

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**THIRUVANANTHAPURAM**

**Present : Shri T K Jose, Chairman**  
**Shri B Pradeep, Member**

**Petition: OP No. 58/2023**

In the matter of : Petition for approval of revised capacity 4 MW/4.2 MW wind power project at Palakkad.

Petitioner : M/s Scoobee Day Garments India Limited

Petitioner represented by : Shri Sujithran Sidharthan, Projects Manager

Respondent : Kerala State Electricity Board Ltd (KSEB Ltd)

KSEB Ltd represented by : Smt Latha S.V, Executive Engineer  
Sri. Shine Raj, Asst: Executive Engineer

Hearing scheduled on : 04.10.2023, 10:30 AM

Venue : Court Hall of the Commission

**Daily Order dated 06.10.2023**

1. M/s Scoobee Day Garments India Limited (hereinafter referred as petitioner), filed a petition dated 03.08.2023 before the Commission to grant approval of revised capacity of 4 MW/4.2 MW wind power project at Palakkad

**2. Back ground of the petition**

(1) KSEBL, on 8.12.2021 has floated tender for setting up of 100 MW grid connected wind projects in Kerala under tariff based competitive bidding on Build Own and Operate model for 25 years in accordance with the guidelines published by MoP, GoI. Due to scarcity of land and peculiarity of the terrain, the minimum bid capacity is reduced to 5 MW and minimum project size at one site is reduced to 2 MW. The maximum ceiling tariff specified in the bid was Rs 4.10/unit.

(2) Four bidders participated in the tender invited by KSEB Ltd, the details are given below.

Sl No	Name of Bidder	Capacity Offered in MW	Rate Rs/ kWh Offered
1	M/s. Aban Green Power Private Limited	10.00	3.96
2	M/s.Inkel Limited	14.00	4.09
3	M/s. Pioneer Wincon Energy Systems Private Limited	5.25	4.09
4	M/s. Scoobee Day Garments (INDIA) Limited	6.30	4.10
	Total	35.55	

- (3) Since the L1 bidder offered only 10MW as against the bid quantum of 100MW, KSEBL had requested other bidders to reduce the quoted tariff to match with the L1 rates. However, the bidders M/s Inkel Limited (14MW) and M/s Pioneer Wincon Energy Systems Private Limited were reluctant to reduce the rate further. But M/s Scoobee Day Garments limited reduced the rate from Rs 4.10/kWh to Rs 4.09/kWh, i.e, to match with the L2 rate.
- (4) The Commission vide the Common Order dated 19.10.2022 in Petitions OP NO.47/2022 and OP No.48/2022 had approved the deviations from the guidelines issued by MoP and adopted the L-1 tariff derived in the tender. The relevant portion of the Common Order is extracted below;

**“Orders of the Commission**

19. *The Commission, after examining the Petitions filed by M/s KSEB Ltd dated 20.05.2022 and 12.7.2022, the deliberations during the hearing held on 29.09.2022, the provisions of the Electricity Act, 2003, the bidding guidelines notified by the Ministry of Power, Government of India dated 08.12.2017, and other Rules and Regulations in force, hereby orders the following.*

- (1) *Approve the deviations made in the bidding documents as detailed in the Petition OP No. 47/2022, from the bidding Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Wind Power Projects notified by Ministry of Power, Government of India dated 08.12.2017.*
- (2) *Adopt the L1-tariff of Rs 3.96/unit discovered in the tender for setting up of 100MW grid connected the Wind Power Projects in Kerala under competitive bidding route as detailed in the petition OP No. 48/2022.*
- (3) *Reject request of the M/s KSEB Ltd to approve the offers of the bidders who offered power at tariff higher than the L1 tariff derived in the tender.*
- (4) *In case, the L1 bidder withdraws from the offer and or not willing to proceed with the project, the L1 bidder M/s Aban Green Power Private Limited shall be blacklisted and debarred from participating in all future bids invited by M/s KSEB Ltd and other licensees in the State of Kerala for the development of Wind Power Plants, Solar Power Plant and for developing power from any such power sources within the State of Kerala.*

*M/s KSEB Ltd shall communicate the same in writing to the L1 bidder M/s Aban Green Power Private Limited.”*

The Commission has rejected the proposal of KSEBL to issue Lol to bidders other than L1 at tariff higher than L1 rate. However, the Commission permitted KSEBL to further negotiate with the bidders who quoted the tariff higher than L1 rate to reduce their tariff to L1 rate. The Commission has also clarified that, KSEBL can enter into an agreement with such bidders in the bid for procurement of power at L1 rate.

- (5) Subsequently, M/s SCOOBEE DAY garments vide the letter dated 22.06.2023 had communicated their willingness to reduce their tariff to the L1 rate of Rs 3.96/unit. However, they also reduced the offered quantum

from 6.3MW to 4.2MW, and request KSEBL to accept the revised capacity.

KSEBL communicated to the petitioner M/s SCOOBEE DAY garments that, since the bid capacity as per the tender floated with the approval of the KSERC was 5 MW, requested to the petitioner to offer at least the minimum bid capacity of 5 MW.

Hence the petitioner M/s SCOOBEE DAY garments filed this petition before the Commission to review the minimum bid capacity and requested to grant approval for the installation of 4MW/4.2MW at the L1 rate of Rs 3.96/unit.

3. The Commission admitted the petition as OP No. 58/2023. Hearing on the petition was held on 04.10.2023 at the Court Hall of the Commission. Shri Sujithran Sidharthan, Projects Manager, M/s SCOOBEE DAY Garments appeared on behalf of the Petitioner. Smt Latha S.V, Executive Engineer, presented the comments on behalf of the Respondent KSEB Ltd. The deliberations during the hearing are summarized below.

- (1) The petitioner submitted that; they had participated in the bid floated by KSEBL on 08.12.2021 for procuring 100 MW wind power from the plants established in the State through competitive bidding route. In the bid process, the petitioner had offered 6.30MW wind power @ Rs 4.10/unit from the wind power plants to be established at their own land at Palakkad.

Subsequently, as requested by KSEBL, the petitioner vide the letter dated 22.06.2023 had communicated their willingness to match the rate with the L1 rate as per the Order of the Commission dated 19.10.2022. However, due to the limitations on availability of land in possession and also due to logistical issues, the petitioner is constrained to reduce the capacity from 6.3MW to 4.0/4.2MW capacity.

Based on the query raised by the Commission, the petitioner further submitted that, they had in possession of 53 acres of land at Palakkad. The EHT line of KSEBL also crossing through the land. Few industrial units also functioning in the land possessed by the petitioner.

The petitioner also clarified that, the report of the wind potential studies of the project site by M/s INOX was submitted to KSEBL.

- (2) During the hearing, the respondent KSEBL submitted that, they had floated the tender on 08.12.2021 for procuring 100MW wind power from the wind power plants established within the State of Kerala. Considering the scarcity of land and the peculiarity of the terrain in the State of Kerala, the minimum bid capacity in the tender documents was reduced to 5MW and the minimum project size at one site as 2MW.

KSEB Ltd further submitted that, the petitioner M/s SCOOBEE Day Garments is one of the four bidders participated in the bid and offered a

capacity of 6.3 MW @ Rs 4.10/unit and during the bid process, the petitioner offered to reduce the rate to Rs 4.09/unit against the L1 rate of Rs 3.96/unit.

But subsequently, as per the direction of the Commission vide the Order dated 19.10.2022, the petitioner offered to reduce the rate to the L1 rate of Rs 3.96/unit.

Since the offered quantum after opening the bid is less than the minimum bid capacity of 5MW, the petitioner automatically excludes from the competitive bidding process of the KSEBL bid for procuring 100MW wind power from the wind power plants to be established in the State of Kerala. KSEBL further submit that, granting permission for the petitioner to reduce their bid capacity from the offered quantum of 6.3MW to 4.0MW/4.2MW may result in litigations.

KSEBL further submitted that, if the petitioner want to proceed with the installation of 4.0MW/4.2MW at the project location and supply power to KSEBL, they shall file separate petition before the Commission for determination of tariff as per Section 62 of the Electricity Act, 2003.

- (3) During the deliberations of the subject petition, the Commission observed that there should be clarity on the position of the respondent KSEBL as to whether they are considering or not purchase of the wind power from the petitioner at the L1 rate of Rs 3.96/unit derived through competitive bidding process under Section 63 of the EA-2003, for their reduced quantum of 4.0MW/4.2MW. The representative of KSEBL submitted that, the opinion of KSEBL shall be communicated to the Commission with the approval of its Board of Directors.

4. Based on the deliberations during the hearing, the Commission hereby direct the petitioner and the respondent to comply the following.

- (1) The petitioner M/s SCOOBEE Day Garments shall submit the following through an affidavit, latest by 20.10.2023, with a copy to the respondent KSEBL.
  - (i) Details of the land owned by the petitioner at the project location including the location sketch, site map of the total area of the land in possession of the petitioner, area of the land presently utilised for industrial and other activities, the extent of balance available land, the extent of land un-utilizable due to the passing of EHT line passing through the land etc, with all necessary supporting documents.
  - (ii) Copy of the report of the wind potential studies conducted at the project site of the petitioner.
- (2) KSEB Ltd shall file its counter affidavit latest by 20.10.2023 with a copy to the petitioner.

- (3) The petitioner shall file rejoinder, if any, within a week thereafter.
- (4) The parties shall strictly comply with the timelines as above.

The next hearing of the petition shall be communicated separately.

**Sd/-**

**T K Jose  
Chairman**

**Sd/-**

**B Pradeep  
Member**

Approved for issue

Sd/-

C R Satheesh Chandran

Secretary