



Bangalore Electricity Supply Company Limited

(Wholly owned Government of Karnataka Undertaking)

(CIN- U04010KA2002SGC030438)

PROCEEDINGS OF THE 70th MEETING OF BOARD OF DIRECTORS OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED HELD ON TUESDAY THE 15TH OF SEPTEMBER 2015 @ 2.30 PM AT CORPORATE OFFICE, BESCOM, K.R.CIRCLE, BENGALURU – 560 001.

MEMBERS PRESENT

Sl. No.	Sriyuths/Smt	BOARD
1	P.Ravi Kumar	Chairman
2	Pankaj Kumar Pandey	Managing Director
3	Jawaid Akhtar	Director
4	H.Nagesh	Director (Technical)
5	B.L.Guru Prasad	CFO & Director (Finance)
6	K.T.Mahanthappa	Director
7	M.Nagaraj	Director
8	A.N.Jayaraj	Director

INVITEE

T.H.Shakeel Ahmed	Chief General Manager (F&C)
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CONVENER

K.T.Hiriyanna	Company Secretary
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At the outset, the Managing Director welcomed the Chairman, Members, Company Secretary and other Officers to the meeting. Quorum being present, the subjects were taken up for discussion and decision thereon.



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PART I - ROUTINE SUBJECTS

Subject No. BoD 70/01: Leave of Absence

Leave of Absence was granted to the following Directors:

1. Sri.Gaurav Gupta
2. Smt.Dipti Aditya Kanade
3. T.H.M.Kumar

Subject No.BoD 70/02: Confirmation of Minutes of the 69th Board of Directors meeting BESCOM held on 25th July 2015 and 69th adjourned Board of Directors meeting held on 4th August 2015.

The minutes of 69th Board of Directors meeting (including adjourned 69th meeting) were read out by the Company Secretary and thereafter the same were considered and confirmed without any modification

Subject No.BoD 70/03: "Action taken report" on the minutes of 69th meeting of Board of Directors of BESCOM held on 25th July 2015 and 4th August 2015.

"Action Taken Report" (ATR) on the minutes of 69th meeting of Board of Directors (including adjourned meeting) were reviewed and noted.

Subject No.BoD 70/04: Proceedings of the Sub-Committee Meeting of Board of BESCOM.

The proceedings of the following Board Sub-Committee meetings were noted.

(1) Central Purchases Committee :

- (a) 84th Central Purchases Committee of BESCOM held on 15th July 2015.
- (b) 85th Central Purchases Committee of BESCOM held on 4th August 2015.
- (c) 86th Central Purchases Committee of BESCOM held on 4th September 2015.



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(2) Borrowings Sub-Committee :

28th Borrowing Sub-Committee meeting held on 20th August 2015.

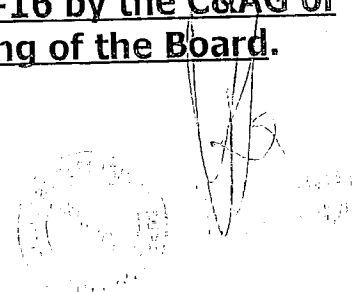
Subject No.BoD 70/05: Change in composition of Board of BESCOM.

The Board noted the change in composition of Board of BESCOM due to Notification No.EN 152/Co-ordination/2015 dated 24.08.2015 of Govt. of Karnataka. The Membership on the Board of Directors of BESCOM held by Sri.Arvind Shrivastava IAS, Secretary (Budget & Resources), GOK is withdrawn by the said order. While noting the change, Board appreciated the valuable services rendered by Sri.Arvind Shrivastava as a Director on the Board of BESCOM during his tenure and recognized the substantial value addition made by him in the decision making process of Board on various issues concerning the BESCOM.

Subject No.BoD 70/06: Compliances under Companies Act 2013 and other applicable Acts to BESCOM during July and August 2015- A Report by the Company Secretary.

As directed by the Board at its 68th meeting held on 16.05.2015, the Company Secretary submitted the compliance report under Companies Act 2013 and other applicable Acts to BESCOM as stipulated under section 205 (1) (a) of Companies Act 2013. Further, compliances made by various section heads/GMs of Corporate Office, Zonal, Circle and Divisional heads who are responsible for compliances in their respective areas of work, for a period of two months of the financial year 2015-16 (July-August) were submitted to the Board by the Company Secretary. ***The Board perused the same and directed the GM(A&RT) and GM(F&R) to take necessary action wherever delay in compliance is observed without allowing any default, liability to any fine, penalty, prosecution and such other penal pressures by the enforcing authorities under the respective Acts/Enactments.***

Subject No.BoD 70/07: Appointment of Statutory Auditors of BESCOM for FY 2015-16 by the C&AG of India – For Kind noting of the Board.





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The appointment of Statutory Auditors made by Comptroller & Auditor General, Govt. of India in exercising the powers conferred under section 139 of Companies Act 2013 was noted. M/s.V.K.Niranjana & Co., (BA0177), Chartered Accountants, Kurubara Sangha Building, 202 and 204, Kanakadasa Circle, Kalidasa Marga, Gandhinagar, Bengaluru-560 009 are appointed as Statutory Auditors for auditing the accounts and financial statements of BESCOM for the Financial Year 2015-16.

PART II – SPECIAL SUBJECTS

- Subject No. BoD 70/08: (A) Approval of Revised Financial Statements of BESCOM for the Financial Year 2014-15 on the observations of C&AG.**
- (B) Approval of Revised Consolidated Financial Statements of BESCOM for FY 2014-15.**

The CFO & Director (Finance), BESCOM apprised that :

- (1) The Board of BESCOM, based on the recommendation of Audit Committee at its meeting held on 05.06.2015 has approved the draft Annual Accounts of the Company for the FY 2014-15 at 69th Board of Directors Meeting held on 25th July 2015 and the same were handed over to the Statutory Auditors for audit under section 139 read with section 129 (4) of Companies Act 2013 and for supplementary / test audit under section 143 (6) & (7) of Companies Act 2013.
- (2) On auditing of the financial transactions and related accounting records, the auditors have issued 33 audit enquiries which have resulted in revision of Annual Accounts and Financial Statements of BESCOM. All the audit observations have been attended and necessary replies have also been furnished for test audit comments made by the auditors.
- (3) **Consequent to revision of Annual accounts and financial statements, it is necessitated for obtaining the approval of the Board for the same as per the statutory requirements and to forward the same to PR. Accountant General, Karnataka for obtaining "Nil Comments".**



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The Board perused the following:

(a) Consequent to issue of audit enquiries the major impact on BESCOM annual accounts for the FY 2014-15 are listed as below:

- (1) Rs.6.72 crores made as expenses provision in respect of obsolete materials lying in various store houses of BESCOM and not fit for usage.
- (2) Rs.4.22 crores made as depreciation expenses against BBMP road widening works, for the amount taken by BESCOM in the past years. BBMP has not claimed the bills. Hence Company has categorized the assets and depreciation provided to that extent.
- (3) Rs.3.00 crores the Co-hosting charges of data centre had been capitalized which is reversed now and taken as revenue expenditure as per accounting policies.
- (4) Rs.3.47 crores is the depreciation expenses for categorization of cost of meters on bulk purchase in Tumkur division.
- (5) There is no revision in the transactions of associate company, M/s. PCKL Accounts for FY 2014-15 and PR. Accountant General has issued "Nil comments".
- (6) Due to change in Standalone Accounts, Consolidated Financial Statements of BESCOM for FY 2014-15 undergone revision.

(b) The Annual Accounts of consolidated Financial Statement for FY 2014-15 along with all notes and cash flow statement which was tabled were also perused.

(c) **On necessary revision it is resulted in reduction of profit after tax to Rs.113.44 from Rs.129.84 crores (standalone Accounts of BESCOM)**

The subject was discussed. The Board observed that as a statutory requirement, the Annual General Meeting of BESCOM is required to be convened on or before 30th Sept. 2015 after obtaining "Nil Comments" from the PR. Accountant General (E&R Sector Audit), Bengaluru under section 143 (6) & (7) of Companies Act 2013. After a detailed discussion, the following resolutions were passed in this context:



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"RESOLVED that, the revisions as proposed to financial statements of BESCOM for the financial year 2014-15 viz Balance sheet as on 31st March 2015, statement of Profit & Loss account and cash flow statement for the year ending 31st March 2015 along with notes be and are hereby APPROVED."

"RESOLVED FURTHER that, the revised consolidated financial statements of BESCOM for the FY 2014-15 viz., Balance sheet as at 31.03.2015. Statement of Profit & Loss account and cash flow statement for the year ending 31st March 2015 along with notes be and are hereby APPROVED."

"RESOLVED FURTHER that, pursuant to section 134 (1) of Company Act 2013 Sri.Pankaj Kumar Pandey, Managing Director, Sri.Guru Prasad B.L. Director (Finance) and Sri.K.T.Hiriyanna, Company Secretary BESCOM be and are hereby authorized to authenticate the said Annual Accounts along with consolidated financial statements along with the notes on behalf the company."

"RESOLVED FURTHER that, the General Manager (A&RT) BESCOM be and is hereby authorized to take necessary steps for obtaining Audit Comments from PR.Accountant General, Karnataka to enable company to place the Annual Accounts along with Consolidated Financial Statements before the Annual General Meeting statutorily to be held before 30th Sept.2015."

Subject No. BoD 70/09: Recommendation for enhancement of Statutory Audit Fee and Tax Audit Fees for FY 2014-15 & for further years.

The following were submitted :

- (1) In accordance with section 139 of Companies Act 2013 read with relevant rules the Comptroller & Audit General of India has appointed a firm, namely, M/s.V.K.Niranjana & Co., Chartered Accountants, Gandhinagar, Bengaluru – 560 009 as Statutory



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Auditors for auditing the accounting transactions of BESCOM for the FY 2012-13 and FY 2013-14. Further, the same auditors were continued for the FY 2014-15 also. They were also entrusted by BESCOM with the responsibility of "Tax Audit" which is mandatory to the Company under section 44AB of Companies Act 2013. The same auditors are further continued for the Financial Year 2015-16 also by the C&AG of India vide Itr.No.CA V/COY/KARNATAKA, BESCOM (1) /483 Dated 16.07.2015.

- (2) The audit fees which were fixed during their tenure as auditors in BESCOM are as under:

Towards	2012-13 (lakh Rs.)	2013-14 (lakh Rs.)	2014-15 (lakh Rs.)	Additional Amount
• Statutory Audit	7.00	8.00	8.00	Plus out of packet
• Tax Audit	1.25	1.50	1.50	expenses
Total	8.25	9.50	9.50	

- (3) **The above said Statutory Audit firm vide letter No. B5042/19688/2015-16 dated 20.07.2015 has requested for enhancement of fees from present total fees of Rs.9.50 lakhs to Rs.15.00 lakhs [Rs.12.50 lakhs+Rs.2.50 lakhs] + service tax + out of pocket expenses for the FY 2014-15 & further period.** They have given comparison of prevailing audit fees in the similar Public Sector Undertakings of Govt. of Karnataka viz., M/s. Karnataka Power Corporation Ltd., M/s. Karnataka Neeravari Nigama Ltd., M/s. KPTCL. They have given necessary justification also for considering the request for enhancement.

The following were perused by the Board:

- The details submitted by the Statutory Auditors by giving comparison of various similar Public Sector Undertakings of Karnataka.
- The quantum of work involved for auditing the financial and accounting transactions of various Divisions, Circles, Zones and Corporate Office of BESCOM jurisdiction.
- The norms fixed by the C&AG of India vide letter dated 19.01.2010 addressed to other PSUs etc.,



Director
BESCOM



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- (d) It was also relevant that the Chairman and the members of Audit Committee, BESCOM were also present in the meeting and agreed for enhancement of fees. Board debated the subject and felt that, on the basis of comparative figures given, it was observed that the audit fees being paid in other PSUs of Karnataka, the fees being paid is BESCOM is not at higher level. Reckoning the volume of work that will be involved in auditing, the Board considered the request for enhancement to the level of total Rs.12.50 lakhs [Rs.10.20+Rs.2.00lakhs] and to make recommendation to the shareholders at the 13th Annual General Meeting to be held on or before 30.09.2015. After detailed deliberation the following resolutions were passed:

"RESOLVED that, for the reasons explained the following be and are hereby approved:"

- (1) Statutory Audit fees of Rs.10.50 lakhs (Rs. Ten lakhs fifty thousand only)+ service tax + out of pocket expenses to the statutory auditors for the FY 2014-15 and FY 2015-16.***
- (2) Professional fees of Rs.2.00 lakhs (Rs.Two lakhs only) as tax audit fees plus service tax, if any, for filing necessary tax audit returns of BESCOM for the Financial Year 2014-15 and Financial Year 2015-16.***

"RESOLVED FURTHER that, Managing Director / CFO & Director (Finance) are hereby authorized to make necessary recommendations to the shareholders in the ensuing Annual General Meeting of BESCOM pursuant to section 142 (1), (2) of Companies Act 2013 read with relevant rules."

Subject No.BoD 70/10:-Conversion of Existing LT distribution System into HIGH VOLTAGE DISTRIBUTION SYSTEM (HVDS) for the feeders in Kanakapura Urban, Kanakapura Rural Sub-divisions on partial turnkey basis under Percentage rate quoting.



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Enq. No: (1). BESCOM/HVDS/PTK-01/4th Call/

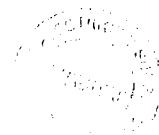
15-16 Kanakapura USD

(2).BESCOM/HVDS/PTK-02/4th Call/

15-16 Kanakapura RSD

The following were submitted:

- (1) High Voltage Distribution System (HVDS) envisages running of 11 kV lines by converting existing LT network or extension of new HT line upto one or a cluster of two pump sets, by employing small capacity of 25 kVA (instead of 63/100 kVA) distribution transformers and extending supply to these pump sets with the least LT lines, preferably by insulated overhead cables (Aerial Bunched Cables) system. Due to the usage of smaller rating 3 phase transformers, length of LT lines considerably gets reduced or fully eliminated and power will be distributed mainly through HV (11 kV) lines.
- (2) The Government of Karnataka has directed to implement the High Voltage Distribution System (HVDS) in Kanakapura Taluk vide letter No. EN 56 VSC 2013 dated: 19.9.2014.
- (3) Accordingly, the tenders were invited based on the estimates/ DPRs prepared by the field officers vide Enq. No. BCP-839/14-15 to BCP-842/14-15 **(1st call)** on 21.2.2015 on sub division wise under partial turnkey basis on percentage rate quoting mode, wherein BESCOM has to supply the Distribution Transformers & ACSR Rabbit Conductor and rest of the materials required for the work shall be under the scope of the contractor. Against this enquiry there was no response from the bidders for Kanakapura Urban and Rural sub divisions. Hence the tender was re-floated vide Enq No. BCP-856/ 14-15 to BCP-859/14-15 **(2nd call)** on 01.04.2015.
- (4) **Due to poor response from bidders for 2nd call also, the tenders were re-floated (3rd call) with a slight modification in the scope of the work wherein BESCOM is required to supply the distribution transformers and rest of the materials required for the work shall be under the scope of the contractor. M/s.Transglobal Power Ltd., was the single participant for both Kanakapura Urban and Rural and has quoted 39.80% above the amount put to tender.**



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On negotiation finally offered at 31.78%. As the revised offer was found to be high, it was decided to tender again for both the enquiries.

- (5) Accordingly the tender was floated **4th time** vide tender enquiry Nos cited under reference above. The details are as follows:

Enquiry No.	No. of feeders covered	Aprox. Amount put to tender in Rs. Lakh as per Common SR 2014-15
PTK-01/4 th Call/ Kanakapura Urban	14	1940.19
PTK-02/4 th Call/ Kanakapura Rural	10	1674.23

- (6) Tender was invited on e-Procurement portal and the Notification was published in leading news Papers (The Times of India and Prajavani on 03.08.2015). Copy of NIT was also sent to Tender Bulletin Officer, Government of Karnataka and the Director, General, Indian Trade Journal. The details of notification inviting tender, Invitation of Bid, Instruction to Bidders, Technical Specification, Techno-Commercial Schedules and Price Schedule of the subject enquiry were made available on Govt. Website <https://eproc.karnataka.gov.in>.

Board went through the aforementioned details & annexures and further the following were perused:

- (a) The techno-commercial bid was opened on 17.08.2015. The following bidders have participated against the bid enquiry.

Sl. No	Enq. No	No of bidders participated	Name of the bidder
1	PTK-01/Kanakapura Urban	03	i) M/s Shivachetana Electricals, Sindanur. ii) M/s SPR Constructions, Hyderabad. iii) M/s Aravinda Electricals, Bangalore
2	PTK-02/Kanakapura Rural	05	i) M/s Raja Electricals, Tumkur. ii) M/s SPR Constructions, Hyderabad. iii) M/s Aravinda Electricals, Bangalore iv) M/s Praveen Electricals, Gadag. v) M/s Sealwel Corporation Pvt. Ltd., Hyderabad



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- (b) The bids submitted by the bidders have been evaluated and the evaluation reports along with documents submitted by the bidders were scrutinized by the Tender Scrutiny Committee (TSC), at its meeting held on 26.08.2015 and recommended the proposal.
- (c) The price bids of the techno commercially qualified bidders were opened on 29.08.2015. The details are as follows:

Enq. No	No of bidders participated	Name of the bidder	Remarks
PTK-01/ Kanakapura Urban	03	1. M/s Shivachetana Electricals,	Responsive
		2. M/s Aravinda Electricals	
		3. M/s SPR Constructions	

(d)

Enq. No	No of bidders participated	Name of the bidder	Remarks
PTK-02/Kanakapura a Rural	05	1. M/s Raja Electricals,	Responsive
		2. M/s Aravinda Electricals	
		3. M/s SPR Constructions	
		4. M/s Sealwel Corporation Pvt Ltd.,	
		5. M/s Praveen Electrical works	Non-Responsive

(A) Kanakapura Urban – Enq. No.PTK 01 (4th Call)-Evaluation:

Sl. No	Name of the Firm	Amount put to tender as per Common SR 2014-15 in lakhs	Amount evaluated for comparison as per Common SR 2014-15 (including all loading factors) in lakhs	All inclusive percentage quoted w.r.t Amount put to tender	All inclusive percentage quoted w.r.t Amount evaluated for comparison (including loading factors)	All inclusive quoted price in Rs. (for supply & erection contract) in Lakhs	Ranking
1.	M/s SPR Constructions, Hyderabad	1940.19	2038.51	(+) 25%	(+) 18.97%	2425.23	L1
2	M/s Shiva Chetana Electricals	1940.19	2038.51	(+) 25.50%	(+) 19.45%	2434.94	L2



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3	M/s Aravinda Electricals	1940.19	2038.51	(+) 36.00%	(+) 29.44%	2638.65	L3
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(B) Kanakapura Rural-Enq.No. PTK 002 (4th Call)-Evaluation

Sl. No	Name of the Firm	Amount put to tender as per Common SR 2014-15 in lakhs	Amount evaluated for comparison as per Common SR 2014-15 (including all loading factors) in lakhs	All inclusive percentage quoted w.r.t Amount put to tender	All inclusive percentage quoted w.r.t Amount evaluated for comparison (including loading factors)	All inclusive quoted price in Rs. (for supply & erection contract) in Lakhs	Ranking
1.	M/s Raja Electricals, Tumkur	1674.23	1761.89	(+) 21.75%	(+) 15.69%	2038.38	L1
2	M/s SPR Constructions, Hyderabad	1674.23	1761.89	(+) 22.00%	(+) 15.93%	2042.56	L2
3	M/s Sealel Corporation Pvt Ltd., Hyderabad	1674.23	1761.89	(+) 39.60%	(+) 32.65%	2337.23	L3
4	M/s Aravinda Electricals	1674.23	1761.89	(+) 45.00%	(+) 37.79%	2427.64	L4

(C) On comparison of rates & percentage variation and least quoted rates, the following are found reasonable.

Enq. No	Name of the Firm	Amount put to tender as per Common SR 2014-15 in lakhs	Amount evaluated for comparison as per Common SR 2014-15 (including all loading factors) in lakhs	All inclusive percentage quoted w.r.t Amount put to tender	All inclusive percentage quoted w.r.t Amount evaluated for comparison (including loading factors)	All inclusive quoted price in Rs. (for supply & erection contract) in Lakhs	Ranking
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PTK-01/ Kanaka pura USD	M/s SPR Constructions, Hyderabad	1943.19	2038.51	(+) 25%	(+) 18.97%	2425.23	L1
PTK-02/ Kanaka pura RSD	M/s Raja Electricals, Tumkur	1674.23	1761.89	(+) 21.75%	(+) 15.69%	2038.38	L1

(D) Budget Provision:

The Budget Provision has been made in the budget of financial year 2015-16 and it will be in the form of loan (75%) from the M/s REC/PFC and grant from GOK (25%).

(E) The payback period:

Name of the sub division	Benefit to Cost Ratio	PayBack Period (years)
Kanakapura Urban	1.75	5.38
Kanakapura Rural	1.39	5.65

(e) As per Central Purchases Committee decision at its meeting held on 06.07.2015, a study report is submitted by the four members "Study Team" headed by the General Manager (Projects) on visit to M/s. Southern Power Distribution Company of AP Ltd., Thirupathi by studying various aspects including cost components on similar works under HVDS scheme at Andhra Pradesh.

(f) Necessary negotiations are made with L1 bidders duly following the corporate norms. The revised offered prices are as below:

Enq. No.	% quoted		% agreed after negotiation		All inclusive price after negotiation in Rs.(for supply & erection contract) in lakhs	Remarks
	w.r.t. amount put to tender as per CSR 2014-15	w.r.t. amount evaluated for comparison (inc.all loading factors) as per CSR 2014-15	w.r.t. amount put to tender as per CSR 2014-15	w.r.t. amount for comparison (incl.all loading factors) as per CSR 2014-15		





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PTK-01/ Kanaka pura USD	25%	18.97%	24.5%	18.49%	2415.53	Negotiated & reduced
PTK-02/ Kanaka pura RSD	21.75%	15.69%	21.75%	15.69%	2038.38	Tenderer has not agreed for negotiation in respect of Kanakapura Rural, because of the rate quoted by them are reasonable.

The Board observed that the following benefits can be derived out of implementation of the project:

- (1) Better quality & reliability of power supply to IP consumers.
- (2) Reduction in T & D and AT & C losses.
- (3) Improved load management.
- (4) Reduction in failure rate of distribution transformers due to less/nil LT lines and non-hooking of unauthorized I.P set connections.
- (5) Facilitates conducting systematic I.P sets census and assessment of I.P Set connected loads.
- (6) Facilitates the accurate assessment of I.P sets consumption & distribution system losses.
- (7) Facilitates prevention of unauthorized I.P sets connections & their easy identification if connected.
- (8) Prevention of non-departmental fatal accidents occurring in rural areas due to snapping of LT line conductors & inadequate LT line ground clearances due to conductor sagging.

Board debated the subject and further observed that implementation of HVDS is one of the directives issued by the Govt. of Karnataka as well as Karnataka Electricity Regulatory Commission (KERC) with a view to reduce the T&D losses in the distribution system substantially. Further, Board also observed that, there is every possibility of reduction in T&D loss to an extent of at least 6%-7% on successful implementation; besides there will be a reduction in



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transformers failure rate considerably. It was further observed that, the subject matter of implementation of HVDS in Kanakapura taluk is one of the social responsibility commitments in the recent budget speech of Hon'ble Chief Minister, Karnataka.

After a detailed deliberation the following resolutions were passed:

"RESOLVED that, for the reasons explained, approval be and is hereby accorded to award the work of "conversion of existing LT distribution system into HIGH VOLTAGE DISTRIBUTION SYSTEM (HVDS) for the feeders" in Kanakapura Urban and Rural sub-divisions under partial turnkey basis under percentage rate quoting against tender enquiry(1)BESCOM/HVDS/PTK-01/4th Call /KKP(U)/15-16(2)BESCOM/HVDS/PTK-02/4th Call/KKP(R)/15-16 to the respective L1 qualified bidders as per tender conditions & corporate norms" as below:

Enq. No	All inclusive percentage after negotiation w.r.t Amount evaluated for comparison by including loading factors as per CSR 2014-15	All inclusive price after negotiation in Rs.(for supply & erection contract) in Lakhs (revised)
PTK-01/Kanakapura USD	18.49%	2415.53
PTK-02/Kanakapura RSD	15.69%	2038.38

Subject to the following:

- (1) Adequate budget provision shall be ensured in the relevant budget.**
- (2) There shall be a concurrent audit of work during its execution by empaneled third party.**
- (3) On completion of the work post work evaluation shall be carried out by empaneled third party.**
- (4) Work shall be completed & commissioned within 12 months from the date of issue of work award including monsoon period.**
- (5) KERC norms, stipulated, if any, shall be adhered.**



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- (6) *No price variation is allowed for any component of work.*
- (7) *Post award tax liability if any shall be absorbed by the bidders only.*

"RESOLVED FURTHER that, the General Manager (Project) be and is hereby authorized to take necessary actions for issue of LOI/work award and to ensure that, the project is implemented within the target time in all respect without cost and time overrun."

Subject No BoD 70/11: Procurement of LT Aerial Bunched Cable -Enquiry No. BESCOM/ BCP-846/2014-15 of size 3x95+1x70+1x16 Sq,mm.

The following were submitted:

- (1) For procurement of 700 KMs of LT Aerial Bunched Cable (AB Cable) with an objective of deriving the below mentioned benefits, tender was floated vide Enquiry No. BESCOM/BCP-846/2014-15 (size of 3x95+1x70x16 sq.mm – **[Amount put to tender being Rs.24.21 crores]**)
- (2) The advantages / benefits that are going to be derived are:
 - (a) By system secure, avoiding or preventing theft of power since all the conductors are well insulated.
 - (b) No risk of damage by accidental touching of live conductor
 - (c) Aerial Bunched cables are cheaper when compared to underground cables.
 - (d) The line faults due to falling of trees or birds are eliminated.
 - (e) The AB cable can be laid where there is space constraint and where underground cables cannot be laid.
 - (f) The life of distribution transformers can be increased as the interruptions are minimized.
 - (g) The total cost of maintenance of distribution system can be reduced due to reduction in pole heights, elimination of insulators and associated hardwares.
- (3) During last five years LT AB cable was drawn to some extent in thickly populated areas, narrow roads, slum areas and hazardous



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places keeping in view the safety of general public and also with the objectives indicated above.

- (4) The field officers of BESCOM have furnished their absolute requirements in quantity for laying of LT AB cable in their respective jurisdiction.

Sl. No	Name of the Circle	Qty. in Kms.
1	East Circle	100 Kms
2	South Circle	100 Kms
3	West Circle	100 Kms
4	North Circle	105 Kms
5	Ramnagara	100 Kms
6	Davangere	50 Kms
7	BRC	50 Kms
8	Tumkur	50 Kms
9	Kolar	60 Kms
Total		715 Kms

- (5) The tender enquiry vide No.BCP -831/2014-15 was floated for procuring 700 Kms of LT AB Cable of size 3x45+1x70x16 sq.mm Against the enquiry only single bidder was participated namely M/s. SBEE Cables India Ltd., Bengaluru and hence tender was dropped and for 2nd time tender was floated vide enquiry No. BESCOM/ BCP-846/ 2014-15 dated 27.02.2015 on the e-procurement portal.
- (6) Necessary qualifying requirements, technically & commercially were stipulated for the total requirement of BESCOM. The commercial terms including payment clause, security deposit were also specified as per corporate norms with a material warranty period of 2 years against manufacturing defects etc.,

The following were perused:

- (a) The techno-commercial bids of the under mentioned two participated bidders were opened on 20.3.2015.

Sl. No.	Name of the firm
1	M/s. SBEE Cables India Limited.
2	M/s. Insucon Cables and Cond Pvt. Ltd,



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- (b) The Tender Scrutiny Committee, BESCOM which met on 27.03.2015 certified and recommended for opening of price bid of M/s. SBEE cables India Ltd., Bengaluru. **The other bidder namely M/s. Insucon Cables & Conductors Pvt. Ltd., was Techno-Commercially non responsive as this bidder has not uploaded the required documents and has not fulfilled many qualifying requirements.**
- (c) The price bid of lone qualified bidder was opened on 04.03.2015 and the quoted price is as follows:

Name of the Firms	Ex-works in Rs. Per Km	ED and Cess on ED @ 12.50% in Rs.	VAT @ 5.5%	Total Computed FORD Price in Rs. per KM
M/s. SBEE Cables India Limited	365000.00	45625.00	22584.37	433209.37

- (d) The tender condition specifies that the prices are FIRM throughout the period of contract. However during the price negotiation meeting it was agreed to allow price variation in respect of aluminum component of the cable as per IEEMA/ CACMAI formula.
- (e) The total cost of procurement of 700 Kms of 3x95+1x70x16 sq.mm LT AB cable at the computed FORD price of above lone qualified bidder works out to Rs.30,32,46,559/- (Rs. Thirty crores, thirty two lakhs, forty six thousand, five hundred fifty nine only)
- (f) Budget provision of Rs.24.21 crores has already been made in the store budget for the financial year 2015-16 and further Hon'ble KERC has approved to incur the cost to an extent of Rs.120 crores towards providing AB cable in BESCOM jurisdiction
- (g) **The quoted price was negotiated and the tenderer agreed to accept the final price at Rs.4,10,000/- per Km inclusive of all taxes and duties with a delivery schedule of 12 months period with an warranty period of 5 years and with P.V. clause to allow variation in respect of aluminum component of cable as per IEEMA/CACMAI formula.**
- (h) The proposal is submitted to 70th meeting of Board of Directors on the decision and recommendations at 80th & 81st Central Purchases Committee meetings, BESCOM which met on



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16.04.2015 and 22.04.2015 respectively; besides, the provisions laid down under KTPP Act are also adhered, necessary negotiations are held with the L-1 tenderer and the proposal has undergone audit by the GM(I/A), BESCOM .

- (i) In order to secure reasonable price, the comparison has been made with the previous POs of BESCOM which were issued during the year 2011-12 and common SR 2014-15, price per Km and the following facts are emerged.

Unit Quoted computed FORD price in Rs.	CSR 2014-15 price per KM in Rs.	% variation w.r.t. SR 2014-15	BESCOM Previous P.O. No.0081/ 23.09.2014 of SEE (North)	% variation w.r.t. previous BESCOM P.O.	BESCOM Previous R.C No.331/ 07.12.2012	% variation w.r.t. previous BESCOM P.O.
4,10,000.00	345902.00	18.53%	321171.54	27.65%	355948.00	15.18%

- (j) The Experts Committee which met on 16.07.2015 has recommended for ensuring the technical specifications and standard AB Cable laying procedure adopted in BESCOM as per relevant IS Standards.

Board debated the subject at length. Board observed that the field officers have furnished the present absolute requirement and requested to arrange for providing total 715 Kms of AB Cable in order to lay in the theft prone areas since theft cases have been noticed in various parts of BESCOM. The failure rate of distribution transformers are also to be considerably reduced as per KERC norms directives. The priority need to be given to slum areas, hazardous locations and the locations where lines are passing through narrow lanes, jungles, schools, colleges, temples, and high density public place where laying of LT AB Cable is found essential. Board further noted that present buffer stock at BESCOM store houses is only 33.54 Kms to meet the priority requirements. The Board further perused, the usage of LT AB Cable during last 5 years period, the purpose for which used, the projects for which used etc., in order to see the essentiality of present quantity proposed for procurement. However, technically it should be ensured that cables are laid properly for taking best utility of procured LT AB Cable. Board also observed that tender is invited for procurement of total 700 Kms with necessary PQR. Therefore depending on the need / absolute requirement the purchase orders can be placed. However before issuing purchase order,



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further negotiation if necessary may be made with L-1 tenderer in order to secure best price on issuing P.O. for higher quantity above 350 Kms and the proposal need not come to Board again to procure upto 700 Kms since already tender is invited for total 700 Kms. After a detailed deliberation the following resolutions were passed in this context:

"RESOLVED that, for the reasons explained, approval be and is hereby accorded to procure LT aerial Bunched Cable of size 3x95+1x70+1x16 sq.mm from M/s.SBEE Cable India Ltd., Bengaluru, against tender enquiry No.BESCOM/BCP-846/2014-15 dated 27.02.2015 [for 700 Kms] @ unit quoted computed FORD price of Rs.4,10,000/- per Km@ 18.53% variation with reference to SR 2014-15 (Rs.Four lakhs ten thousand only) or at reduced price on further negotiation if the purchase orders are placed for higher quantity above 350 Kms (i.e., discounted price for higher quantity of purchase order) as per tender conditions & corporate norms."

"RESOLVED FURTHER that, if necessary, Managing Director, BESCOM be and is hereby authorized to further negotiate with L-1 tenderer, M/s.SBEE Cables India Ltd., to avail price discount / price reduction at the rate below 18.53% variation with reference to CSR 2014-15, on higher quantity purchase orders that are going to be ordered over and above 350 Kms of LT AB Cable."

The procurement as above, is subject the following:

- (a) Adequate budget provision shall be ensured by the General Manager (Procurement) before issue of P.O.
- (b) The P.V. clause is applicable only to the aluminum component of AB Cable as per IEEMA/CACMA1 formula.
- (c) To ensure that delivery schedule is only upto 12 months for 350kms and 24 months for 700kms.
- (d) The tenderer shall provide warranty for five years period against manufacturing defects noticed by BESCOM/authorized agency.
- (e) KERC norms, if any, stipulated shall be ensured and fulfilled.



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- (f) *The General Manager (Procurement) shall ensure that a clear dispute resolution clause is built in the agreement.*
- (g) *The General Manager (A&HRD) shall arrange for providing necessary training to BESCOM Cable Division personnel to ensure quality in laying of AB cable and for its best utility towards the objectives for which procured.*

"RESOLVED that, the General Manager (Procurement) be and is hereby authorized to issue purchase order incorporating / stipulating all the tender conditions related to technical and commercial aspects including the circumstances under which contract is liable for termination, force majeure conditions, security deposit, penalty clause, payment schedule, warranty, guarantee, price discount, if any, agreed on placing P.O. for higher quantity etc.,"

Subject No. BoD 70/12 : BESCOM Training & HRD Policy-Approval of Board.

The following were appraised by the Training Adviser, BESCOM:

- (1) "National Training Policy" for the Power Sector is formulated during June 2012 which envisages the transformation of the electricity industry, where, generation, transmission and distribution functions are treated as commercial activities, calling for competitive spirit to achieve higher productivity and customer satisfaction. It brings out the issues like lack of training infrastructure, training needs assessment, review/evaluation of training programs, exclusion of non-technical staff from trainings and emphasizes the need for bringing attitudinal changes.
- (2) "National Training Policy 2012", recognizes the evolution of a complex and challenging environment and keeps focus on competency framework, that each job should be performed by a person who has the required competencies for that job. Further the competencies encompass knowledge, skills, behaviour and most importantly attitude. Generally there has been no



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comprehensive review of classification of posts in accordance with functions that are to be performed and the competencies required thereto. Thus, the issue of whether an individual has the necessary competencies to perform the functions of a particular post needs to be addressed.

(3) The proposed policy has been framed on the following guidelines:

- (a) Training for all cadres
- (b) Training treated as an investment
- (c) Top management commitment
- (d) Training need analysis and comprehensive training plan
- (e) Training intervention categories
- (f) Creation of training infrastructure
- (g) Education upgradation plan
- (h) Training assessment
- (i) Training Budget.

(4) **The Board perused the various aspects of 'Training & HRD Policy' through the power point presentation given by the Training Adviser, BESCOM covering:**

"Salient features of the policy indicating commitment to the policy, coverage of cadres, training intervention, training infrastructure, mandatory training, pre-promotional training, educational qualification upgraded, training budget allocation, consequences of non-compliance etc".

Board deliberated the subject. In view of norms stipulated under "National Training Policy 2012", which recognizes the evolution of a complex and challenging environment and brings the focus on competency framework, that each job should be performed by a person who has the required competencies for that job. Further the competencies encompass knowledge, skills, behaviour and most importantly attitude. Generally there has been no comprehensive review of classification of posts in accordance with functions that are to be performed and the competencies required thereto. Thus, the issue of whether an individual has the necessary competencies to perform the functions of a specified post needs to be



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addressed. After a detailed discussion, keeping in view the overall vision of BESCOM, the following resolutions were passed in this context:

"RESOLVED that, for the reasons explained approval be and is hereby accorded for the "Training & HRD policy -2015" formulated by BESCOM effective from 01.10.2015."

"RESOLVED FURTHER that, approval be and is hereby accorded for the amendment to BESCOM service Regulations to align the same with the "Training & HRD Policy-2015". The employee shall undergo a minimum of 6 days of training in the financial year covering 3 categories and a minimum of 12 days of training in a two year cycle, covering all the six categories as specified in "BESCOM Training & HRD Policy-2015,"

"RESOLVED FURTHER that, the General Manager (A&HR) BESCOM be and is hereby authorized to take further actions to issue necessary orders within the ambit of approved BESCOM "Training & HRD Policy-2015."

Subject No.BoD 70/13: Corporate Social Responsibility Policy (CSR Policy) of BESCOM.

Ref: Board resolution passed at 69th Board of Directors meeting on 25th July 2015.

The following were appraised by the Company Secretary:

- (1) As stipulated under section 135 of the Companies Act 2013 every Company having a net worth of rupees five hundred crores or more, or turnover of rupees one thousand crores or more or net profit of rupees five crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director shall be an independent director. According to the said provisions under Companies Act 2013, BESCOM is required to constitute the CSR Committee since the net worth of BESCOM as at the end of financial year 2014-15 is Rs.1355.51 crores and turnover is Rs.13716.64 crores. Board at its 69th



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meeting held on 25.07.2015 constituted the CSR Committee with a Chairman and the members comprising the following Directors:

- 1) Sri. P. Ravi Kumar, IAS., : Chairman
- 2) Sri. Pankaj Kumar Pandey, IAS., : Member
- 3) Sri. Nagesh.H, B.E., FIE., : Member
- 4) Sri. Guru Prasad B.L, IRS., : Member
- 5) Sri. T.H.M.Kumar, IAS., : Member

- (2) Further the Board's annual report to be submitted to shareholders in the ensuing Annual General Meeting (AGM) under sub-section (3) (0) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.
- (3) **The Corporate Social Responsibility Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy** which shall indicate the activities to be undertaken by the company as specified in Schedule VII. Recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII and monitor the Corporate Social Responsibility Policy of the company from time to time.
- (4) The Board of every company referred to in section 135 sub-section(1) shall, after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such policy in its annual report and also place it on the company's website, if any, in such a manner as may be prescribed; and ensure that the activities which are included in Corporate Social Responsibility Policy of the company are undertaken by the company. Therefore, BESCOM is required to comply this provision since the turnover of the company has exceeded Rs. one hundred crores (as on 31.3.2015 Rs. 13716.64 crores)

The following were perused:

- a) The Board of every company referred to in section 135 sub-section(1), shall ensure that the company spends, in every financial year, **at least two percent of the average net**



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profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. However, since in the past years except during FY 2013-14 and during FY 2014-15, the Company (BESCOM) has incurred loss to an extent of Rs.665.31 crores and accumulated & carried forward loss still to be set off to an extent of Rs.475.76 crores as on 31.03.2015 [Profit during FY 2013-14 and 2014-15 is Rs.76.10 crores and Rs113.45 crores respectively]

- b) As stipulated under the provisions of this Act, the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. It is further stipulated that if the company fails to spend such amount, the Board shall, in its report made under clause(0) of sub-section(3) of **section 134, specify the reasons for not spending the amount.**
- c) The above facts were placed before the first CSR Committee meeting held on 15.9.2015 at 2:15PM. The Committee recommended the CSR policy to be approved by the Board of Directors.

The Board discussed the subject. It was observed that, even though there is a statutory requirement to spend at least two percent of the average net profit of the company made during the three immediately presenting financial years, the company has accumulated and carried forward loss of **Rs.475.76 cores as at the end of FY 2014-15 and hence there in no need of spending any amount during the FY 2015-16 and the same shall be** specified in the "Directors Report" to be placed in the ensuing Annual General Meeting. However, the Corporate Social Reasonability Policy is approved as recommended by Corporate Social Reasonability Committee and following resolutions were passed in this context:

"RESOLVED that, approval be is hereby accorded for the Corporate Social Reasonability Policy formulated by BESCOM and recommended by the Corporate Social Reasonability Committee BESCOM pursuant to section 135 of Company Act 2013 read with relevant rules (As per annexure)."





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"RESOLVED FURTHER that, Company Secretary BESCOM be and is hereby authorized to disclose the said policy in the ensuing annual report of BESCOM and also to place it on the company's website pursuant to section 135, sub section (1) Companies Act 2013."

Subject No. BoD 70/ 14 : To recommend the dividend for the FY 2014-15 on equity shares as per the Provisions of Companies Act 2013.

The Company Secretary appraised that:

- (1) Under Section 123 of companies Act 2013 read with relevant rules, no dividend is required to be paid for any Financial Year except out of profit or out of the money provided by the respective Govts.
- (2) Also Company may transfer the profit to reserves without declaring any dividend.
- (3) **BESCOM has made a net profit of Rs 76.10 crores and Rs.113.44 crores during the FY 2013-14 and FY 2014-15 respectively. However, still there is an accumulated and carried forward loss to an extent of Rs.475.76 Crores which was incurred in the past 13 years.**

The following were perused:

- (a) The Balance sheet and Profit & Loss Account which is submitted to the Board has shown an element of free reserves of Rs.1406.46 crores as at the end of 31st March 2015.
- (b) The company has not declared any dividend in the past years since BESCOM is the PSU and 100% shares are held by the Govt. of Karnataka.

Board discussed the subject and felt that at this juncture it is appropriate to transfer the said profit of Rs 113.44 crores to **"Reserves"**. After a detailed discussion, the following resolutions were passed in this context:

"RESOLVED that, for the reasons explained, approval be and is hereby accorded to transfer the net profit component of Rs 113.44 Crores shown in the Profit & Loss A/C of BESCOM for the



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FY 2014-15 to 'RESERVES' without recommending declaration of any dividend on equity shares".

"RESOLVED FURTHER that, the GM(A&RT), BESCOM be and is hereby authorized to pass appropriate accounting entries pursuant to section 123 of Companies Act 2013 read with relevant rules".

Subject No.BoD 70/15 : Authorization to GM(A&RT) to represent BESCOM at the 8th Annual General Meeting of M/s PCKL.

The following were appraised by the Company Secretary:

- (1) Bangalore Electricity Supply Company Ltd., has an investment in the equity share capital of M/s Power Company of Karnataka Ltd., an associate company of BESCOM.
- (2) As intimated by the Company Secretary, KPTCL who is looking after the secretarial functions of M/s. PCKL also, a representative from BESCOM is required to be nominated to attend the Annual General Meeting of M/s. PCKL to be held in the month of Sept 2015 (before 30th Sept 2015).

The Board discussed the subject within the ambit of provisions of Companies Act 2013 and felt that is appropriate to nominate the General Manager (A&RT) to represent BESCOM to be present in the 8th Annual General Meeting of M/S PCKL, Bengaluru on behalf of BESCOM. The following resolutions were passed in the context.

"RESOLVED that, for the reasons explained, approval be and is hereby accorded to nominate the GM (A&RT), BESCOM to represent M/s. BESCOM in the 8th Annual General Meeting of M/s PCKL for the FY 2014-15 to be held on or before 30.9.2015".

"RESOLVED FURTHER that Sri. Doreswamy GM (A&RT) be and is hereby authorized to be present in the AGM of M/s PCKL, scheduled to be held on or before 30.9.2015".

Subject No BoD 70/16: Re-organisation of Anekal sub-division.

The GM(A&HR) appraised that:



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- (1) Anekal sub-division, under the jurisdiction of Chandapura division comprises the major areas viz., Jigani, Bommasandra Industrial area, Electronic city wherein many industries are established and most of the consumers of this area are classified under high value consumers of BESCOM.
- (2) Consequent to rapid growth of industrialization, consumer base also has been widened substantially in and around the above locality.
- (3) Presently Anekal sub-division has 76222 consumers including 593 HT consumers. In order to render quality power supply, considering the substantial growth of consumer numbers and to ensure compliances of KERC norms and standards, the SE(E) Ramanagara circle has submitted a proposal for re-organization of Anekal sub-division by bifurcating and forming an additional sub-division to be named as "**Jigani sub-division**".
- (4) Besides existing Anekal O&M unit needs to be bifurcated into three O&M units to be named as Anekal(Urban), Anekal(Rural), and Indalavadi O&M units. The number of installation and geographical area in sq.Kms of the existing and proposed O&M units are as under as furnished by the SE(E), Ramanagara circle.

Existing			Proposed		
O&M unit	No. of Installations	Area in sq.Km	O&M unit	No. of Installations	Area in sq.Km
Anekal	37231	151.62	Anekal (Urban)	18725	30.52
			Anekal (Rural)	9752	55.45
			Indalavadi	8754	65.65

- (5) Similarly, Jigani O&M unit need to be bifurcated into three O&M units as under with the number of installations as under:

Existing			Proposed		
O&M unit	No. of Installations	Area in sq.Km	O&M unit	No. of Installations	Area in sq.Km
Jigani	39491	144.15	Jigani Link Road	13254	35.5
			Jigani KIADB	15541	38.15



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			Bhannarughatta	10696	70.5
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Board perused the following significant data/points out of the annexures tabled:

- (a) In the jurisdiction of Anekal sub-division, there are 2196 distribution transformers, Rs.29.24 crores revenue demand, 809 kms of HT line length, 2790Kms of LT line length, 65 Nos. of feeders, covering 131 villages at an area of 295.77 sq.Kms geographically.
- (b) The proposal involves creation of new posts to an extent of 138 of various cadres at an annual average cost of Rs.5.80 crores as submitted to Board vide Annexure to the proposal.

Board debated the subject at length. Ongoing through the entire proposal and as explained by the SE(E), Ramanagara Circle and as further explained by the Director(Finance), Board felt that it is necessary to re-organize Anekal sub-division in the best interest of Company as well as the Consumers with an objective of achieving the vision of BESCOM viz., better quality services to the consumers, compliance of service standards stipulated by KERC, implementation of measures related to administrative reforms, 100% billing efficiency and revenue realization, reduction in theft & pilferage of energy, enhancement in operational efficiency to reduce AT&C loss level. After a detailed deliberation the following resolutions were passed in this context:

"RESOLVED that, for the reasons explained, approval be and is hereby accorded for the following:

- (1) ***To bifurcate existing Anekal sub-division, on re-organization, into two sub-divisions viz. (a) Anekal sub-division (b) Jigani sub-division.***
- (2) ***To create four additional O&M units by re-organizing the existing two O&M units at Anekal and Jigani as under:***
 - (a) ***Anekal (Urban) O&M unit***
 - (b) ***Anekal(Rural) O&M unit***
 - (c) ***Indalavadi O&M unit***
 - (d) ***Jigani Link Road O&M unit***
 - (e) ***Jigani KIADB O&M unit***



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- (f) **Bannarghatta O&M unit**
- (3) **To create 138 posts or less (MD BESCOM is authorized to look into adequacy of posts) of different cadres (as per annexure) at an annual average cost of Rs.5.30 Crores."**

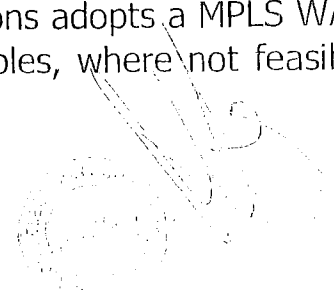
"RESOLVED FURTHER that, the GM(A&HR) be and is hereby authorized to issue necessary orders as per corporate norms."

"RESOLVED FURTHER that, the CE(E), BRAZ be and is hereby authorized to complete necessary bifurcation process as per corporate norms and to submit a comprehensive compliance report to Corporate Office within a reasonable minimum time frame"

Subject No BoD 70/17: Approval of L1 bidder from the bids received for alternate connectivity of R-APDRP Part-A project.

The following were submitted & explained by the General Manager (ICT&MIS):-

- (1) Under the R-APDRP (Part-A) Project, there are 2 network connectivities proposed in SRS as the network connectivity is life line of the project. M/s. Reliance and M/s. Hughes Communications are 2 existing network connectivity service providers. M/s. Reliance being primary and M/s. Hughes being secondary connectivity service providers. Originally 126 kbps and 512 kbps capacity was proposed by implementing agency M/s. Infosys for secondary connectivity, which was later found to be incapable to handle the load of existing application. Hence an alternative connectivity is proposed, which will replace M/s. Hughes and will be the secondary connectivity under R-APDRP (part A) project.
- (2) The need for alternate connectivity has arisen due to the unstable, partially implemented and inefficient secondary connectivity coupled with technological constraints provided by M/s. Hughes Communications. The primary connectivity provided by M/s. Reliance communications adopts a MPLS WAN connectivity delivered on fiber optic cables, where not feasible RF is used.





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- (3) The secondary connectivity provided by M/s. Hughes Communications runs over VSAT technology and the default latency experienced during packet transmission is around 700-1000 milliseconds. This is a technology constraint of VSAT.
- (4) Apart from the technology constraints and limitations M/s. Hughes Communication has not been able to provide quality service. BESCOM has observed that trouble tickets raised are closed without any correct resolutions. M/s. Hughes Modems have been burnt out and not replaced in some locations and also Links are not delivered in few locations. These issues have a huge impact on the business of BESCOM since network communication is the backbone for data transfer in R-APDRP (Part A) project.

The following were perused by the Board:

- (a) Tender towards alternate network connectivity was called **(1st call)** vide Enquiry No. GM(ICT&MIS)/RAPDRP/BC-48/2014-15/11 dated 24.03.2015 [**Amount put to tender Rs.30.00 Crores**]. After technical bid was opened it was observed that there were only 2 bidders participated i.e. M/s. BSNL and M/s. Airtel. **M/s. BSNL was not qualified since it had not fulfilled the commercial conditions.**
- (b) Re-tender was done vide Enquiry No. GM(ICT&MIS)/RAPDRP/BC-48/2014-15/12 dated 26.05.2015 **(2nd call)**. Due to poor response tender was again re-called **(3rd call)** on 10.06.2015 vide Enquiry no. 14 dated 10.06.2015.
- (c) **The tender was floated for availing network connectivity for R-APDRP (Part-A) project on behalf of all 5 ESCOMs. The amount put to tender is Rs.30,00,00,000/- (3rd call)**
- (d) Two bidders have participated in tender and both the bidders are successful in e-procurement portal viz., M/s. BSNL and M/s. Airtel.
- (e) The technical bid of the above two successful bidders were opened on 19.06.2015 and TSC scrutinized the proposal and recommended on 19.06.2015.



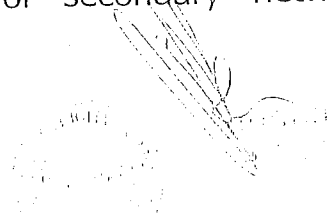
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- (f) The commercial bid of both the bidders was opened on 02.07.2015. As per the commercials M/s. Airtel is the L-1 bidder and M/s. BSNL is the L-2 bidders with a quoted price of Rs.20,50,45,872/-and Rs.45,41,39,759/- respectively (inclusive of taxes) and M/s. Airtel has specified that there will be no separate charges for shifting etc.,
- (g) The proposal is evaluated as per the provisions of KTPP Act and audited by the General Manager (I/A), BESCOM and replies are furnished by the General Manager (ICT&MIS) suitably.
- (h) The comparison of quoted rates with other states utilities is also made, namely, Punjab, Kerala states for the per unit rate of 2mbps with various services providers.
- (i) Show cause notice has been issued to M/s. Infosys Technology Limited for poor performance to network provision, maintenance and poor quality of network connectivity. There is a clear indication that M/s. Hughes has failed in providing secondary connectivity during the failure of primary connectivity.

The subject was debated at length. Board observed that the Central Purchase Committee, BESCOM which met on 4th September 2015 has recommended the proposal. The Board further observed that the existing cash counters works online and are fully dependent on network connectivity. Whenever primary connectivity goes down, secondary connectivity must come up instantaneously to keep the cash counter work intact. It is a fact that, at more than 35% places across all ESCOMs, secondary connectivity is not even established till date. During the failure of secondary connectivity alternative connectivity is utmost necessary in the interest of project. Further as per the best practices of industry, BESCOM needs an alternate connectivity to be provided over MPLS technology delivered on either Fiber optic cable or RF as per feasibility of each location. MPLS technology allows for optimum bandwidth usage, low latency and high reliability over existing VSAT. The alternate connectivity would enforce strict SLAs and more stringent than Primary connectivity to ensure that that same is available during the loss of primary connectivity links. This alternate connectivity would be subsequently replaced by the secondary connectivity and assume the role of secondary network





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bandwidth provider for R-APDRP (Part A) project. After a detailed deliberation, the following resolutions were passed in this context:

RESOLVED that, approval be and is hereby accorded to consider L1 bidder M/s. Airtel @ the cost of Rs.20,50,45,872 (Rs. Twenty Crores fifty Lakhs forty five thousand eight hundred seventy two) on behalf of all 5 ESCOMs for installation, network connectivity and maintenance for a contract period of Five years as under:

Sl. No	Service	Cost for BESCOM Inclusive of service tax(Rs.)	Cost for CESC Inclusive of Service tax(Rs.)	Cost for GESCOM Inclusive of Service tax(Rs.)	Cost for HESCOM Inclusive of Service tax(Rs.)	Cost for MESCOM Inclusive of Service of tax(Rs.)	Cost for all ESCOMs Inclusive of service tax(Rs.)
1	One time installation cost for all links inclusive of DC & DR	20132400	4970400	6224400	7649400	4343400	43320000
2	Cost of all links excluding DC - DR	66998712	16990104	20516352	26767428	14265276	145537872
3	DC - DR link cost	2553600	2553600	2553600	2553600	2553600	12768000
5	NOC engineer charges for 365/16 -- 2 shifts.	684000	684000	684000	684000	684000	3420000
Total		90368712	25198104	29978352	37654428	21846276	205045872

"RESOLVED FURTHER that, the GM(ICT&MIS) be and is hereby authorized to take further steps to issue LOI on behalf of all 5 ESCOMs, to implement the network connectivity across BESCOM and to intimate other ESCOMs to issue DWA as per tender conditions and Corporate norms."

"RESOLVED FURTHER that, for the reasons explained, the General Manager (ICT&MIS) BESCOM be and is hereby authorized for the following:



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- (1) To issue show cause notice to M/s.Hughes communications and to enforce to penalty clause as per DWA and agreement which was executed with BESCOM.
- (2) To ensure that the KERC norms, if any, are satisfied with regard to recovery of O&M costs through tariff on approval of proposal by the Board, before issuing DWA and execution of agreement with M/s.Airtel."

"RESOLVED FURTHER that, GM(ICT&MIS) be and is hereby authorized to execute the necessary agreement on behalf of BESCOM duly incorporating necessary clauses for dispute resolution, if any, through state arbitration centre only, within the ambit of legal provisions during the contract period of 5 years."

Subject No BoD 70/18: Ratification of procurement of 25/63/100 /250/500KVA Distribution Transformers required for the FY 2015-16 from M/s. KAVIKA.

The following were submitted and explained by the GM(Proc):

- (1) The requirement of various capacity distribution transformers for the financial year 2015-16 for Ganga Kalyana Works, Drinking water supply works, Improvement works and other service connection works / regularization of un-authorized IP sets as furnished from the field are as follows:

Sl. No.	Capacity of the transformer	Quantity in No.
1	25 KVA	9817
2	63 KVA	2671
3	100 KVA	1971
4	250 KVA	908
5	500 KVA	81
Total		15448

- (2) The details of prices offered by the four govt. Companies namely, M/s. KAVIKA Ltd., Bengaluru, M/s. NGEF, Hubli, M/s. Kerala



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Electrical & Allied Engineering Co. Ltd., Kochi and M/s. Andrew Yule & Co. Ltd., Kolkata are as follows:

(a) Andrew Yule & Company Ltd., Kolkata

Sl. No.	Capacity of transformers	Unit ex works Kolkata Price in Rs.	Unit excise duty @ 12.50%	Unit CST @ 2% against declaration form	Unit freight & Insurance	Total Unit For Destination price in Rs.
1	25KVA	55340.00	6917.50	1245.15	2500.00	66002.65
2	63KVA	97370.00	12171.25	2190.83	5500.00	117232.08
3	100KVA	130350.00	16293.75	2932.88	7000.00	156576.63

(b) M/s. KAVIKA Ltd., Bengaluru

Sl. No.	Capacity of transformers	Unit ex works Price in Rs.	Unit excise duty @ 12.50%	Unit VAT @ 14.5% against declaration form	Unit freight & Insurance	Total Unit For Destination price in Rs.
1	25KVA	60774.00	7596.75	9913.76	600.00	78884.51
2	63KVA	102597.00	12824.62	16736.13	600.00	132757.76
3	100KVA	138539.00	17317.37	22599.17	700.00	179155.55
4	250KVA	208206.00	26025.75	33963.60	1000.00	269195.35
5	500KVA	290650.00	36331.25	47412.28	1000.00	375393.53

Remarks: The prices of Karnataka govt. Company M/s. KAVIKA Ltd, is on the higher side due to the fact that, VAT of 14.5% is applicable, when compared to the other govt. Companies, where, 2% CST is applicable against 'C' forms.

(c) M/s. Kerala Electrical & Allied Engineering Co. Ltd., Kochi

Sl. No.	Capacity of transformers	Unit ex works Kolkata Price in Rs.	Unit excise duty @ 12.50%	Unit CST @ 2% against declaration form	Unit freight & Insurance	Total Unit For Destination price in Rs.
1	25KVA	57486.00	7186.00	1293.00	2000.00	67965.00
2	63KVA	99167.00	12396.00	2231.00	3221.00	117015.00
3	100KVA	133488.00	16686.00	3003.00	3221.00	156398.00
4	250KVA	266000.00	33250.00	5985.00	5000.00	310235.00
5	500KVA	495000.00	61875.00	11138.00	6500.00	574513.00



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(d) M/s. NGEF, Hubli.

Sl. No.	Capacity of transformers	Unit ex works Price in Rs.	Unit excise duty @ 12.50%	Unit VAT @ 14.5% against declaration form	Total Unit For Destination price in Rs.
1	25KVA	70280.00	8785	11464.42	90529.42
2	63KVA	100610.00	12576.25	16412.00	129598.26
3	100KVA	145360.00	18170.00	21077.20	184607.20

(3) The Finance Department, Govt. of Karnataka has granted exemption to BESCOM under provisions of KTPP Act Section 4 (g) for procurement of transformers from M/s. KAVIKA Ltd., Bengaluru, M/s. KEL, Kochi, M/s. Andrew Yule & Co. Ltd., Kolkata and from M/s. NGEF, Hubli for the requirement of BESCOM during the year 2015-16.

Sl. No.	Order No.	Name of the Company	Validity
1	EN 353 Exp-12/15 dtd.12.06.2015	M/s. Kavika Ltd, Bengaluru	Financial year 2015-16
2		M/s. Kerala Electrical and Allied Engineering Co. Ltd, Kochi	
3	EN116 Exp-12/15 dtd.29.04.2015	M/s. Andrew Yule & Company, Kolkata	
4	EN 401 Exp-12/15 dtd.18.06.2015	M/s. NGEF, Hubli	

The following were perused by the Board:

(a) The distribution transformers held in stock and in pipeline :

Sl. No.	Capacity of transformers	Store stock (New Trs+Repaired Good+Buffer Stock) Qty in Nos.	Qty in Pipeline (in Nos.)	Total Qty (in Nos.)
1	25KVA	3643	1550	5193
2	63KVA	1087	184	1271
3	100KVA	260	250	510
4	250KVA	126	84	210
5	500KVA	16	--	16
Total		5132	2068	7200

(b) Average utilization during the FY 2013-14 & 2014-15 :



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Sl. No.	Capacity of transformers	Utilization during FY 2013-14	Utilization during FY 2014-15	Average Utilization during previous 2 years (2013-14 & 2014-15)
1	25KVA	7956	4910	6433
2	63KVA	1607	2138	1873
3	100KVA	1517	1519	1518
4	250KVA	119	351	235
5	500KVA	12	58	35
Total		11211	8976	10094

Comparative prices of Distribution transformers and % variation w.r.t CSR 2014-15

Sl. No.	Capacity of transformers	Rate as per CSR14-15	Rates offered by M/s. KAVIKA	% variation over CSR 2014-15	Rates offered by M/s. Andrew Yule	% variation over CSR 2014-15	Rates offered by M/s. KEL	% variation over CSR 2014-15	Rates offered by M/s. NGEF	% variation over CSR 2014-15
1	25KVA	64455	78884.51	22.39	66002.65	2.40	67965	5.45	90529.42	40.45
2	63KVA	109635	132757.76	21.09	117232.08	6.93	117015	6.73	129598.26	18.21
3	100KVA	146408	179155.55	22.37	156576.63	6.95	156398	6.82	184607.2	26.09
4	250KVA	237696	269195.35	13.25	--	--	310235	30.52	--	--
5	500KVA	376532	375393.53	-0.30	--	--	574513	52.58	--	--

(c) The total cost for procurement of distribution transformers as per Common SR 2014-15 for the required quantity are as follows:

Sl. No.	Capacity of transformers	Unit as per CSR 2014-15 price in Rs.	Requirement for the year 2015-16 (in Nos.)	Store stock + Pipeline in Nos.	Balance qty required for the year 2015-16	Total Cost For Destination price in Rs.
1	25KVA	64455.00	9817	5193	4624	298039920.00
2	63KVA	109635.00	2671	1271	1400	153489000.00
3	100KVA	146408.00	1971	510	1461	213902088.00
4	250KVA	237696.00	908	210	698	165911808.00
5	500KVA	376532.00	81	16	65	24474580.00



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Total	15448	7200	8248	85,58,17,396.00
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- (d) The General Manager (Projects), BESCOM has furnished the requirement for 11406 Nos 25KVA 3phase, BEE 3-Star rated distribution transformers required for completion of **HVDS projects** in Kanakapura Urban, Kanakapura Rural, Harohally, Sathnur and Huliurdurga on field assessment in the field for the period from October-2015 to September-2016.
- (e) The total cost for procurement of said 11406 Nos. of 25KVA distribution transformers as per Common SR 2014-15 will be Rs. 64,455/- per 25KVA distribution transformer totaling **Rs.73.52 Crores.**
- (f) The budget provision of Rs.34.33 Crores only has been made in the store budget for the year 2015-16 for procurement of various capacities of Distribution transformers.
- (g) The purchase order No.1641 and 1642 dtd.29.08.2015 have already been placed on M/s. KAVIKA Ltd., Bengaluru, for supply of half of the requirement of distribution transformers for the year 2015-16 for various works like, Ganga kalyana, Water works, Improvement works and other service connection works / regularization of un-authorized IP sets at the following prices:

Sl. No.	Material	Qty. in Nos.	Unit Ex-works price in Rs.	ED Cess on ED @ 12.5% in Rs.	VAT @ 14.5% in Rs.	Unit F&I charges in Rs.	Unit Computed FORD price in Rs.	Total amount of P.O. in Rs.
1	BEE 3 star rated 63 KVA Distribution Transformers (code 321434)	700	102597.00	12824.63	16736.14	600.00	132757.76	92930432.44
2	BEE 3 star rated 100 KVA Distribution Transformers (code 321435)	730	138539.00	17317.38	22599.17	700.00	179155.55	130783551.04
3	Supply of 250 KVA 3-Phase Aluminium Wound Distribution Transformers as	349	208206.00	26025.75	33963.60	1000.00	269195.35	93949178.46



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	per technical specification (code 321325)							
4	Supply of 500 KVA 3-Phase Aluminium Wound Distribution Transformers as per technical specification (code 321350)	35	290650.00	36331.25	47412.28	1000.00	375393.53	13138773.59
	Total	1814						330801935.53

(h) The above purchase orders are issued on the basis of unit Ex-works price indicated above and prices are **variable** as per IEEMA Price variation clause with base indices as on 01.08.2015. The total cost of procurement of 700 Nos. of 63KVA, 730 Nos. of 100KVA, 349 Nos. of 250KVA and 35 Nos. of 500KVA distribution transformers for half of the required quantity for the year 2015-16, as per the price offered by M/s. KAVIKA, Bengaluru at a total cost of Rs.33,08,01,935/-.

(i) The present proposal is submitted to the 70th meeting of Board of Directors of BESCOM:

(1) Seeking ratification of action taken in placing the Purchase Orders on M/s. KAVIKA Ltd, Bengaluru vide P.O No. 1641 and 1642 dtd.29.08.2015 for supply of 700Nos of 63KVA, 730Nos of 100KVA, 349Nos of 250KVA and 35Nos of 500KVA distribution transformers at a total cost of Rs.33,08,01,935/- (Rs. Thirty three Crores eight Lakhs one thousand nine hundred thirty five only).

(2) Seeking approval to place purchase orders for required quantity of transformers for the financial year 2015-16 to the four govt. companies in the following proportion:

- (1) M/s. KAVIKA, Bengaluru-----50%
- (2) M/s. KEL, Kochi-----22.5%
- (3) M/s. Andrew Yule, Kolkata---22.5%
- (4) M/s. NGEF Ltd, Hubli -----5%.

(The total cost of procurement at the quoted price of the above Companies is Rs.66.04 crores)



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- (3) Seeking approval to place order on M/s. KAVIKA Ltd Bengaluru for supply of 2786 Nos. of 16KVA copper wound distribution transformers at their offered price, [the total cost of procurement being Rs.17.10Crores.]
- (4) Seeking approval for Procurement of 11406 Nos. of 25KVA distribution transformers required for HVDS projects which are approved by the Board to be executed.

Board debated the subject at length. It was observed that, the prices offered by Karnataka State owned Company namely M/s. KAVIKA, Bengaluru is on the higher side when compared to other three Government sector companies located outside the State of Karnataka due to one of the facts that Karnataka VAT is applicable for the procurement of transformers from M/s. KAVIKA Ltd., Bengaluru, whereas only 2% CST is applicable against issue of 'C' forms when the transformers are to be procured from Government Companies located outside the State of Karnataka. On perusal of various facts and circumstances effecting competitive price, Board felt that negotiations need to be made by an Experts Committee (constituted by GOK) within the ambit of exemptions given under the provisions of KTPP Act. On the other hand there is also an utmost need to procure quality transformers in the best interest of the Company to execute the projects/works undertaken in the jurisdiction of BESCOM. After a detailed deliberation, the following resolutions were passed in this context:

"RESOLVED that, for the reasons explained, the action taken by MD, BESCOM in placing purchase order vide Nos.1641 and 1642 dated 29.8.2015 on M/s. KAVIKA, Bengaluru for procurement of 700 Nos. of 63KVA, 730 Nos. of 100 KVA, 349 Nos. of 250 KVA & 35 Nos. of 500 KVA distribution transformers at a total cost of Rs.33,08,01,935/-(Rs. Thirty three Crores eight Lakhs one thousand nine hundred thirty five only) be and is hereby RATIFIED"

"RESOLVED FURTHER that, the MD, BESCOM be and is hereby authorized to request Expert Committee to be constituted by GOK to negotiate with all four manufactures for price reduction for the purchase order quantities that are going to be ordered"



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from BESCOM for the further requirements of various capacity distribution transformers."

"RESOLVED FURTHER that, MD, BESCOM be and is hereby authorized to place the subject before the Board with the Expert Committee decision on price component & related issues and negotiation outcome, with relevant details"

Subject No BoD 70/A01: Extension of Contract Period in respect of Package-III-Sectionalizers (Supply & Service) portion of DAS works.

- Ref:** 1.DWA No: BESCOM /CGM (PROJECTS)/DAS/ SECTIONALIZER – A: Package III A /SUPPLY& SERVICE/ 72-A&B/2010 -11 Date: 25.01.2011.
2.DWA No. BESCOM /CGM (PROJECTS)/ DAS/ SECTIONALIZER – B:Package IIIB/ SERVICES/ 73-A&B / 2010 -11 Date: 27.01.2011.

The following were submitted & explained by the GM(DAS):

- (1) BESCOM has taken up Distribution Automation Scheme (DAS) of the 11kV network in the Bangalore Metropolitan Area Zone under the Bangalore Distribution up-gradation project with a financial assistance from JICA (Japan International Cooperation Agency – Govt. of Japan). JICA approved the project in November 2006. The total cost of the project is Rs.563.7 Crs and is being funded by both JICA (JBIC) and BESCOM. JICA is funding Rs.417.1 Crs. and from BESCOM it is about Rs.146.6 Crs. The Project involves consultancy and construction activities. M/s KEMA and M/s CPRI were appointed as Project Management Consultants (PMC) through global tendering process. Under the Construction activities, a set of 7 packages were awarded to National & International firms on turnkey basis through International Competitive Bidding (ICB) process.
- (2) The Construction Packages are as mentioned below:



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Package I: Distribution Automation System (DAS) Master Stations,

Communications System and Control Centre Facilities.

Package II: Remote Terminal Units for Existing and New Ring Main Unit

Package III: Line Re-closers and Load Break Switches

Package IV: New Ring Main Units

Package V: Replacement of Existing Ring Main Units

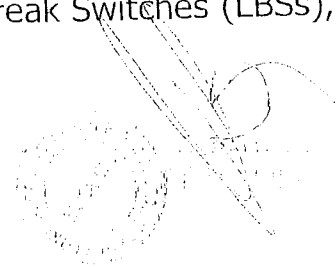
Package VI: Construction of Overhead Lines

Package VII: Construction of Underground Cables.

(3) Main Objectives of the DAS :

- (a) To automate the distribution network for monitoring, supervisory control and operation of the 11 kV network in the Bangalore City.
 - (b) To ensure uninterrupted power supply.
 - (c) To effectively address the consumer problems because of power supply outages.
 - (d) Reduction of power outage time.
 - (e) Improvement in increasing the financial inflow by reducing the loss due to outage.
 - (f) Reduced Operation Costs by quick detection of fault section.
 - (g) Real-time geographical display of distribution network.
 - (h) Real-time monitoring and Control of distribution network.
 - (i) Automatic restoration by 'Sections'.
 - (j) To facilitate easy data maintenance.
- (4) The objective is to be achieved by upgrading and replacing existing overhead lines and underground cables, constructing additional feeder segments, and deploying SCADA ready switches in the form of Line Re-closers (LRCs), Load Break Switches (LBSs), and Ring Main Units (RMUs).

The following were perused by the Board:





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- (a) The Construction of Sectionalizer – Package III A & IIIB (Supply & Services) under Bangalore Distribution Upgradation project was entrusted to **M/s. P & C Technologies Korea and M/s Entec Electric & Electronics Co Ltd., Korea, respectively** through International competitive bidding.
- (b) The Scope of this package includes designing, manufacturing, Factory Acceptance Testing, Supply, Erection, Conducting tests such as Pre Commissioning test, SAT(Site Acceptance Test), Final Acceptance Test (Point to Point Test) i.e Integration Test for SCADA for effective functioning of DAS. The contract period of this package was extended from original contract period upto **30.09.2015** by the Board at its 66th meeting held on 20.11.14. However, the project is not completed within the extended contract period also.
- (c) Presently, both the firms have completed the erection and local testing of almost all equipments. The firms are conducting Site Acceptance Test for all the erected equipments and have completed testing in the range from 58.64% to 74.6%. The Site Acceptance Tests of both the firms are under progress and is expected to be completed in another two months. The physical progress as perused is as mentioned below:

Sl. no	Pkg	Equipment	Contract Qty. nos.	Supply	Erection	Local Testing	SAT	SAT Balance	Balance work
1	III A	LRC & LBS	950	950	950	950	684	266	Final integration test from DAS Control Centre
2	III B	LRC & LBS	590	590	590	590	352	238	Final integration test from DAS Control Centre.



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(d) Board was informed about the factors which have contributed for the delay in completion of Package-III. The progress of this package is dependent on Package I work, as the physical works of the contract can be considered only after completion of the final testing of the equipment w.r.t DAS control system. Besides, the final milestone of payment i.e 10% Supply and 10% on Services of the packages are dependent on the activity of integrated testing with DAS control centre. The Package I DAS Control Centre works are likely to be completed by 31.12.2016 as perused. Keeping in view the probable date of completion, the Package I contract period is already extended upto 31.12.2016 at 67th Board of Directors meeting held on 18.03.15. **In view of this, the contract period extension proposal for the package III is requested and submitted to the Board as per existing terms without levy of penalty and without any additional cost till 31.12.2016 on the grounds indicated below:**

- (1) The packages III A & III B are dependent on package I works, as the physical works of these contracts can be considered only after completion & integration of the respective equipments with DAS control Centre. The final payment of 10% supply and 10% on services of these packages are also dependent on these activities of integrated testing with DAS Control Centre.
- (2) As DAS Control Centre operational facilities work is likely to be completed by 31.12.2016 and **overall DAS project can only be expected to be completed by 31.12.2016.**

(e) Presently proposal is submitted to the Board for approval of extension of the contract period without levying penalty and at no extra cost for the following contracts:

Sl. no.	Contract order no.	Firm name	DWA amount	Expiry date of contract	To be extended upto
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1	DWA No: BESCO /CGM (PROJECTS) /DAS/ SECTIONALIZER – A: Package III A / SUPPLY & SERVICE/ 72-A&B/ 2010 -11 Date: 25.01.2011.	M/s. P & C Technologies co. ltd., Korea	40,01,38,093.00	30.09.2015	31.12.2016
2	DWA No.: BESCO /CGM (PROJECTS) /DAS/ SECTIONALIZER – B: Package III B /SERVICES/ 73-A&B / 2010 -11 Date: 27.01.2011.	M/s. Entec Electric & Electronic co. ltd., Korea	27,99,69,567.00	30.09.2015	31.12.2016

The subject was debated at length. The proposal & Annexures submitted were perused. Board observed that package I and package III(A) & III(B) are interdependent each other, as the physical works of these contracts can be considered only after completion & integration of respective equipments with DAS Control Centre. The final payment of 10% supply and 10% on services of these packages are also dependent on these activities of integrated testing and DAS control center. It was further observed that the physical works of the contract is assessable only after the completion of final testing of the equipment with reference to control system. **Besides, the payment for final milestone i.e. 10% supply and 10% on services of the packages completely dependent on the activity of integrated testing with DAS Control Centre. The DAS Control Centre operational facilities work is likely to completed by 31st Dec 2016 and with all probability overall project completion can be expected by 31.12.2016.** Reckoning these significant aspects, Board felt that it is appropriate to consider the proposal for extension of contract period of Package III A & IIIB as per the existing terms and conditions without levying penalty and without any additional cost upto 31.12.2016. After a detailed deliberation, the following resolutions were passed in this context:

“RESOLVED that, for the reason explained, approval be and is hereby accorded for the following:

- (a) Extension of contract order No. BESCO /CGM (PROJECTS) /DAS/SECTIONALIZER – A: Package III A / SUPPLY & SERVICE/ 72-A&B/2010 -11 Dated: 25.01.2011***



CH. SOAN
H. SCOM



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placed on M/s. P&C Technology Co. Ltd., Korea from the date of expiry of contract till 31.12.2016 as per the existing terms & conditions, at no additional/no extra cost and without levy of penalty.


(b) *Extension of contract order No. BESCOM /CGM (PROJECTS) /DAS/SECTIONALIZER – B: Package IIIB /SERVICES/ 73-A&B / 2010 -11 Dated: 27.01.2011 placed on M/s. ENTEC Electronic Co. Ltd., Korea from the date of expiry of contract till 31.12.2016 as per the existing terms & conditions, at no additional/no extra cost and without levy of penalty."*

"RESOLVED FURTHER that, the GM(DAS), BESCOM be and is hereby authorized to take necessary actions to execute the fresh agreement for the extended contract period as per Corporate norms."

Since there were no other subjects to discuss, meeting concluded with vote of thanks to the chair.

Bengaluru

Dtd: 06-10-2015


Chairman
BESCOM