

**GOVERNMENT OF KERALA****Abstract**

Power Department – Annulment of tender for long-term procurement of 500 MW RTC Power under Category B(iv) of SHAKTI Policy on DBFOO basis and sanction for re-tendering – Approved – Orders Issued.

POWER (B) DEPARTMENT

G.O.(Rt)No.120/2026/POWER Dated,Thiruvananthapuram, 05-09-2026

Read 1 G.O.(P)No.3/2024/POWER, dated 27.09.2024.

2 G.O.(Rt) No.43/2025/POWER, dated 07.03.2025.

3 D.O. Letter No. CE(C&T)/ Long term power procurement-B(iv)/2025-26/309, dated 24-02-2026, from the Chairman & Managing Director, KSEB Ltd.

ORDER

As per the Government Order read as 1st paper above, sanction was accorded for indicating the coal linkage allocated to the State of Kerala under Category B(iv) of SHAKTI Policy for 500 MW power on long-term basis to Kerala State Electricity Board Limited (KSEBL) for procurement through tariff-based competitive bidding on DBFOO basis.

2. As per the Government Order read as 2nd paper above, M/s PFC Consulting Limited (PFCCL) was appointed as the

Transaction Advisor of KSEBL for long-term procurement of 500 MW RTC power under SHAKTI B(iv) for 25 years.

3. M/s PFCCL invited tenders on 19.06.2025 on the DEEP Portal for long-term RTC power procurement for 25 years. Bids were opened on 09.10.2025, and the discovered tariffs were as follows:

- M/s Jindal Power Limited: 200 MW | Fixed ₹4.04/kWh | Variable ₹1.03/kWh | Transport ₹0.73/kWh | Total ₹5.80/kWh.
- M/s Adani Power Limited: 250 MW | Fixed ₹4.151/kWh | Variable ₹1.018/kWh | Transport ₹0.791/kWh | Total ₹5.96/kWh.
- M/s Sarda Energy & Minerals Ltd: 125 MW | Fixed ₹4.104/kWh | Variable ₹1.348/kWh | Transport ₹0.499/kWh | Total ₹5.951/kWh.
- M/s MB Power (MP) Ltd: 305 MW | Fixed ₹4.20/kWh | Variable ₹1.00/kWh | Transport ₹0.79/kWh | Total ₹5.99/kWh.

4. Since the discovered tariffs were high, KSEBL held negotiations with the lowest bidder (L1), M/s Jindal Power Limited, on 12.11.2025. However, the negotiated rate remained high at ₹5.76/unit, with only a 1-paisa reduction in fixed charges. High fixed charges restrict operational flexibility and increase financial burden when surrendering power during high solar generation hours. Therefore, the Full-Time Directors of KSEBL on 28.01.2026 recommended annulling the tender in consumer interest and inviting fresh tenders.

5. As per the D.O. Letter read as 3rd paper above, the CMD, KSEBL requested Government sanction for re-tendering the procurement of 500 MW RTC power for the same tenure and capacity, and to intimate the Ministry of Power, Government of India, to extend the coal allocation under Category B(iv) of SHAKTI Policy for one more year, up to August 2027.

6. Government have examined the matter in detail and are pleased to accord sanction to KSEBL for re-tendering of 500 MW RTC power for a period of 25 years under Category B(iv) of SHAKTI Policy on DBFOO basis, subject to full compliance with SHAKTI Policy guidelines and bidding framework.

(By order of the Governor)

M G RAJAMANICKAM

SECRETARY

To:

1. The Secretary, Ministry of Power, Government of India.
2. The Secretary, Ministry of Coal, Government of India.
3. The HoD (FSA/Linkage), Coal India Limited.
4. The Chairman & Managing Director, Kerala State Electricity Board Limited, Thiruvananthapuram.
5. The Principal Accountant General (A&E), Thiruvananthapuram.
6. The Principal Accountant General (Audit), Thiruvananthapuram.
7. The Information and Public Relations Department (Web and new media division).
8. Stock File/Office copy.

Forwarded /By order
Digitally signed by
Nazarudeen M
Date: 07-09-2026
17:05:08
Section Officer