



न्यूक्लियर पावर कॉर्पोरेशन ऑफ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
Nuclear Power Corporation of India Limited
A Government of India Enterprise)
MUMBAI-HQ

संख्या No: eNote/NPCIL/2025/6045

दिनांक Date: 06/03/2025

विषय Sub: Purchase Recommendation for" EPC Package for Design, Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4, complete in all respects as per technical specifications.

संदर्भ Ref: CMM Tender No. CMM / MEQ / 25 - 24 - 2 - 1188

Linked References:

1. eNote/NPCIL/2025/204 Dated 02/01/2025
2. eNote/NPCIL/2024/5474 Dated 14/03/2024
3. eNote/NPCIL/2024/22554 Dated 14/10/2024
4. eNote/NPCIL/2024/22372 Dated 10/10/2024
5. eNote/NPCIL/2024/19914 Dated 11/09/2024
6. eNote/NPCIL/2024/16462 Dated 01/08/2024
7. eNote/NPCIL/2023/19764 Dated 01/11/2023
8. eNote/NPCIL/2022/14870 Dated 27/12/2022

PURCHASE RECOMMENDATION

1.	Indent No. & Date	:	NPHQ00000755 dated 23.01.2023
2.	Purchase file no. with Bid Due Date	:	CMM / CMM/MEQ/25-24-2-1188 , Bid due date: 26.10.2023
3.	Brief description of material/ equipment	:	D e s i g n , Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4, complete in all respects as per technical specifications.
4.	Tender action (If limited/ single tender, reference to approval previously obtained for such tender action should be indicated	:	Two Part Public Tender (Indigenous/through e-Tender)
5.	Bids received within due date	:	Two (02) b i d received and One (01) qualified in Part-I evaluation.
6.	Bids received late	:	Nil
7.	Comparative Statement	:	Only one Bid qualified in Part-1 evaluation against the subject tender for EPC DEC- DG Package; Refer Annexure- 'A' (After Negotiation)
8.	Bid proposed for placement of PO with total evaluated price	:	M/s.POWERICA LIMITED ₹27,79,54,178.42/- (₹27.7954 Cr)....After Negotiation held on 13.02.2025, vide MoM encl as Annexure-2.
9.	Evaluation Report	:	Refer Annexure – 'B'
10.	List of deviations from tender conditions.	:	Nil
11.	Financial Provisions & allocation	:	
	IAEA Code	:	Engineering, Procurement and Construction

		/ Electrical Equipment; IAEA Code 242.1
	Cost Head :	FS-4 & FS-5.1
	a. Amount allocated :	₹3,377.00 Cr, Ref. Annexure 'C'
	b. Total value of POs placed so far against the sub-division :	₹2,087.58 CrRefer Annexure 'C'
	c. Balance amount available under IAEA Code (a-b) :	₹1289.42 Cr
	d. Estimated cost of the requisition :	₹ 21.06 Crores, incl. GST
	e. Value of this Purchase proposal :	₹27,79,54,178.42/- (₹ 27.79 Cr)
	f. Net Balance (c-e) :	₹1261.63 Cr.
	g. Budget Provision available :	Yes, Budget Control No. 24156472 BE 2025-26: ₹ 10.00 Cr.
	h. Budget head of account (Head of account should be as per chart of account of NPCIL) :	Procurement of DEC Management System Equipment. Budget Control No. 24156472
	i. Financial Sanction No. & date :	D A E Letter no. 4/1(7)/2/2011-Power (Vol.V)/11393 dt 08.08.2024.
	j. Remarks, if any :	-Nil-
12.	Cost data of previous PO for identical or similar item, (Ref. PO and price with details of variation in specifications etc. to be indicated.) :	No direct PO has been placed for this item.
13.	Details of foreign exchange provision if any :	-
14.	Authority Competent to accept the tender :	ED (As per HQL-2007 Rev-05 , S.No A5(i) of Table-A of Part-1)
15.	a. Estimated amount in indent :	₹ 21.06 Crores, incl. GST;
	b. Amount recorded for placement of order :	₹27,79,54,178.42/- (₹ 27.79 Cr)
	c. Percentage variation & justification for price +/- 10% w.r.t. estimated cost. :	(+) 31.95% & Justifications given in Evaluation Report enclosed as Annexure-B

					Annexure-A
	NUCLEAR POWER CORPORATION OF INDIA LIMITED				
	(A Government of India Enterprise)				
	Tender No. CMM/MEQ/25-24-2-1188 dated 14.10.2022				
	Tender ID : 2023_NPCIL_157000_1				
	Template Name: A. Summary of Price Schedule				
CST OF EPC - DEC DG PACKAGE FOR KKNPP UNIT - 3 & 4 (After Negotiation)					
		NPCIL ESTIMATE	M/s. Powerica Ltd, Mumbai		
Sl No.	Item Description	NPCIL Estimation on INR (Inclusive of GST)	Total Price Inclusive of GST, as quoted in the bid before Negotiation IN INR	Total Price Inclusive of GST, as quoted in the bid after Negotiation IN INR	GST considered In the quote, In %
1	Summary Price Schedule				
1.1	Total Price for supply portion (Template-B)	₹ 1858,46,035.73	₹ 1816,47,991.68	₹ 1816,47,991.68	18%
1.2	Total Price for Seismic Qualification Testing Portion (Template-C)	₹ 17,70,000.00	₹ 346,03,500.00	₹ 332,23,584.74	
1.3	Total Erection & Commissioning works Portion (Template-D)	₹ 210,07,410.70	₹ 141,60,000.00	₹ 135,95,016.00	
1.4	Total Civil works Portion (Template-E)	₹ 4,00,000.03	₹ 352,82,000.00	₹ 338,74,248.00	
1.5	Total Price for Mandatory Spares Portion (Template-F)	₹ 16,76,282.32	₹ 162,60,686.74	₹ 156,13,338.00	
	TOTAL IN INR	₹ 2106,99,728.78	2819,54,178.42	₹ 2779,54,178.42	
	TOTAL IN INR CR	21.06997	28.19542	27.79542	
	Variation		33.82%	31.92%	
2	BASED ON THE ABOVE CST, THE RELATIVE POSITION OF THE BIDDER WITH RESPECT TO NPCIL ESTIMATE		L1		

Annexure-B

1.0 Brief Background:

a. Preamble:

As per the agreed division of scope for KKNPP - 3 & 4 between the Indian Side (NPCIL) and the Russian Side (ASE), the scope of the supply, erection, testing and commissioning of Design Extended Condition (DEC) Diesel Generator (DG) Sets along with its auxiliaries are in Indian scope.

As supply part of the DEC DG Sets along with its auxiliaries constitutes a major component of this package, it was proposed to execute the job on 'EPC Package' mode through CMM-HQ, vide tender referred at sl. no. 1, in line with the Part-2 clause 3.0 (b) at page no. 28 of HQI 2007(R-5).

Accordingly, two part Public tender on EPC mode was invited for supply, erection, testing and commissioning of 02 nos. of DEC-DG sets of 1500 KVA, 400V, 0.8pf, 50Hz, 3 phase capacity along with its auxiliaries for KKNPP - 3 & 4.

b. Scope of the DEC DG Package works to be executed:

The scope of EPC - DEC DG sets along with its Auxiliaries for Unit - 3 & 4 (EPC - DEC DG Package) basically consists of detailed engineering of DG Sets and its sub-systems, based on the basic design criteria and parameters given by the Russian side in the relevant Tender Technical Specifications (TTS), which were incorporated in Tender Specification, followed by equipment manufacturing, factory inspection and testing including qualification tests, supply, delivery to site, preservation, erection, site tests, commissioning & performance guarantee testing of the DG sets offered under this package. The scope of EPC Package also includes related civil works of DG foundation, stack, protection shed etc. The scope of DG Auxiliaries include various sub-systems such as DG Fuel Oil System, DG Engine Exhaust Systems etc. as defined in the technical specifications of the tender document. The tendering action of EPC - DEC DG Package at this stage was necessitated on account of one of its need and ensure availability of these DG sets before KKNPP Unit - 3 Reactor Criticality.

c. Background of Tendering:

As mentioned above, the technical specifications for the tender package were prepared by LWR - Engineering Group and the cost estimates were prepared based on the budgetary quotes obtained from the prospective DG Vendors by Engineering Group. The total cost of "EPC - DEC DG Sets & Its Auxiliaries Package" for KKNPP Units - 3 & 4 was thus estimated at **Rs. 21.06 Crores** (including applicable taxes & duties and contingency). Based on the same, the Procurement Requisition was issued by Engg. Group – LWR and indent for the same was accordingly raised.

The tender enquiry was floated through an open public tender (e-tendering). The tender document was published on the CPP Portal (e-tendering portal) at 11:00 hrs on 14.06.2023 for access by prospective bidders until the bid submission deadline. The last date and time for downloading the e-tender document was 11:00 hrs on 28.08.2023.

d. Pre-bid meeting / Pre-bid Queries/Response:

A Pre - Bid Meeting was held at NPCIL - HQ, Mumbai on 07.07.2023 and the same were attended by two (2) prospective bidders viz. M/s Kirlskar Oil Engine Ltd. (KOEL), and M/s Powerica Ltd. (PL). Around 151 nos. of Pre - Bid queries, in total, in two stages, were received from the two prospective bidders, M/s KOEL and M/s Powerica Ltd. Pre - Bid Responses to all these technical queries along with the supporting documents (wherever needed) were uploaded in the e-tendering portal through CMM.

e. Extensions granted on due date for bid-submission:

As per original terms & conditions of the NIT, the tender was due for bid submission (Part-I & II) on 28.08.2023. However, the prospective bidders requested for extension of the bid submission due date in view of civil works included in the tender, which as per their submissions, needed extensive discussion with concerned agencies for finalization of the scope, review of tender documentation and to deliberate on both technical as well as commercial issues with their OEM (Original Equipment Manufacturers). Based on the requests from prospective bidder, four (4) extensions were granted between NIT indicated due date for bid submission to final bid submission due date of 26.10.2023 with due approval of competent authority.

f. Bid Submission:

As mentioned above, the bid submission was open up to 11:00 hrs on 26.10.2023 and the bid was opened on 27.10.2023 at 11:30 hrs in line with tender conditions, in the presence of tender opening committee members and it was noticed that, there were only two (2 Nos.) bids submitted by M/s Powerica Ltd. & M/s KOEL against the subject tender.

g. Part -1 Tender Technical Evaluation Committee:

Part - I Tender Technical Bid Evaluation Committee was constituted on 14.06.2023 for carrying out Part -1 Technical Bid Evaluation. Part - I Technical Bid Evaluation committee carried out the evaluation of the offers, prepared a report dated 02.04.2024 and recommended the proposals to be put up further to Committee - I. (in line with CMD office order dated 13.03.2024).

h. Presentation of Part-I Evaluation to Committee-I:

The Technical Evaluation Report was reviewed by Committee - I. Four meetings were held on 18.04.2024, 22.04.2024, 27.05.2024 and 18.07.2024 by the committee. During the meetings, certain clarifications were sought from the vendors and responses were obtained and two supplementary reports were prepared along with main technical evaluation report and submitted to Committee - I for review.

Based on the documents submitted along with the Bid, following recommendations were given by the Committee-I:

- Part-I bid of M/s. Powerica Limited, Mumbai is found to be techno-commercially **acceptable** and hence their Part-II (Price Bid) is to be opened and to intimate them accordingly.
- Part-I bid of M/s. Kirloskar Oil Engines Ltd., Pune is found to be technically **not acceptable** and hence their Part-II (Price Bid) is not to be opened and to intimate them accordingly.

i. Part-II bid opening: After the approval of committee-I recommendations by the Competent authority as per Delegation of Financial Powers vide HQI-2007 (R-5), the Part-II Bid against the subject tender was opened only for M/s. Powerica Limited, Mumbai (Quotation No. MUM/5/10/23/1651/SAN/LST dated 05.10.2023) on 11.09.2024

2.0 Part – II Tender Price Evaluation:

The relative position of the bidder after Part – II Tender Price Evaluation is tabulated as given below:

Sl. No.	Item Description	NPCIL Estimated Cost incl. GST	M/s. Powerica Ltd.
1	Total Cost in Rs. Crores, incl. Taxes & Duties	21.0699	28.1954
2	Variation w. r. t NPCIL Estimate	-	(+) 33.82%
3	Relative Position of the Bidder	-	L-1

As can be seen from the above table, there was only one Bidder qualified against this EPC – DEC DG Package submitted by M/s Powerica Ltd. and their bid was + 33.82% higher than NPCIL estimated cost.

3.0 Negotiation Meeting :

As the bid offered by the party is + 33.82% higher than NPCIL estimate, in line with Clause AA - 6 of HQI - 2007 (R-5), Feb 2019, it was proposed to invite the party (M/s. Powerica Ltd.) for a rate clarification / negotiation meeting to ascertain the reasonableness

of rates quoted as well as to explore the possibility of obtaining suitable discount / reduction in the quoted offer.

Accordingly, approval of Competent Authority was obtained for inviting the party for negotiation meeting, vide approval e-note no. eNote/NPCIL/2024/22372 dated 10.10.2024 and three (3 nos.) rounds of negotiation meetings were held with M/s Powerica Ltd. on dated 12.11.2024, 29.11.2024 & 13.02.2025, through CMM, in line with provisions of HQI - 2007 (R-5).

Proceedings of Negotiation meetings held with M/s Powerica Ltd. are given as below:

In the first meeting held on 12.11.2024, NPCIL first conveyed M/s Powerica Ltd. that on opening of Part-II (Price) Bid, it has been observed that, additional documents / conditions have also been uploaded by M/s Powerica Ltd. apart from their Price Bid which is not acceptable and asked M/s Powerica Ltd. to withdraw the same unconditionally, only after which Negotiation meeting shall be conducted.

M/s Powerica Ltd. informed that the additional documents uploaded were not part of their Price Bid and the same has been inadvertently uploaded along with the Part-II (Price) Bid. M/s Powerica Ltd. accordingly withdrew all the additional documents other than Price Bid unconditionally.

Further, NPCIL informed that the prices offered by M/s Powerica Ltd., vide their Part-II Offer have been reviewed at their end. The prices offered by M/s Powerica Ltd. are found to be on the higher side as compared to NPCIL estimates and therefore NPCIL requested M/s Powerica Ltd. to review their offered prices and explore the possibility of reduction in the prices.

In response, M/s Powerica Ltd. conveyed the following:

- Prices of Raw materials, which constitute the major components of the items have increased substantially over the years. This resulted in higher overall costing of the items.
- In addition to the above, M/s Powerica Ltd. informed that, as per the recent Tamil Nadu government notification no. TNPCB/Labs/DD(L)/02151/2019 dated 30/07/2024, the DG Set needs to comply with these stipulations and may call for design modification etc. in the DG Set which may call for additional cost implication to M/s Powerica Ltd.
- Due to limitation by analysis for seismic qualification of DG sets, M/s Powerica Ltd. will carry out the testing of majority of equipment / components on Shake Table and other equipment by analysis.

Taking above things into consideration, M/s Powerica Ltd., informed that their offered prices are reasonable and there is no scope for reduction in the offered prices. NPCIL however asked M/s Powerica Ltd. to revisit the offered prices and to provide their best possible prices.

During the **second meeting** on 29.11.2024, M/s Powerica Ltd. informed that, they have reviewed their offer and are not in a position to pass on any reduction in their quoted prices. However, NPCIL requested M/s Powerica Ltd. to again re-visit their quote and offer their best prices.

During the **third meeting** on 13.02.2025, M/s Powerica Ltd. informed that, they have again re-visited the pricing and discussed with their sub-vendors regarding the scope of works and possible reduction in prices. However, as a goodwill gesture and long standing relationship with NPCIL, M/s Powerica Ltd. informed that they are offering a reduction of Rs. 40,00,000/- (including all taxes & duties) on their initial quoted Total Price of Rs. 28,19,54,178.42/- (including all taxes & duties) with no change in scope of work as per tender.

Also all the other tender conditions were reconfirmed by M/s Powerica Ltd. in the meeting including:

- All Mandatory Spares (i.e. Annexure-3 - Technical Specification of LV Switchgear, Wall mounted MCC, Wall mounted PDB, Valve controller Module for DEC Management for KKNPP-3&4) and Essential Spares (i.e. Sr. 11 of Technical Specification No.

I02.KK34.0.0.ET.TB.PR127, R0) shall be supplied as per Section-C of the tender.

- M/s Powerica Ltd. informed that, they shall comply with applicable CPCB & State government Pollution norms.
- It was confirmed that, all the other terms and conditions of the tender shall remain unchanged.

The above reasons and justifications submitted by the party (M/s Powerica Ltd.) are reviewed by Engg.-LWR Group, who had raised the requisition for the EPC – DEC DG Package along with the estimated price and considered that, some factors have not been taken into account in the budgetary offer submitted by M/s Powerica Ltd. in year 2022 based on which the estimates were prepared and submitted by Engg.-LWR group.

Based on these above inputs and scope of works, an updated estimate was prepared and submitted by Engg.-LWR group, vide email dated 24.02.2025. **(Annexure – 1).**

Based on the negotiation meeting dated 13.02.2025, a revised comparative statement (CST), taking into account of the above discount has been prepared, vide **Annexure – A** enclosed herewith.

Based on the above lump sum discount, the bid quoted by M/s. Powerica Ltd. stands revised to **Rs. 27.79 Crores**, as detailed in the revised CST.

The above cost was also compared against the estimated cost dated 22.09.2022 & an updated estimated cost submitted by Engg.-LWR group vide email dated 24.02.2025. The Price Evaluation is tabulated as given below:

Sl. No.	Item Description	NPCIL Estimated Cost incl. GST Dated 22.09.2022	NPCIL Updated Estimated Cost incl. GST Vide Email dated 24.02.2025	M/s. Powerica Ltd.
1	Total Cost in Rs. Crores, incl. Taxes & Duties	21.0699	24.1021	27.7954
2	Variation w. r. t NPCIL Estimate	With Respect to NPCIL Estimated Cost incl. GST Dated 22.09.2022		(+) 31.92%
		With Respect to NPCIL Updated Estimated Cost incl. GST vide email 24.02.2025		(+) 15.32%

MOM of negotiation meeting is attached herewith in Annexure – 2.

4.0 Before recommendation of the proposal, option of re-tendering of subject package has also been analyzed internally and found to be techno-commercially not advantageous for the organization on account of the following reasons :

- a. There are limited bidders / suppliers in India against the delivery of required items, which are required to be technically qualified as per requirements of the technical specifications.
- b. Against the subject tender, only two bidders have participated in the tender and out of these two bidders, only one bidder could get themselves qualified in the Part-I evaluation as per the technical requirements of the specifications.
- c. As per tender condition after PO placement, it would take 19 months for Unit-3 and 27 months for Unit-4 respectively for Design, Qualification, Supply, Erection and commissioning of DEC-DG. Since completion of DEC DG Package is required before KKNPP Unit - 3 Reactor Criticality from regulatory point of view, it is essential to award the work at the earliest to commence the activities.
- d. As only one bidder being qualified, in case of retendering process, there is no guarantee that, this would result in larger participation of the bidders. Rather, there is an inevitable risk that, the same bidder may now quote higher price than current quoted price due to the various cited reasons.

In light of the above said reasons, re-tendering option is not considered to be advantageous to the organization and accordingly, it is proposed to proceed ahead with the bid submitted by Powerica at the negotiated price.

5.0 Recommendation for Placement of PO :

Taking into consideration of all the above reasons, it is hereby proposed to place the Purchase Order Contract on M/s Powerica Ltd. The party is already technically qualified in the Part – I Tender Evaluation, as mentioned in the approved Part – I Evaluation report. In the Part – II Evaluation also, M/S. Powerica Ltd. is only one bidder, as brought out in clause 4.0 above. In addition, technical

justifications for the Part – II recommendation are given below, along with excerpts of Part – I Technical Evaluation Report:

- a. Based on the Part – I Submission of the Bids and detailed evaluation of the same carried out by Part – I Technical Evaluation Committee, duly approved by Competent Authority, M/s. Powerica Limited are found to be meeting all the technical and financial Pre-Qualification Requirements, stipulated in the Tender Document.
- b. M/s Powerica Ltd. is currently executing DG Package of KKNPP-3&4 (PO No. - CMM/MEQ/25-24-2-11-34/e-PO/30356 & 30360), which are similar to subject EPC Package. Also M/s. Powerica Ltd. have the awareness of local site conditions and established infrastructure at KKNPP site which would help them to complete the subject job easily.
- c. M/s. Powerica Ltd. have also given unconditional confirmation to execute the tender package in line with terms and conditions of the tender document and technical specifications along with clarifications given during the Pre-Bid discussions and clarifications exchanged with the Bidders during the Part – I Bid Evaluation Process.
- d. M/s Powerica Ltd. had a long association with Cummins India Limited ('Cummins') are engaged in the business of manufacturing internal combustion engines, their parts and accessories through our facilities, inter alia, at Pune and Phaltan in India and providing service support to engines. Cummins India Limited has certified that, Powerica Limited, Mumbai, is their non-exclusive authorized Original Equipment Manufacturer (OEM) for Manufacturing and Marketing Gensets by fitting therein Cummins Engine as a Prime Mover.
- e. Cummins Generator Technologies India Private Limited has certified that, Powerica Limited, Mumbai, is their authorized Genset Original Equipment Manufacturer (GOEM) of Cummins Generator Technologies India Private Limited for incorporating Stamford branded A C Alternators while manufacturing Diesel and/or Gas Generator Sets using Cummins engine on non-exclusive basis.
- f. M/s Powerica Ltd. have also mentioned that, though they have sufficient inhouse expertise to carry out detailed engineering in the areas of instrumentation & control of the DG set/ auxiliaries, as they have successfully executed such works for NPCIL projects in the past.
- g. Similarly, M/s Powerica have also mentioned that, due to limitation by analysis for seismic qualification of DG sets, M/s Powerica Ltd. will carry out the testing of majority of equipment / components on Shake Table and other equipment's by analysis by NPCIL approved Vendor.
- h. It is also seen that, M/s Powerica Ltd. have executed many DG set projects of large capacity engines and have sufficient experience in the engineering of other auxiliaries like compressed air, fuel oil, lube oil, air intake, exhaust, cooling water, etc. and accordingly have confirmed that, the same would be handled inhouse maintaining highest standards of quality.
- i. The basis of estimation of the subject work was prepared by LWR- Engg. Group based on the budgetary quotation received by M/s Powerica Limited on 27.07.2022 and the cost of subject work was estimated to be Rs 21.069 Crores at that point of time, as per the requisition received from LWR Engg group. The Part – I & II bid by M/s Powerica Ltd. was submitted on 26.10.2023 and the bid was also submitted on fixed price basis, perhaps through consideration of factor accountable for escalation up to completion of the project schedule.

Considering the time lapsed since obtaining budgetary quotation and the applicable escalations and the revised cost estimate carried out by Engineering LWR group which was communicated via email on 24.02.2025, the offer submitted by Powerica seems to be reasonable.

- j. Taking into consideration of all above, with many future LWR Projects in the offing with increasing levels of localization at sight, it is also felt that, there is certainly a need to develop local pool of Indian Vendors, who are capable of doing justice on the confidence reposed by NPCIL on them.

Taking into consideration of the above, M/s. Powerica Limited are found to be techno-commercially Lowest Bidder (L -1) in the Part – I & II Evaluation process of EPC – Tender Package for 'DEC - DG along with its Auxiliaries for KKNPP Units– 3 & 4' and accordingly, it is proposed to issue of Purchaser Order on M/s. Powerica Limited at a cost of ₹ 27.7954178.42/- (₹ 27.7954 Cr) inclusive of all taxes (Rupees Twenty Seven Crores, Seventy nine Lakhs, Fifty Four Thousand, One Hundred Seventy Eight and Forty Two Paise only), as per the relevant provisions of HQI – 2007 – R5 and the same is recommended for the kind approval of Competent Authority.

द्वारा आरंभ किया गया Initiated By
ROHIT KUMAR SINGH, DY. C E, MUMBAI-HQ

---> Shri Jha Sanjeet Kumar ACE

NOTINGS

1/N. 06/03/2025

Due to the following reason, proposal is forwarded for issuing the purchase order to M/s Powerica Ltd at the negotiated price i.e . ₹ 27.7954178.42/- (₹ 27.7954 Cr) inclusive of all taxes (Rupees Twenty Seven Crores, Seventy nine Lakhs, Fifty Four Thousand, One Hundred Seventy Eight and Forty Two Paise only):

- a. Limited qualified bidders in the market.

- b. Time constraints requiring the DEC DG sets to be operational before the criticality of Unit-3.
- c. Risks of increased prices if the process is delayed further.

Jha Sanjeet Kumar, ACE, MUMBAI-HQ

---> Shri M.M.PATRO, AD, MUMBAI-HQ

2/N. 06/03/2025

This is regarding the Purchase recommendation for the DEC DG required for KKNPP unit 3&4.

Tendering activities were carried out and only 1 offer from M/S Powerica was found as Technically and commercially acceptable. The quoted price was higher than the estimated price (estimated price was 21.06 Cr and quoted price was 28.19) , subsequently negotiations were held and the Final value quoted is 27.79 Crores (31.92% more than estimated price) . Option of retendering was also evaluated but due to limited potential bidders and the early requirement of these DG sets at site (these DGs are required before the criticality of the Units i.e 2026.) and various cited reasons in the enote, it was considered to go ahead with the submitted offer . Therefore it is proposed to consider the offer submitted by M/S Powerica for the placement of order. As per the provisions of HQI – 2007 – R5, ED is competent authority for the award of the work . The proposal is submitted for further needful action for the approval of the ED(Proj -LWR) .

M.M.PATRO, AD, MUMBAI-HQ

---> Shri Kamath R, AD with PD Power, MUMBAI-HQ

3/N. 07/03/2025

Proposal is put up for issue of Purchase Recommendation for "EPC Package for Design, Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4, complete in all respects as per technical specifications".

1. Two bids were received against the tender CMM Tender No. CMM / MEQ / 25 - 24 - 2 - 1188, from M/s Powerica Ltd. and M/s. Kirloskar Oil Engines Ltd. (KOLE)

2. The Part - I Technical Part of the bid submitted by the bidders were evaluated by Part - I Bid Evaluation Committee (along with evaluation of the financial part by FEG and commercial part of the bid by C & MM) and only M/s Powerica Ltd. could qualify in the Part - I Bid Evaluation Process, as the other Bidder M/s KOEL could not offer the DG Set meeting the requirements of the technical specifications.

3. The recommendations of the Part - I Bid evaluation report was reviewed further by the Committee - I and based on the Committee - I recommendations, the Part - I Bid Evaluation Report was duly approved by the Competent Authority.

4. Accordingly, the part - II bid of M/s Powerica Ltd. alone was opened and their bid was originally found to be +33.82 % higher wrt to estimated cost put to tender and hence, the party was called for negotiation meeting through C&MM with due approval of competent authority, vide table given under sl. no. 2 of the eNote.

5. Three rounds of negotiation meetings were held and after hard negotiation, the final negotiated offer by the party is found to be **₹27,79,54,178.42/- (₹ 27.79 Cr), which is (+) 31.92% wrt to NPCIL original estimated cost put to tender.**

6. The above variation has been analysed along with engineering group and found to be reasonable and acceptable, considering the fact that, the tender was floated in year 2023 and since then, there has been an uptrend in the market prices of key raw materials as well as manpower and labour charges etc.

7. The various alternative options such as re-tendering has also been analysed in detail and found to be not advantageous to the organization, as brought out in clause 4.0 of the eNote.

Accordingly, the purchase recommendation to place the order on M/s. Powerica Ltd. at a cost of **₹27,79,54,178.42/- (₹ 27.79 Cr)** has been recommended herewith for the kind approval of ED (Projects - LWR) with due financial concurrence of AGM (F & A) with GM Power, as brought out in the Purchase recommendation table given in the eNote.

Kamath R, AD with PD Power, MUMBAI-HQ

---> Smt. SMT. N. MALATHY, AGM(F&A), MUMBAI-HQ

4/N. 07/03/2025

Please examine

SMT. N. MALATHY, AGM(F&A), MUMBAI-HQ

---> Shri RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

5/N. 13/03/2025

1. The PQ related submissions of the L1 bidder may kindly be attached to the eNote. Other related documents submitted by the Bidders may also be kindly attached to the eNote.

2. The negotiated price is still +31.92% above NPCIL's original estimates considered for the tender. Upon analyzing the trend of Indices (*Material Indices and CPI for Industrial Workers*) given in the SCC of the tender, from Aug-2022 (as original estimate were provided in September, 2022) to Jan, 2025, it is seen that there is has not been such huge variation in the indices when compared with the quoted price.

Some of the material indices (*Manufacture of Basic Metals and Cement, Lime & plaster*) have shown a negative trend in the indices. Hence, to further review the cost estimates, the excel workings of the cost estimates (*original & revised*) & supporting documents may kindly be linked to the eNote.

3. In the Negotiation MOM, M/s Powerica has conveyed Tamil Nadu Govt. notification as one of the factor influencing the price quoted. What is this notification about and what are the compliances/modifications being referred by M/s Powerica?

Further, it is noted that this notification was issued on 30/07/2024, much before the bid submission date of 26/10/2023. Hence, attributing the reasonability of the offered price to a notification issued at a later date does not seem reasonable. Kindly review and assess the cost implication on account of Tamil Nadu Govt. notification. Also clarify whether this factor has been considered during cost estimation.

4. M/s Powerica has also attributed reasonability of the offered price to seismic qualification of DG sets. Kindly clarify as to how this factor impacts the cost implication. Also clarify whether this factor has been considered during cost estimation.

5. The reasons for mentioning M/s Powerica Ltd.'s long association with Cummins India Limited ('Cummins') and M/s Powerica Ltd. being authorized Genset Original Equipment Manufacturer (GOEM) of Cummins Generator Technologies India Private Limited, for award of PO are not understood. Kindly clarify.

It may also be clarified whether the tender stipulated such clause regarding association with Cummins India Limited ('Cummins') and authorized Genset Original Equipment Manufacturer (GOEM) of Cummins Generator Technologies India Private Limited.

6. In the Part-1 Evaluation report, it is mentioned that M/s Powerica Ltd. has offered 2250 KVA capacity Cummins Make Engine Model against NPCIL's requirement of 1500 KVA capacity. What is the cost implication of offering such high capacity? Will it have any impact on the maintenance cost as well, in future? What was the offered capacity of the disqualified bidder?

Note: The checklist available on Prithvi under Directorate of Finance>Section>Financial Evaluation Group>Checklist for Award of Contract may be referred to ensure that all the points are incorporated in the proposal.

RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

---> Shri ROHIT KUMAR SINGH, DY. C E, MUMBAI-HQ

6/N. 18/03/2025

With reference to 5/N, dated 13.03.2025, Please find reply on the observations.

Reply: 1 - Noted, The PQ-related document is attached. Other related submissions will be provided separately via ScratchDisc for ease of access and reference.

Reply: 2 - Noted, The Excel workings of the cost estimates, both original and revised, are attached for reference.

Reply: 3 - The bid submitted by M/s Powerica Limited on 26.10.2023 is +33.82% higher than NPCIL's original estimate. In accordance with HQI - 2007 (R-5), M/s Powerica Ltd. was invited for a negotiation meeting.

As per the tender, the vendor must comply with the current norms of both local and national pollution control boards. During the negotiation meeting, M/s Powerica Ltd. maintained that their pricing was reasonable at the time of bidding and that further discounts were not feasible due to compliance requirements with Tamil Nadu Pollution Control Board's latest norms. According to M/s Powerica Ltd., these regulations have contributed to an increase in the cost of DG sets, leading to additional cost implications.

It is noted that this cost impact was not considered in NPCIL's original estimate.

Reply: 4 - The tender allows for seismic qualification through either testing or analysis, and some amount was considered for this requirement in the original cost estimate for this requirement (attached for reference).

However, during negotiations, M/s Powerica Ltd. clarified that due to limitation by analysis for seismic qualification for DG sets, it requires more than one components to be tested on shake tables. They stated that a minimum of four shake tables (for Engine, Generator, Panels, and other Auxiliaries) would now be required, along with analysis for seismic qualification for some components. Additionally, the cost of conducting seismic testing on a single shake table at CPRI, Bengaluru, has also increased, leading to a cumulative rise in overall seismic qualification costs.

The revised cost estimation (attached for reference) accounts for these additional expenses.

Reply: 5 - NPCIL's tender specifications for DEC-DG sets did not mandate any specific OEM association.

However, Section-C of the tender included a list of approved sub-vendors:

For Diesel Engine: Kirloskar, Cummins, Caterpillar, Perkins, Ashok Leyland, Mahindra & Mahindra

For Generator & AVR: Kirloskar, AVK, Stamford, BHEL, TDPS

Cummins was one of the acceptable manufacturers for Diesel Engines.

In the Part-1 bid, M/s Powerica Limited offered a DG set with a Cummins India Limited ('Cummins') engine and submitted an OEM/Authorization certificate in support of their offer.

Reply: 6 - In tender specification, NPCIL mentioned the continuous power rating of 1500kVA DG shall be offered by bidder. However, M/s Powerica has offered 2250 KVA capacity of prime power rating. Continuous power rating is derived as 70% of the prime power rating based on ISO standards. Thus, continuous power rating of DG offered by M/s Powerica is $0.7 \times 2250 \text{ kVA} = 1575 \text{ kVA}$, which is complying our tender requirement.

The offered capacity of disqualified bidder was 1500kVA, however bidder asked NPCIL to change the loading sequence pattern to meet the power demand or would offer two DGs synchronized parallelly and enclosed in one enclosure to meet the power demand. The above two proposals were rejected by NPCIL as those were not complying tender requirement.

ROHIT KUMAR SINGH, DY. C E, MUMBAI-HQ

---> Shri RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

7/N. 26/03/2025

1. Kindly refer FEG query at Sr.No.2 on Page 5/N. Kindly attach the supporting documents for cost estimates (*original & revised*). The hyperlinked documents in the Revised Cost estimation (excel file) are not opening.
2. Kindly refer FEG query at Sr.No.3 on Page 5/N. Kindly assess the cost implication on account of Tamil Nadu Govt. Notification.
3. Documents requested at Sr.No.1 on Page 5/N may be preferably attached to the eNote or, sent through scratch disk.

RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

---> Shri ROHIT KUMAR SINGH, DY. C E, MUMBAI-HQ

8/N. 27/03/2025

With reference to 7/N, dated 26.03.2025, Please find reply on the observations.

Reply 1:- Noted, Due to large file size, documents related to hyperlink are sent through scratch Disk.

Reply 2:- Tamil Nadu government notification no. TNPCB/Labs/DD(L)/02151/2019 dated 30/07/2024 is sent through scratch Disk. The the cost implication on account of Tamil Nadu Govt. Notification has been discussed with Engg. group. It is informed by Engg. group that at present sufficient inputs for the same are not available. However, vendor has quoted the bid on firm price basis, the same may kindly be considered for further processing.

Reply 3:-Noted, Due to large file size,Other related documents submitted by the Bidders are sent through scratch Disk.

---> Shri RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

9/N. 28/03/2025

1. Two-part Public Tender was floated on CPP Portal, vide Tender No. : CMM/MEQ/25-24-2-1188, for **EPC Package for Design, Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4.**(GCC/EPC-4)
 2. Against the Two-part Public Tender, only two bids were received, out of which only single bidder qualified the Part-1 Techno-Commercial Evaluation. This has resulted in Single Technically acceptable Offer for the subject Tender from M/s POWERICA Ltd.
 3. After opening of the Part-1 on 27/10/2023, various meetings of the Standing Committee-I, for review of the Part-1 Evaluation report were held. Based on the review done, the recommendations of the Standing Committee-I were submitted to the Part-1 Evaluation approving authority for approval and the same was approved on 30/08/2024.
 4. It is noted that, in this tender, M/s Kirloskar Oil Engines Limited (*Technically Disqualified Bidder*) was also called for technical discussions, during which it was concluded that this bidder is not meeting the QR Clause No.2.4 of the PQ Criteria. The same has also been accepted by this Bidder.
 5. The Part-II(Price Bid) of Single Technically acceptable Offer from M/s POWERICA Ltd., was opened on 11/09/2024 and it was noted that the overall price quoted by the bidder was +33.82% higher than NPCIL's estimates.
 6. Multiple rounds of Price negotiations were conducted with the Bidder, after which the bidder has now revised the Overall price to ₹ 277954178.42(inclusive of all taxes & duties). It is noted that the bidder has reduced the prices for Seismic Qualification, E&C, Civil Work, Mandatory spares only. No price reduction has been offered for Supply of Main Items.
 7. Even after the multiple rounds of negotiation, the negotiated price is still +31.95% above NPCIL's original estimates of ₹ 210699728.66 (inclusive of all taxes & duties).
- 8. It is to be noted that M/s POWERICA Ltd. has quoted the price on 'FIRM PRICE' basis.**
9. As the estimates were finalized in the year 2022, the Indenting group has reinstated the NPCIL's estimates upto 2025, as ₹ 241041332.82 (inclusive of all taxes & duties), and it is observed that the negotiated price of ₹ 277954178.42(inclusive of all taxes & duties) is +15.31% above the reinstated estimates.
 10. It is noted that the estimates have been reinstated considering the WPI indices and the seismic qualification of DG sets, which was conveyed as reasons for their quoted price. However, the impact of cost implication on account of Tamil Nadu Govt. notification has not been considered citing reasons (after discussions with Engg.Group) that the required inputs for the same are not available.
 11. It is also noted the cost estimation was done based on the Budgetary quotation received from M/s POWERICA Ltd., who happens to be the Single Technically acceptable bidder.
 12. Although the Bidder has quoted the prices on FIRM basis, it appears that the bidder has already factored in the probable increase in the prices of the material & labour indices, as the CDD of the EPC Package is 19 months (KK-4) and 27 months (KK-4).
 13. The huge variation in the price quoted and the original estimates could also be attributed to the fact the original estimates were finalized in the year Sep-2022, while the Part-I bids were opened almost after a year on 27/10/2023. Reduction in the processing time from estimation to the bid opening would help NPCIL in getting the price advantage as the estimates would be commensurate with the price discovered through public tendering.
 14. As considerable time has already passed since raising of Indent on 23/01/2023, it shall be strictly ensured that the scope of the contract is completed well within the CDD and there shall not be any additional financial implication on NPCIL in this EPC Package.
 15. Approving authority may also approve the justification given by the Indenting Group regarding price reasonability, while approving the proposal.
 16. The extended Bid validity is till 09/04/2025.

With above points, based on the various clarifications/recommendations on the previous pages, the **proposal for Award of Contract for EPC Package for Design, Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4, on M/s POWERICA Ltd. (Single Technically Acceptable Bidder against Two-Part Public Tender), on FIRM PRICE Basis, at a total financial implication of ₹ 277954178.42(inclusive of all taxes & duties), which is +31.95% above NPCIL's original estimates, may be concurred by GM(F&A) and approved by ED(P-LWR), as per SI.No.5(i), Part-1, Table-A of HQI-2007(R-5).**

समीक्षित

RAKESH G. KAMBLE, SR.MGR(F&A), MUMBAI-HQ

---> Smt. SMT. N. MALATHY, AGM(F&A), MUMBAI-HQ

10/N. 28/03/2025

With the points as mentioned in review and recommendation note in prepage of SM(F&A),FEG and based on the various clarifications/recommendations and justifications on the previous pages, the **proposal for Award of Contract for EPC Package for Design, Engineering, Procurement, Fabrication/ Manufacture, Documentation, Quality Assurance, Testing including Seismic Qualification Testing, Packing & Forwarding, Supply, Transportation and Safe Delivery to Site, including Site Handling, Unloading & Loading, complete in all respects of 1500kVA, 400V, 0.8pf, 50Hz 3 phase DG set along with its auxiliaries for Design Extension Condition (DEC), including Erection & Commissioning works and Civil works at KKNPP-3&4, on the Single Technically Acceptable Bidder against Two-Part Public Tender M/s POWERICA Ltd. on FIRM PRICE Basis, at a total financial implication of ₹ 277954178.42(inclusive of all taxes & duties)**, based on negotiated rates which is +31.95% above NPCIL's original estimates, is concurred in finance as AGM(F&A) exercising the powers of GM(F&A) for the approval by ED(P-LWR), as per SI.No.5(i), Part-1,Table-A of HQI-2007(R-5) read alongwith SI No. AA-2 (a) (ii), subject to the rates recommended being reasonable and represent to the present market rate (as required under AA-13(K) of HQI 2007(R-5).

However, before according approval, the following may please be seen by the approving authority:

As per clause No. AA-5 (ii) of HQI 2007 (R-5),while recommending for accepting the tender which is more than 10% above the estimates put to NIT, proper justification shall be recorded in the file for doing so for consideration by the competent authority. **In case of non-acceptance of the justification by the competent authority retendering or calling the bidder for negotiation shall be explored.**

As per AA-13(k) of HQI 2007 (R-5) the rates recommended should be reasonable and represent to the present market rate.

In the given case, reasons for recommendations have been recorded as justification in sl no.4 & 5 of the base note, and by various recommending authorities in 1/N to 3/N and through various clarifications to FEG queries in prepages. Hence, approving authority is requested to go through all these reasons recorded for satisfaction of the reasonability as required under AA-5 (ii) and AA-13 (K) clauses referred above. After this, the Approving authority may also kindly approve the justification given by the Indenting Group regarding price reasonability, while approving the proposal.

SMT. N. MALATHY, AGM(F&A), MUMBAI-HQ

---> Shri Chinnaveeran E., ED (Projects-LWR), MUMBAI-HQ

11/N. 28/03/2025

अनुमोदित Approved

Chinnaveeran E., ED (Projects-LWR), MUMBAI-HQ

---> Shri Kamath R, AD with PD Power, MUMBAI-HQ

12/N. 28/03/2025

अग्रेषित Forwarded to C & MM for issue of PO on priority pl. before bid validity end date.

Kamath R, AD with PD Power, MUMBAI-HQ

---> Shri S.A.LELE, AGM(C&MM), MUMBAI-HQ

13/N. 28/03/2025

Approval obtained from Competent Authority for the subject Purchase Recommendation note is being forwarded herewith for issue / processing of PO on priority please, as the bid validity closure date is nearing.

Kamath R, AD with PD Power, MUMBAI-HQ

---> Shri VIPIN KUMAR TRIVEDI, AD, MUMBAI-HQ

14/N. 01/04/2025

कृपया आवश्यक कार्यवाही करें।

For n.a. pelase.

VIPIN KUMAR TRIVEDI, AD, MUMBAI-HQ

---> Shri S.A.LELE, AGM(C&MM), MUMBAI-HQ

15/N. 01/04/2025

for n.a. pl

S.A.LELE, AGM(C&MM), MUMBAI-HQ

---> Shri KUNAL SADASHIV AIL, SR.MGR(C&MM), MUMBAI-HQ

16/N. 01/04/2025

for n.a pls

KUNAL SADASHIV AIL, SR.MGR(C&MM), MUMBAI-HQ

---> Shri Y.V.SAWANT, Executive Asst.(C&MM), MUMBAI-HQ

Correspondences / Attachments			
Sr.No	Title	Uploaded By	Uploaded On
1.	Annexure_A_CST_EPC_DEC_DG_KKNPP_34_After_Negotiation_Signed Copy	ROHIT KUMAR SINGH	06/03/2025
2.	Annexure_B_Part_II_Evaluation_Report_Signed Copy	ROHIT KUMAR SINGH	06/03/2025
3.	Annexure_C_Cost_details_of_EPC_DEC_DG_KKNPP_34_Signed copy	ROHIT KUMAR SINGH	06/03/2025
4.	Annexure_1_Revised_estimation_Cost_by_Engg_LWR_dtd_24_02_2025	ROHIT KUMAR SINGH	06/03/2025
5.	Annexure_2_Negotiation_MOM_dtd_13_02_2025	ROHIT KUMAR SINGH	06/03/2025
6.	Bid_Opening_Summary	ROHIT KUMAR SINGH	06/03/2025
7.	Indent_EPC_DEC_DG_KKNPP_34	ROHIT KUMAR SINGH	06/03/2025
8.	Commercial_Evaluation_Report	ROHIT KUMAR SINGH	06/03/2025
9.	Constitution_of_Part_1_Technical_Evaluation_Committee	ROHIT KUMAR SINGH	06/03/2025
10.	Part_I_Evaluation_Report_submitted_to_committee_1_02_04_2024	ROHIT KUMAR SINGH	06/03/2025
11.	Supplementary_Report_1_Submitted_to_Committee_1	ROHIT KUMAR SINGH	06/03/2025
12.	Supplementary_Report_2_Submitted_to_Committee_1	ROHIT KUMAR SINGH	06/03/2025
13.	MoM_Part_I_Evaluation_Report_Committee_I	ROHIT KUMAR SINGH	06/03/2025
14.	Part_II_bid_extention_letter_by_CMM_dtd_07_01_2025_to_Powerica	ROHIT KUMAR SINGH	06/03/2025
15.	Powerica_Letter_Part_II_Bid_validity_till_09_04_2025_dtd_08_01_2025	ROHIT KUMAR SINGH	06/03/2025
16.	Original_budgetary_estimation_excel file	ROHIT KUMAR SINGH	18/03/2025
17.	Original_budgetary_estimation	ROHIT KUMAR SINGH	18/03/2025
18.	Revised_Cost_estimation	ROHIT KUMAR SINGH	18/03/2025
19.	Revised_Cost_estimation_excel file	ROHIT KUMAR SINGH	18/03/2025
20.	QUALIFYING_CRITERIA_FOR_BIDDERS_FOR_EPC_DEC_DG_PACKAGE	ROHIT KUMAR SINGH	18/03/2025
21.	MoM_KOEL_NPCIL_dated_21_06_2024	ROHIT KUMAR SINGH	18/03/2025

Signature Not Verified

Digitally signed by KUNAL AIL
Date: 2025.05.09 15:55:05 IST
Location: eProcurement System for
Central PSUs