

Telephone No. 080 22243926
Fax No. 080 22110134
Website: www.kptcl.com



Email ID: dgmtkptcl@rediffmail.com

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
CIN No. U40109KA1999SGC025521

Corporate Office
Kaveri Bhavan, K.G Road,
Bengaluru-560 009

KPTCL/B19/345/85-86

Date: 26.10.2021

CIRCULAR

Sub: Obtaining approval of Competent Authority for Price Variation - reg.

- Ref:**
1. Corporate Order No. KPTCL/B37/6426/2005-06 Dtd: 05.10.2005.
 2. Corporate Order No. KPTCL/CS/B37/5966/2006-07/82 Dtd: 05.03.2009.
 3. Corporate Circular No. B19/345/85-86 Dtd: 19.12.2018.
 4. Proceedings of CPC meeting held on 27.05.2021 & 29.05.2021.
 5. I.O. Note No. KPTCL/B37/CPC/33220/2020-21/314 Dtd: 19.08.2021.

Instructions have been issued in respect of admitting Price Variation and incorporation of appropriate clause for Price Variation in Tender documents for the specified equipment supplied under the projects of KPTCL by the Turnkey agencies vide Corporate Orders cited under ref (1) & (2). Amendment to the tender document in respect of Price Variation clause on Bought out items has been issued vide Circular cited under ref (3).

As per Sl. No. 4.08 of Manual of Delegation of Powers-2018, the Executive Engineers are delegated with full powers to accord approval for Price Variations provided the Contract provides for such Variations.

However, as per Sl. No. 4.09 of Manual of Delegation of Powers-2018, for according approvals for final variations (which shall include both Quantity Variations and Price Variations as the case may be) and for workslips, the Executive Engineers are delegated upto 5% of the awarded amount in respect of award placed by him, the Superintending Engineers are delegated to approve variations upto 7.5% of the awarded amount in respect of award placed by him or lower authority and the Chief Engineers are delegated upto 10% of the awarded amount subject to condition that such variation amount shall not exceed Rs.2.00 Crore (Rs. Two Crore) in respect of award placed by him or lower authority or works awarded by CEE (T&P) in respect of all voltage class.

SE (G) (P)

During discussions held in the Combined Central Purchase Committee meeting while according approval for final Quantity Variations of the completed projects by the Turnkey agencies, it was observed that, the Executive Engineers of Major Works Divisions are issuing Official Memorandums in respect of Price Variation approvals before obtaining approval from the competent authority. Further, Price Variation is admitted after target date of completion.

The Committee after detailed discussions instructed all Zonal CEEs and their concerned subordinate Officers not to issue Official Memorandum of approving Price Variation before approval of competent authority.

Henceforth, approval from the Competent Authority shall be obtained by all the Zonal Chief Engineers and their concerned sub-ordinate Officers before issuing Official Memorandum according approval for Price Variations. Further, Price Variation shall not be admitted after original target date of completion as mentioned in LOI.

The above instructions shall be scrupulously followed.

Approved by
Managing Director

B. R. M. 26/10/21
General Manager (Tech)
KPTCL

To:

1. All Chief Engineers/Financial Advisors, KPTCL.
2. All Superintending Engineers/Controllers, KPTCL.
3. All Executive Engineers/DCAs, KPTCL
4. The Company Secretary, KPTCL, Kaveri Bhavan, Bengaluru.
5. SPS to Managing Director/ Director (Transmission) / Director (Finance) / Director (A&HR) KPTCL to place it before the Directors for kind information.

Copy to:

The Superintending Engineer (El) (IT), KPTCL with a request to arrange to upload the Circular in KPTCL website.