Pathanamthitta Districts of Kerala.**

Output and Performance-based contracting for roads is designed to increase the efficiency and effectiveness of road asset management and maintenance. If

*[Handwritten signature]*

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project should ensure that the physical condition of the roads under contract is adequate for the need of road users, over the entire period of the contract. Administrative Sanction for the work was issued vide G.O.(Ms)No.28/2020/PWD Dated, Thiruvananthapuram, 27/02/2020 for an amount of Rs 50 crores per year for OPBRC.

The DPR preparation of OPBRC projects were entrusted to Project Preparation Unit under Design Wing PWD with the assistance of the Road Maintenance Wing PWD for investigation data collection. Out of four packages, in this OPBRC Package III (86.254km), five roads are included. The details of the roads are as follows:

1. Kollam-Ayoor(30.75km)
2. Kayamkulam-Mavelikkara-Thiruvalla(8.925km)
3. K.P Road from Kayamkulam to Adoor(25km)
4. Thrikkunnipuzha-to Thattarambalam(12.879km)
5. Pandalam- Kaipattoor(8.7km)

The work had been tendered and opened on 16/10/2020 at 03.30 PM. Only One bid received from M/s Theruvath Builders. The Technical Proposal has been evaluated and the bidder was qualified.

Accordingly the Financial offer opened on 27/10/2020. The details are as follows: The OPBRC contract bids are made up of 5 work components, as below,

1. Ordinary maintenance (OM) – Lump sum works during 7 years
2. Initial rectification (IR) - Lump sum works during initial 9 months
3. Periodic maintenance (PM) - Lump sum works during 1<sup>st</sup> 6 years
4. Minor improvement (MI) – Item rate works during initial 2 years
5. Emergency works (EW) – Provisional sum for emergency works during 7 years

The bid quoted price figures submitted by the lone bidder contractor till last date of bids submission, 16.10.20, are as per below, which are found high compared to the corresponding figures in the sanctioned DPR. These are also violating the criteria of Bid data sheet ITB 34.6 in the RFP, that is the sum of 3 quoted figures (IR+PM+MI) is bigger than INR 44 Crores. The component wise quoted figures are as per below,



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

Schedule	OPBRC Component	Esti cost in DPR (INR)	Original Qtd Amt (INR)	Higher quoted (INR)	Higher %ge
1	OM	10,89,42,890	24,99,85,755	14,10,42,865	129.46
2	IR	3,67,97,417	4,57,66,345	89,68,928	24.37
3	PM	25,34,59,925	28,06,23,616	2,71,63,691	10.72
4	MI	14,73,19,450	15,09,77,991	36,58,541	2.48
5	EW	5,46,51,968	4,20,00,000	-1,26,51,968	-23.15
	<b>TOTAL</b>	<b>60,11,71,650.00</b>	<b>76,93,53,707.00</b>	<b>16,81,82,057</b>	<b>27.98</b>
	IR+PM+MI	43,75,76,792	47,73,67,952	3,97,91,160	9.1
		44,00,00,000	47,73,67,952	3,73,67,952	8.49
	OM+IR+PM (LS)	39,92,00,232	57,63,75,716	17,71,75,484	44.4
	OM+IR+PM (LS)+MI	54,65,19,682	72,73,53,707	18,08,34,025	33.1

The contractor has submitted & uploaded his work item rates filled up "schedule 2" in format different than that in the schedule 2 in RFP (units being Km in 8 out of 9 items). As per the ITB 12.1 in the RFP, the forms must be completed without any alterations to the text, and no substitutes shall be accepted. However considering the facts that OPBRC is a new concept in Kerala PWD with no prior experience in state and only single bid was received, the bid was accepted.

The contractor was asked by KSTP to provide negotiated rate for his bid, which he submitted in 3rd week of Nov'20 together with few revised rates.

The summary of such revised rates is as per below

Schedule	OPBRC Component	Esti cost in DPR (INR)	RvsdQtdAmt (INR) R1	Higher quoted (INR)	Higher %ge	Original Vs R1
1	OM	10,89,42,890	24,99,85,755	14,10,42,865	129.46	Same
2	IR	3,67,97,417	3,66,66,345	-1,31,072	-0.36	Reduced
3	PM	25,34,59,925	28,06,23,616	2,71,63,691	10.72	Same
4	MI	14,73,19,450	15,09,77,991	36,58,541	2.48	Same
5	EW	5,46,51,968	3,00,00,000	-2,46,51,968	-45.11	Reduced
	<b>TOTAL</b>	<b>60,11,71,650.00</b>	<b>74,82,53,707.00</b>	<b>14,70,82,057</b>	<b>24.47</b>	<b>Reduced</b>
	IR+PM+MI	43,75,76,792	46,82,67,952	3,06,91,160	7.0	Reduced
		44,00,00,000	46,82,67,952	2,82,67,952	6.42	Reduced
	OM+IR+PM (LS)	39,92,00,232	56,72,75,716	16,80,75,484	42.1	Reduced
	OM+IR+PM (LS)+MI	54,65,19,682	71,82,53,707	17,17,34,025	31.4	Reduced

As evident from viewing the figures in above two tables, the contractor has brought down the real effective quoted figure of (OM+IR+PM (LS)+MI) from INR 72,73,53,707 (33.1% above) INR 71,82,53,707 (31.4% above), without matching the requirements for BDS ITB 34.6 for (IR+PM+MI) sum of 3 quoted figures as INR 44 Crores. The quote for the provisional sum figure for the Emergency works has no effect on payability to the contractor since the emergency works shall be paid on basis of work item rates in schedule 4 (MI works) as per the RFP section VI "Tech Spec clause 12 in A1 & clause G3 "Remuneration of Emergency Works". The negotiation submitted by the contractor was not acceptable since the negotiated price of some components exceeds the quote submitted by him in the e-tender site.

The contractor was asked to reconsider rates as the rates were still higher, vide the mail to Contractor. Details of RF areas below.

Schedule	OPBRC Component	Esti cost in DPR (INR)	RvsdQtdAmt (INR) RF	Higher quoted (INR)	Higher %ge	Original Vs RF	R1 Vs RF
1	OM	10,89,42,890	20,80,55,100	9,91,12,210	90.98	Reduced	Reduced
2	IR	3,67,97,417	3,66,69,143	-1,28,274	-0.35	Reduced	Increased
3	PM	25,34,59,925	28,06,23,616	2,71,63,691	10.72	Same	Same
4	MI	14,73,19,450	15,09,76,158	36,56,708	2.48	Reduced	Reduced
5	EW	5,46,51,968	3,00,00,000	-2,46,51,968	-45.11	Reduced	Same
	<b>TOTAL</b>	<b>60,11,71,650.00</b>	<b>70,63,24,017</b>	<b>10,51,52,367</b>	<b>17.49</b>	Reduced	Reduced
	IR+PM+MI	43,75,76,792	46,82,68,917	3,06,92,125	7.0	Reduced	Increased
		44,00,00,000	46,82,68,917	2,82,68,917	6.42	Reduced	Increased
	OM+IR+PM (LS)	39,92,00,232	52,53,47,859	12,61,47,627	31.6	Reduced	Reduced
	OM+IR+PM (LS)+MI	54,65,19,682	67,63,24,017	12,98,04,335	23.8	Reduced	Reduced

The OM+IR+PM (LS)+MI figure for this INR 67,63,24,017 (23.8 % above) is lower than the corresponding figure in other two offers. The (IR+PM+MI) figure, is not matching the BDS ITB 34.6 requirements of INR 44 Crores.

### Conclusion

Final negotiated price quoted by the bidder is Rs. 70, 63, 24, 017, which is 17.49 % more than the estimated cost of Rs. 54, 65, 19, 682. The negotiated price without emergency work is Rs. 67,63,24,017 which is 23.8 % above the estimated cost. The DPR has been prepared as per DSR 2016. The bids were published through the Kerala e-tender portal on 27.08.2020 with bid submission date as 16.10.2020. But there is no good response for the bid invitation. Only one bidder responded to the bid invitation. Further, OPBRC is a new concept in Kerala PWD with no



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project prior experience in state. As the bidding process is valid and the bid was satisfactorily advertised with the qualification criteria not unduly restrictive and considering all the facts mentioned above, and as the work being an OPBRC contract to be executed in a partially rolling terrain with seven years maintenance period, there is lesser chance for getting a better offer than this if retendered. Hence this may be considered for acceptance.

**The Steering Committee, after detailed discussions, resolved by consensus that:**

**Resolution 04:**

x { **As it is single bid in first tender and amount quoted also is beyond reasonable, the packages may be re-bid**

**Item No: (07) Permission to issue Letter of Acceptance (LoA) to the lowest evaluated bidder if the quoted amount is within 5% of the estimated PAC.**

The current status of RKI projects [Package III & Package IV] funded by German bank (KfW) are tabulated below:

Package III		
S.No	Road name	Current status
1	Mookannoor-Ezhallumugham road and Blachippara-Palissery road	NO received from Kfw on 05.01.2021 for financial opening
2	Kakkadassery - Kallyar road	Waiting for clearance from KfW, German Bank for bidding.
3	Muvattupuzha - Theni SH road	Tendered with last date of submission of bids as on 08/02/2021
4	Kumarakom-Nedumbassery road (proposed SH)	To be tendered. NO dated 16/12/2020 received from KfW.
5	Neyyassery- Thokkumbansaddle Road	Waiting for clearance from KfW, German Bank for bidding.
6	Nenmara-Nelliyambalhy road	Waiting for clearance from KfW, German Bank for bidding.

7	Kodungallur- shornur SH road	Financial bid opened on 1/01/2021. Placed in 117 <sup>th</sup> Steering Committee
8	Vazhakkodu-Plazhy road	Waiting for clearance from KfW, German Bank for bidding.
9	Thrissur Kuttippuram road (SH 69)	To be tendered. NO dated 16/12/2020 received from KfW for bidding.
10	Aurakunnam - Ambullour -Poothotta - Piravam road	Waiting for clearance from KfW, German Bank for bidding.

Package IV		
S.No	Road name	Current status
1	Gandhinagar-Medical College-Babu Chazhikadan road-Kottayam- Parippu road- Athirampuzha Liessue-Kaippuzha- Mannanam- Pulikkuttissery-Parolickal- Muttappally road	Technical Evaluation Report sent to KfW for approval.
2	Vadayar Chandappalam- Mulakkulam Road and Vadayar Kallattippalam Muttuchira road	Single bid received; "No objection (NO)" was given on TER by KfW; Bid 28% high- KfW response awaited for retender
3	Pathanamthitta Ayroor- Muttukudukkallathupadi -Muttukudukka-Prakkanam-Prakkanam Elavumthitta- Kulanada Ramanchira-Thannikkuzhy Thonnamala road	TER sent to the kfw for approval
4	Mallapally-Komalam Paduthodu Kalloopara Chengaroor Komalam Kavungumprayar Pattakola, TMV road	TER sent to the kfw for approval



5	Malamekkara Puthenchanda Junction road	Kunnathukala factory Junction	Chala Azad	TER sent to the kfw for approval, Kfw's " No objection NO" received on 05.01.21 for fin bid opening.
6	Thattararnbalam-Michael Kochalumood-Mangankuzhy-Pandalam		Junction-	TER sent to the kfw for approval
7	Veeyapuram-Edathua-Puthukary- Marnbuzhakkary-Kidangara-Kunnamgary- Kumarangary-Valady-Mullakamthuruthy			TER sent to the kfw for approval

From the above tables, it is evident that TFR for number of projects are sent to KfW for No Objection (NO). Once "NO" is obtained from KfW, the price bid of these projects can be opened. In this context, it is proposed to allow Project Director, Kerala State Transport Project (KSTP) to issue Letter of Acceptance (LoA) to the lowest evaluated responsive bidder if the quoted amount falls within 5% of the estimated PAC. The same will be placed before the next Steering Committee for ratification.

***The Steering Committee, after detailed discussions, resolved to:***

**Resolution 05:**

**Allow Project Director, KSTP to Issue Letter of Acceptance to the lowest evaluated responsive bidder if the quoted amount is within 5% of the estimated PAC.**

Item No: (08) **Package 8C. – Deficient GSB Layer requirement in Upgrading Plachery to Ponkunnam road (SH 8) – Km 60+000 to Km 82+170.**

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The above Package under component A 2 of World Bank Funding was awarded to M/s Sreedhanya –Nath JV in the month of November 2019 and work commenced from December 2019. The DPR for this EPC Contract was prepared by M/s LNTIEL. Authority Engineers for this work (Supervision Consultants) are M/s CEG.

This pavement of this road had a history of repeated failures and has been asphalted many times over the years to keep it in motorable condition.

As per EPC Norms, the detailed Engineering Design is the responsibility of the EPC Contractor. Accordingly a detailed design analysis was carried out by the EPC Contractor, M/s Sreedhanya on the existing pavement crust to assess the reason for repeated failures. From the detailed analysis it was noticed that the Road crust is devoid of GSB Layer as per current standards, and

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project  
instead the Asphalt layers were built up on Water Bound Macadam layer as was done in earlier days. Further on closer examination done on the drainage properties of the WBM layer, it was concluded that the WBM layer was in fact deficient in terms of drainage for water seeping from the ground. This ingress of water from ground is the main reason for failure of the pavement crust all along.

Current Schedule B, prepared by DPR Consultants proposes a standard crust including a GSB Drainage layer of 200 mm for the "New Widening Portion" as per Up gradation proposed. This widened portion with GSB layer beside the existing WBM layer is a non-standard as it will prevent water movement in the WBM layer proportionately and will lead to structural failure.

The DPR Consultants proposal made, was based on **Falling Weight Deflectometer** (As per IRC Standard) study which assesses the Structural strength only and hence no GSB layer was proposed by them throughout the stretch except for small stretch where failure had occurred during their study. The entire stretch of road resting on WBM layer will not withstand the pore water pressure seeping from below which is evident during rains and after monsoon. Hence a standard GSB Drainage layer is very essential for the pavement to withstand the "Design Period" of 15 years (Specified in EPC agreement).

With this in view the EPC Contractor vide his letter SDNJV/2019/386 dated 17-07-20 had communicated to Authority Engineer M/s CEG this issue.

Authority Engineer and EPC jointly carried out an inspection throughout and concluded that GSB layer is imminent without which the Pavement so designed shall prematurely fail on account of drainage layer being absent. The same was communicated to KSTP.

A meeting was Concluded at KSTP along with the PD (KSTP) , CE , PMC , AE & EPC Contractor M/s Sreedhanya to resolve the issue. As per the Minutes of Meeting held on 26th August 2020, it was jointly agreed that a drainage ( GSB) layer needs to be provided as a **Change of Scope** as per agreement."

Accordingly, the contractor has prepared and submitted the proposal with relevant details and the cost of work to the Authority's Engineer vide their letter No SDNJV/2019/492 dated 01.12.2020 to consider under Change of Scope. Upon receipt of letter from the Authority's Engineer, the Contractor has prepared the estimate derived on the basis of MoRTH Standard Data book and the applicable schedule of rates of the relevant circle as published



by the Kerala State PWD/HD applicable for the current year. The Contractor's quotation of cost for the Change of Scope is determined on the principles as stipulated in clause 13.2.3 and rate quoted by the contractor is in line with Good Industry Practice. The total cost of the work is **Rs. 6,63,39,259.00.**

The Authority's Engineer's M/s CEG Limited has verified the Estimation and Rate analysis verified according to MORTH standard data book. Rate Analysis prepared according to the PRICE software. WPI index is considered in the rate analysis. GST @12% has been considered to the total cost of the work. Material Quantity in the rate analysis has been done as per the Approved Mix design of GSB. GSB quantity calculations has been worked out from cross sections and also verified from site. 10% contractor profit has been considered in the rate analysis as per the MORTH standard data book. 10% overheads have been considered in the rate analysis as per the MORTH standard data book. Total Quantity is 17,257.38 Cum. The detailed estimate of quantity is also attached Chainage wise. Rate analysis is attached. Cost index for Kottayam is adopted. Overhead charge is 10%, Contractor's Profit is 10%. Rate is taken from PRICE software. Rate arrived for the work is Rs. 3,432.24.

KSTP has issued order for Granular Sub-base in the pavement layer as a change of Scope under Article 13 of Contract Agreement for an amount of Rs. 6,63,39,259/-.

**The Steering Committee, after detailed discussions, noted that:**

**Resolution 06:**

**The sanction of change of scope upto 15% of contract amount is within the power of PD, KSTP as per Clause 9.2-Financial Powers of the Finance Manual which is a part of the Loan Agreement.**

Item No: (09) **Finalization of the alignment & identification of Source of finance for the development of Skywalks in the Central Business District (CBD) area of Thiruvananthapuram, Kerala**

The Government of Kerala has come up with a policy decision to study the feasibility of constructing a Skywalk Network connecting the Trivandrum Central Railway Station and KSRTC Central Bus Station at Thampanoor to the Secretariat Complex and to Sree Padmanabha Swamy temple at Kizhakkokotta (East Fort) & Chalai market. The Skywalk Networks aims at



easing the various problems associated with the pedestrian movement in the Central Business District (CBD) area of Thiruvananthapuram City.

**M/s Arkitechno - Design Forum International JV** consultant for the project studied the project area in detail and has recommended the following option as the best alignment option.

This recommended option starts at Kerala State Secretariat and ends at Sree Padmanabha Swamy Temple East Gate and is selected to pass through the city's most prominent arterial road Mahatma Gandhi Road (MG Road) and some portion also pass through the city's sub arterial roads in the CBD area viz. Station Road, Power House Road. It passes along the MG road crossing the district treasury near Secretariat South gate Junction, Pulimoodu Junction, Govt. Ayurveda college, Polhy's Mall, Government SMV School before splitting into two arms at over bridge junction. One of the arms terminates at Thiruvananthapuram Central Railway Station & Kerala State Road Transport Corporation (KSRTC) Bus Terminal after following along the Station Road & crossing the RMS junction. The other arm diverging at the Overbridge Junction continue on the MG road/LMSAttakulangara Road and follows along over the Power House Road Flyover, Big Bazaar, Pazhavgandi Vinayaka Temple, Nayanar Memorial Park, East Fort Bus Stand, and finally ends at the East Entrance to SreePadmanabhaSwamy Temple at East Fort, & at the Entrance to the Chalai Market next to Gandhi Park. One Additional Branch is also proposed to start from the Pazhavgandi Vinayaka Temple Junction along the Central Theatre Road to have a connection to the Southern side of the Thiruvananthapuram Central Railway station on the Power House road and adding a connecting wing to the other entry of the Chalai Market on Power House Road. The route described here is planned in such a way so as to take care of the daily pedestrian movement needs of the general population and to provide a seamless connectivity to all the obligatory points in the CBD area.

It is also proposed to connect the Main Building & Annex buildings (1 & 2) of secretariat complex (along the back side parking of Main Complex), with an exclusive arm of the skywalk starting from the South Gate of Secretariat Complex and passing along the YMCA Junction so as to have an efficient & convenient movement of officials in the Secretariat premises. The entry to this exclusive secretariat arm shall be restricted to government officials only to take care of the security concerns inside the Premises.



The **Total Length** of the **Proposed Alignment** is 3.2 Km. The proposed skywalk will serve as major hub for pedestrian movement in and around the CBD area and will help out to ease the pedestrian related accidents that have been rising due to the exponential increase in the vehicular traffic on these prominent roads of the City.

The General Alignment Plan of the proposed option is as follows:

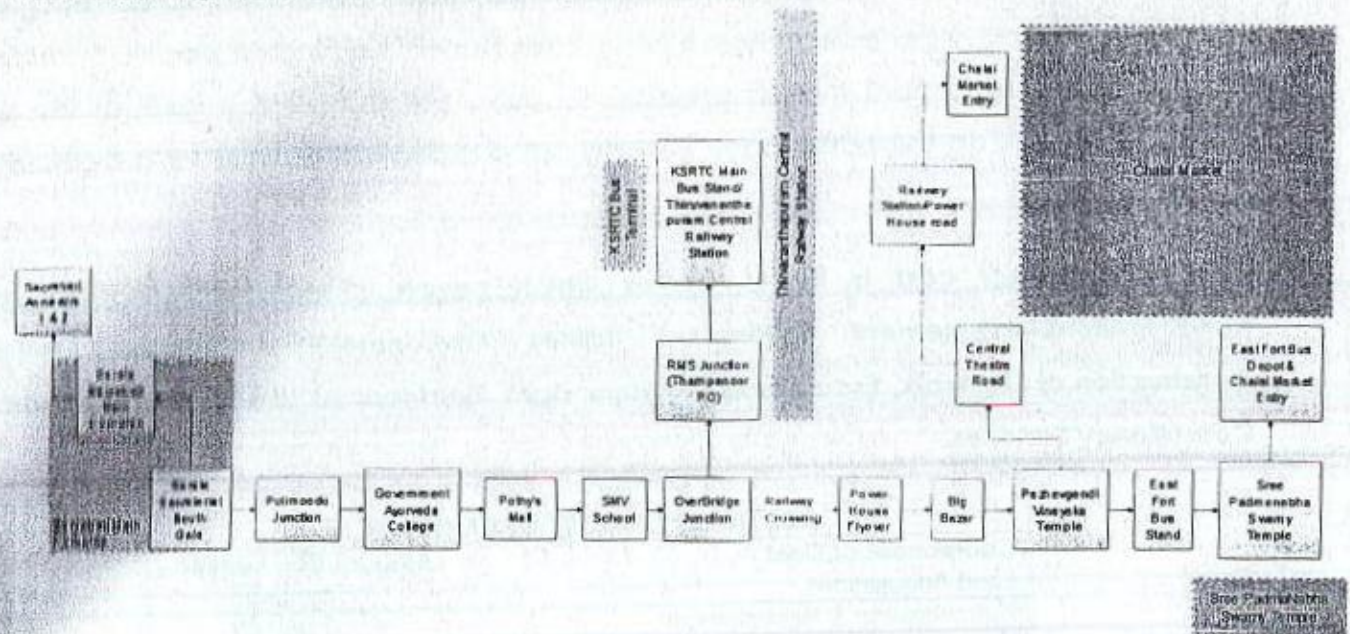


Figure 1 General Alignment Plan of the Proposed Alignment

The project proposes an all-weather covered network of skywalk connecting the important locations along the above mentioned stretch. The skywalk will be having crossovers at various locations along the entire stretch to cater the cross-movement of the pedestrian flow. The Pedestrian skywalk would be designed as a disable friendly structure & aesthetic along the stretch to be design taking into consideration the Cultural & Aesthetical aspect of the City. The Proposed skywalk to be would be designed keeping view the tourism aspect of the city.

The Project will have large implications on the social & health aspect of pedestrian & the revenue can be estimated in terms of monetary saving due to the time saving because of reduction in time loss at signals, reduction of fuel wastages at the signals, reduction in commute times, increase in the overall health of the general population, environmental benefits due to reduction in pollution.

*[Handwritten signature]*

ABSTRACT OF SOURCES OF FINANCE	₹.Crores	\$ Million
GOK Funding	98.30	14.04
External Funding Agency	246.70	35.24
<b>Total Project Cost</b>	<b>345.00</b>	<b>49.28</b>

It is also proposed to generate revenue from the project by incorporating revenue streams from energy generation from rooftop solar panels & selling off electricity to KSEB grid. Revenue generated from the advertisements along the exterior & interior of the skywalk, provision of Kiosk on the rental basis, Leasing out a portion of skywalk for advertisements & promotion basis.

The project cost is Rs.345 Crores which covers charges of Land Acquisitions, Rehabilitation & Resettlement, Shifting of Utilities, Environmental mitigation, Civil work, Construction of Sky Walk, Escalators & Elevators, Light, Electrical Installations & Sign Boards and Consultancy Services.

ABSTRACT OF COST BREAKDOWN	
Component of Cost	Amount (Rs. Lakhs)
Land Acquisitions	3,000.00
Rehabilitation & Resettlement	1,000.00
Shifting of Utilities	500.00
Environmental mitigation	1,498.00
Civil work, Construction of Sky Walk	24,234.00
Escalators & Elevators	1,450.00
Light, Electrical Installations & Sign Boards	556.00
Consultancy Services	1,000.00
<b>Total</b>	<b>34,600.00</b>
<b>Total</b>	<b>34,600.00</b>

#### Revenue Streams:

Commercial	Social
<ul style="list-style-type: none"> <li>➤ Annual revenue from Advertisement -₹. 3.55 Cr.</li> <li>➤ Annual Rental revenue from Kiosk &amp; hawkers -₹. 0.90 Cr.</li> <li>➤ Annual Net sale proceeds from sale of power - ₹0.78 Cr.</li> <li>➤ Revenue from direct entry to major shops -₹. 0.29 Cr.</li> <li>➤ Average pedestrian delay observed in most of the junctions in project area is more than 2 minutes</li> </ul>	<ul style="list-style-type: none"> <li>➤ Annual revenue losses due to waiting for crossing &amp; Vehicle accidents in the City Corridors ₹. 1.86 Cr. &amp; ₹. 0.33 Cr.</li> <li>➤ Revenue Loss on account of Vehicle idling at signals: Heavy Vehicles ₹. 2.93 Cr. &amp; Lite Vehicles - ₹. 1.46 Cr. (Time savings 20 Sec. per signal cycle)</li> <li>➤ Revenue Loss to the passenger due to vehicle waiting at the signals ₹. 10.96 Cr. (Time savings 20 Sec. per signal cycle)</li> </ul>



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

- |  |  |
|--|--|
| <p>➤ 39% of the pedestrians are willing to pay at least Rs. 2/- for using the skywalk facility &amp; 80% pedestrians would be interested to shift for the skywalk facility</p> |  |
|--|--|

**Financial Viability:**

- IRR- 2.00%
- NPV -₹.70.52 Cr. Discounted Benefit ₹.117.68 Cr.
- B/C Ratio 1.93
- Payback period is 19 Years

**The Steering Committee, after detailed discussions, resolved by consensus that:**

**Resolution 07:**

Further options to be reconsidered to reduce the project cost and Land Acquisition to be avoided. Project Director to review the proposal submitted by the consultant and to revert with necessary recommendations to the Steering Committee.

*Please explore possibility of a smaller project first, instead of proposing the entire length*  
Item No: (10) Appointment and Extension of Services. *2 come up again to KSTP steering committee*

a) Extension of the contract period of Adv. K.T.George, Legal Assistant for a period of One Year from 02.12.2020 to 01.12.2021.

*Subeesh*

Sri. K.T.George, Retired Additional Secretary (Law) was appointed as Legal Assistant in KSTP on contract basis on a monthly remuneration of Rs. 60,000/- per month, for a period of six months from the date of joining duty. This was in accordance with the decision taken in the 94th Steering Committee. His Period of contract expired on 01/09/2017. The 102nd Steering committee ratified the service of Adv.K.T.George, Legal Assistant in PMT (KSTP) from 02.09.2017 to 02.06.2018 and also approved extension of his service for a period of six months from 02.06.2018 to 01-12-2018 with the same remuneration. The 106th Steering Committee further extended his service for a period of one year from 02/12/2018 to 01/12/2019.

KSTP is a World Bank funded project. The contract conditions for civil work are based on FIDIC condition which contemplates Arbitration clause. All Upgradation Contractors KSTP-I,

Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project  
KSTP-III and KSTP-IV have raised arbitration claims. Further, claims for RMC contractors are also before various Tribunals, District Court, High court and Supreme Court.

There are several cases pending before the Arbitration Tribunals & DB and District Courts. Advocate Sri.K.T. George is actively assisting Government Pleaders in the conduct of various cases.

Considering the huge volume of ongoing arbitrations & other cases it is necessary to extend the contract period of Sri.K.T.George at KSTP (PMT) to prepare defense statement, claim statement & all other legal matters required to be submitted before concerned courts & Tribunals. Sri.K.T.George has expressed his willingness to continue in KSTP on part time basis for a reduced remuneration of Rs.40,000/- per month.

Adv.K.T.George, has a distinguished service record and is a practicing Lawyer. His service may be extended for a further period of one year from 02.12.2020 to 01.12.2021.

*PD may explore the possibility of appointing a full time legal expert.*

b) Posting of Quantity Surveyor in KSTP (PMT).

*CS*  
*-8/1/2021*

*ee/subant*  
KSTP is a World Bank Aided Project. At present KSTP Project Management Team handles two main projects funded by World Bank and KfW German Bank.

Also under Rebuild Kerala Initiative (RKI), KSTP had undertaken reconstruction and restoration of the PWD roads damaged due to the floods and land slide occurred during 2018 so as to make them traffic worthy utilizing World Bank Assistance of Rs.1200 crore and KfW loan(German Bank) assistance of Rs.1800 crores. World Bank provides 100% assistance under Development Policy loan for RKI projects and for KfW projects loan assistance would be 70% and State share is 30%.

For successfully executing the above entrusted works, the service of Quantity Surveyor cum Support Engineer (Graduate in Civil Engineering) is essential at KSTP (PMT).

The qualification experience and duties to be assigned for the post of Quantity Surveyor is as follows.



Candidate having seven years of relevant professional experience involving quantity survey cost control, contract management, estimate preparation and processing of invoices and must have associated with projects as quantity survey in any NH/SH projects.

**c) Recruitment of 3 Nos. of Assistant Engineers at KSTP(PMT), through Employment Exchange.**

EE / Subash

KSTP is a World Bank aided project. At present KSTP Project Management team handles two main projects funded by World Bank and KfW German Bank viz: (1) Kerala State Transport Project -II funded by World Bank (2) Rebuild Kerala Initiative Projects funded by World Bank and the KfW German Bank. KSTP II is now under implementation with World Bank (IBRD) Assistance (Loan No. 8254). The project envisages the upgradation of 363Km of SH Road Safety Management and Institutional Strengthening of PWD. The total project cost is 445million USD out of which 216 million USD is loan assistance from World Bank (56:44 percentage ratio).

Also as part of the Rebuild Kerala Initiative (RKI) KSTP had under taken reconstruction / restoration of the roads damaged due to the floods and landslides during 2018 and to make them traffic worthy utilizing World Bank assistance of Rs.1200 crore and KfW Loan (German Bank) assistance of RS.1800 crores. World Bank provides 100% assistance Development Policy loan for RKI Projects and for KfW Projects loan assistance would be 70% and state share is 30%.

For successfully executing the above entrusted works considering the heavy work load KSTP PMT unit has to work in full strength but KSTP is now facing shortage as per sanctioned strength of Assistant Engineers in KSTP which was nine. But the present strength is only 7. Also as per GO (Rt)No.519/2020/PWD dated 11.06.2020 3 Nos. of Assistant Engineers were deployed in KSTP (PMT) from Regional Investigation and Quality Control Labs in Thiruvananthapuram, Ernakulam and Kozhikode. But now these posts are also lying vacant.

Hence considering these facts for timely completion of RKI projects in a phased manner it is necessary to appointment 3 Nos of Assistant Engineers in KSTP (PMT) through employment exchange on Provisional basis in the prevailing pay and allowances for provisional employees, due to shortage of Assistant Engineer's in the department.

**d) Ratification and Extension of contract period of Electrical consultant Sri. V.Vasandan.**

Subash



Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

Sri. V. Vasandan, Retired Assistant Executive Engineer, KSEB was appointed as consultant Electrical Engineer in KSTP for packages I, II & III on contract basis with a monthly remuneration of Rs. 35,000/- per month plus actual TA for a period of one year from the date of joining duty. This was in accordance with the decision taken in the 88<sup>th</sup> Steering Committee held on 20.10.2015.

An agreement was executed and Sri. V. Vasandan joined duty on 17.08.2015. The above agreement period expired on 16.08.2016.

He was reappointed in the post for a further period of six months from 01/09/2016 to 28/02/2017 with the same remuneration. His term was extended up to 31/08/2017 by the 95<sup>th</sup> Steering Committee and upto 28/02/2018 by the 98<sup>th</sup> Steering Committee. The 100<sup>th</sup> Steering committee extended his service up to 31/08/2018. The 107<sup>th</sup> Steering ratified his service from 01/09/2018 to 30/06/2019 and extended his period of contract for six months up to 31/12/2019. The 110<sup>th</sup> Steering Committee extended his service up to 30.06.2020.

Sri.V.Vasandan has expressed his willingness to continue in KSTP. Since the electrical utility Shifting is in final stages in Package I & II, Shifting under package III A & III-B are progressing and Rebuild Kerala Initiative (RKI) works are also entrusted, his service is essential for the project.

***The Steering Committee by consensus resolved to***

***Resolution No. 08:***

- a. Extend the term of contract service of Adv.K.T.George, Legal Assistant in PMT (KSTP) for a further period of one year from 02.12.2020 on a monthly remuneration of Rs.40,000/-.
- b. Posting of Quantity Surveyor cum Support Engineer at KSTP (PMT) for a period of one year with effect from 01.01.2021 is Sanctioned.
- c. Posting of 3 Nos. of Assistant Engineers on provisional basis through employment exchange in the prevailing pay and allowances for provisional employees is Sanctioned.
- d. Service of Sri. V.Vasandan from 01.07.2020 to 31.12.2020 is Ratified. Extension of service of Sri.V.Vasandan for one year from 01.01.2021 to 31.12.2021 with a monthly remuneration of Rs. 35000/-including TA Plus DA is Approved



AE 8

**Item No: (11) Upgradation of Ponkunnam – Thodupuzha Road –Payment issue of hard rock and geotextiles-115th Steering Committee Decision-Report from Finance Department.**

The 92<sup>nd</sup> Steering Committee decided to refer the issue of hard rock excavation and geotextiles to the Chief Technical Examiner, to conduct a detailed study on the subject and to submit a report. As such the observations of the CTE are as follows:

**Observations of the Chief Technical Examiner**

The report of CTE can be seen in three parts.

- The first part mainly deals with the award of contract considering the rate of increased quantity of hard rock.
- CTE in his report observed that there was abnormal increase in the BOQ quantities whose quoted rates were high and the contractor was allowed to execute the above items of work by KSTP which is irregular. CTE has also observed that the rates of additional quantity shall be limited to LMR.
- As per the financial Manual the project director is not empowered to accept variation in the contract amount beyond 15% of the contract amount. For making payment to the entire work executed, the approval of the Government is required. The Chief Technical Examiner worked out a rate for the excavation of hard rock based on the method of execution using rock breakers as Rs.994.88/m<sup>3</sup> and recovery towards the issue of blasted rock as Rs.1000/m<sup>3</sup>. Hence an amount of Rs.5.12/m<sup>3</sup> may be recovered from the Contractor. In the case of Geo textiles, the CTE observed that rate quoted by the other Bidders are less compared to the rate quoted by M/s GHV-EKK and the rate may be limited to LMR rate for the quantities increased more than 25% of BOQ provision.



In the mean time the contractor filed an arbitration request No: 55/2017 before the High Court. The 103<sup>rd</sup> Steering Committee decided to refer the details of the disputed item to the Finance and Law Secretaries for their report.

**Proposal by Finance Secretary**

The Finance Secretary proposed to classify the decision to be taken into three and commented accordingly vide their letter dated 25.01.2019 .

- Amount to be paid as per the Contract conditions against the proposals of CTE.

The payment may be considered in order to avoid contractual complications. However, it is noted that any payment admitted in excess of LMR prevailed is a loss to the public exchequer on account of executing high quoted items beyond scheduled quantity. Therefore, this loss shall be quantified and appropriate action shall be initiated against the concerned

- Regarding excavation of Hard rock

Releasing the payment of hard rock as per the rate proposed by you and upheld by DB seems to be unfair to the Government, as undue benefit is proposed for the contractor in this rate. The Additional Chief Secretary, Public Works Department has also remarked that this reduced rate is nowhere near the rates quoted by other contractors. Therefore, you shall work out a reasonable rate as per the provisions of contract as stipulated by you in the letter cited above that "If no rate or prices are relevant for the derivation of a new rate or price, it shall be derived from the reasonable cost of executing the work, together with profit, taking account of any other relevant matters. Further, the outcome of the Vigilance enquiry on the matter as well as the recovery of the cost of departmental rock



obtained during excavation shall also be considered before deciding the payment.

- Payment for Geotextile work

This issue shall be considered after ensuring two requirements. (1) Technical requirement of geotextiles at site and (2) Whether the Geo textiles were actually executed at site as per the claim proposed. This becomes essential since the geo textiles are seen to be proposed on locations where Geo textiles are not normally provided. Since the rate admitted for this item is also abnormally higher than the estimate rate/LMR, appropriate action shall be taken to quantify the loss and to initiate action against the concerned on account of loss to government in this regard.

#### 107<sup>th</sup> Steering Committee

The following decisions were taken by the 107<sup>th</sup> Steering committee:

1. Payment to be released as per contract conditions for items other than "hard rock excavation" and as agreed by Chief Technical Examiner. Responsibility for allowing variations to be fixed after the Post Construction Audit.
2. For hard rock, since the rate proposed by the Employer is not acceptable to the contractor, the committee decided that matter be resolved through arbitration as contractor has already approached High Court for Arbitration.

#### Observation of the Accountant General

The major observations are briefed as follows.

1. Defective DPR and unrealistic bill of quantities resulted in huge variations in various items on execution
2. Loopholes in bid documents resulted in failure to properly evaluate bids and payment of claims without checks
3. Inadequate supervision of the works by the Employer
4. Discrepancies in the measurement of hard rock excavated



5. Rate analysis of pay item no 301-02 roadway excavation in hard rock in term MoRTH data showed that exorbitant rates had been allowed for the item
6. Non recovery of item of carriage added on arriving the rate of excavation of h rock
7. Non recovery of cost of rubble obtained from rock blasting and demolist structures.
8. Loss of revenue of Rs 2.46 Cr due to non-disposal of cut earth.
9. Non recovery towards cost and royalty of cut earth transferred by the contractor the work of Thiruvalla bypass.

Subsequently the contractor withdrew his request for arbitration. Later the contractor GHV-EKK (JV) has requested to review the decision taken in the 107<sup>th</sup> Steering Committee.

115<sup>th</sup> Steering committee decided to refer the payment issue of the disputed hard r excavation and Geo textiles for detailed examination by the finance department. Vide note no. 306083/Ind&PW.B3/16/Fin dated 28/12/2020. Finance Department forwarded remarks offered by the Chief Technical Examiner in this matter. Details given in the report as follows:

	<u>Remarks of VACB</u>
	<ul style="list-style-type: none"> <li>• The VACB report has indicated the irregularities in the work and observed that it was occurred due to the incompetency of the DPR consultant who prepared the second phase project and recommended to take appropriate steps against them. However VACB has not commented on the part of consultants who have deviated from approved DPR without assessing the financial implications of deviation before executing the same. This is also highly irregular.</li> <li>• VACB has also commented that DPR should have been vetted by field Engineers after observing the ground realities before Technical Sanction and TS issuing authority should have inspected the project area before issuing TS in order to ascertain the provisions in DPR.</li> </ul>





Hence as per VACB report it is evident that both the above requirements are not compiled with and therefore TS issued seems improper. In that case strict action against the officer who has issued TS is found necessary. VACB has also pointed out the lapses of Project Director Sri Prabhakaran.

**Remarks of LAW**

Proposal by law secretary is as follows

As per the report by law secretary it was recommended that the following points were to be put up to cabinet for consideration

- Since the KSTP agreed for a rate of Rs. 4875/- before the Dispute Review Board and since the Dispute Review Board's decision has binding effect as per clause 24, the amount may be paid to the contractor.
- Regarding geotextiles, the contractor is entitled to the rate as per the contract and KSTP cannot go back on the promise made in the contract, payment therefore be made as per the terms of contract.

**CTE remarks**

- CTE in his report observed that payment of any item over the agreement quantity in excess of admissible rates as per govt. norms/market rates citing any conditions of contract is irregular and bound to incur undue loss to public exchequer and the concerned officials /consultants who have executed these items shall be held responsible.
- CTE also observed that the officials may be given exemplary punishment which will act as a deterrent in future cases



	<p><b><u>Recommendations</u></b></p> <ul style="list-style-type: none"> <li>• CTE recommended to take strict action against the TS authority and the concerned officials for the lapses pointed out and also the DPR consultant who has prepared the deviations without examining the huge financial implications.</li> <li>• In view of remarks of VACB and law department CTE advised Steering Committee/AD to approve the payments for the items referred after obtaining approval of Council of Ministers</li> </ul>
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Moreover the AG, Kerala vide letter No. ESII(W)/IV/2-1/122/17-18/562 dated 11/11/2020 has offered the following remarks:

	<ul style="list-style-type: none"> <li>• Discrepancies in the measurement of hard rock excavated Rate analysis of pay item No. 301-02-roadway excavation in hard rock in terms of MoRTH data showed that exorbitant rates had been allowed for the item.             <ul style="list-style-type: none"> <li>➤ Present status in respect of payment of roadway excavation in hard rock with details of total quantity and rate may be furnished to Audit</li> <li>➤ Whether deferred payment in respect of the item, excavation of hard rock, was paid later</li> </ul> </li> <li>• Non recovery of item of carriage added on arriving the rate of excavation of hard rock             <ul style="list-style-type: none"> <li>➤ It may be intimated whether carriage was paid separately</li> </ul> </li> <li>• Non recovery of Rs 4.18 crore being cost of rubble obtained from hard rock blasting and demolishing structures</li> <li>• Loss of revenue of Rs 2.46 crore due to non disposal of cut earth</li> <li>• Non recovery towards cost and royalty of cut earth amounting to Rs 7.37 crore transferred by the contractor for the work of Thiruvalla bypass.</li> </ul>
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Minutes of 117<sup>th</sup> Steering Committee of Kerala State Transport Project

However the CTE in their earlier observations had worked out a rate for excavation of hard rock based on the method of excavation using rock breakers at Rs 994.88/m<sup>3</sup> and recovery towards the issue of blasted rubble at Rs.1000/m<sup>3</sup>. Hence an amount at the rate of Rs 5.12/m<sup>3</sup> was recovered from the contractor.

Therefore the rate for excavation of hard rock is still not decided and from the U.O Note No. 306083/Ind&PW.B3/16/Fin dated 28/12/2020 of Finance Department, nothing is mentioned about the rate to be approved which seems very high as remarked by AG and CTE. Also the Project Director is not empowered to accept variation beyond 15% of the contract amount and to execute Supplementary Agreement. Hence approval of Government is required for making balance payment of the work.

Resolution 09:

Deferred

Meeting concluded at 12:30 PM on 08.01.2021 with thanks to the Chair.

Approved as modified by me  
& initialled

  
8/1/21

  
8/1/2021  
Dr. Vishwas Mehta,

Chief Secretary