



**M.P. MADHYA KSHETRA VIDYUT VITARAN CO. LTD.**

(Govt. of M.P. Undertaking)

NISHTHA PARISAR, BIJLINAGAR, GOVINDPURA, BHOPAL-462023

Website: - www.mpcz.co.in

CIN No. U40109MP2002SGC015119

Phone: 0755 2602033-36 Fax: 2589821 E-mail: ipdsbhopal@gmail.com

No. MD/MK/IPDS/ 472

Bhopal, Date: 25-05-2018

To,

1. M/s Ducon Technologies (India) Private Limited  
Ducon House, Plot No. A/4, Road No.1 MIDC  
Wangle Industrial Estate, Thane West-400604 Maharashtra.
2. M/s New Modern Technomech Pvt. Ltd. office at S-2/29,  
Chhancha Industrial Estate, P.O. Baripada, Dist.  
Mayurbhanj, Odisha-757001]

**Sub:-Banning of business dealings of M/s Ducon Technologies (India) Private Limited and M/s New Modern Technomech Pvt. Ltd. with MPMKVCL, Bhopal.**

- Ref:- i. This office NoA No. MD/MK/IPDS/NoA/Lot-XII/Shivpuri/463 Dt. 23.01.2017.  
ii. This office NoA No. MD/MK/IPDS/NoA/Lot-XIII/Sheopur/464 Dt. 23.01.2017  
iii. This office NoA No. MD/MK/IPDS/NoA/Lot-VIII (HT Works)/Gwalior O&M/509 Dt. 04.09.17  
iv. This office NoA No. MD/MK/IPDS/NoA/Lot-X (HT Works)/Morena/510 Dt. 04.09.17.  
v. Termination Notice No. MD/MK/IPDS/694 Dt. 23.10.2017 for Shivpuri Circle.  
vi. Termination Notice No. MD/MK/IPDS/695 Dt. 23.10.2017 for Sheopur Circle.  
vii. Notice for Banning of Business dealing vide No. MD/MK/IPDS/1293 dt. 23.02.2018.  
viii. Notice for event default No. MD/MK/IPDS/1628 dt. 31.03.2018 for Gwalior O&M (HT Works).  
ix. Notice for event default No. MD/MK/IPDS/1625 dt. 31.03.2018 for Morena O&M (HT Works).

Dear Sir,

You were issued a notice regarding banning of Business due to non-performance vide this office letter cited above ref-(vii) and subsequently notice for Termination and event of default was issued to you vide above cited ref-(v, vi, viii & ix) for Shivpuri, Sheopur, Gwalior O&M (HT Works) & Morena O&M (HT Works) respectively.

Incompliance of this office notice, neither M/s Ducon Technologies (India) Private Limited nor M/s New Modern Technomech Pvt. Ltd. have submitted their representation. M/s Ducon Technologies (India) Private Limited always presented feeble excuses for execution of work and procurement of material. Therefore, it has been decided by the competent Authority to ban Business dealing with you and your any associate/subsidiary/affiliate/firm (s). Accordingly you would not be able to participate to any of the tenders of the DISCOM for three years from date of issuing of this order.

(Raju Dehariya)  
CGM (Urban Project)

**Copy to:-**

1. The Principal Secretary, Energy Department, Govt. of MP, Mantralaya, Bhopal.
2. The Managing Director, M.P. Power Management Company Ltd. Shakti Bhawan, Rampur, Jabalpur
3. The PS to MD (CZ) MPMKVCL., Bhopal.
4. The Managing Director, MPPKVCL, Jabalpur.
5. The Managing Director, MPPKVCL, Indore.
6. The Director (Technical) O/o MD (CZ) MPMKVCL., Bhopal.
7. The Chief Finance Officer O/o MD (CZ) MPMKVCL., Bhopal.
8. The Chief General Manager (HR&A/M&BM/RP/QCMM/IT/Commercial) O/o MD (CZ) MPMKVCL., Bhopal.
9. The Chief General Manager (BR/GR) MPMKVCL., Bhopal/Gwalior.
10. The General Manager (O&M) Circle MPMKVCL., Shivpuri/Sheopur/Gwalior (O&M)/ Morena (O&M)

*sd*  
**GM (Urban Project)**



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CIN No.U40109MP2002SGC015119

Phone: 0755 2602033-36 Fax: 2589821 E-mail: ipdsbhopal@gmail.com

No. MD/MK/IPDS/1466

Bhopal, dated: 16/03/2018

## TERMINATION ORDER

1. Notification of Award (NoA) was issued to M/s Laxmipati Balaji Infrastructure [Presently, M/s Laxmipati Balaji Infra Pvt. Ltd. (Lead Partner)] (JV with M/s New Modern Technomech Pvt. Ltd.) vide letter No. MD/MK/IPDS/NoA/Lot-IV/Hoshangabad/459 dated 21.01.2017 of Rs. 28,11,01,686 (Rs. Twenty Eight Crores Eleven Lakh One Thousand and Six Hundred Eighty Six Only) for strengthening of sub transmission and distribution network in Hoshangabad, Harda, Itarsi & Pipariya towns of Hoshangabad (O&M) Circle under IPDS Project on turnkey basis.
2. Due to non-achievement of milestones of Stage-I of the contract, a notice of termination was issued by the MPMKVVCL to the contractor vide this office letter No. MD/MK/IPDS/693 dated 23.10.2017 and the contractor was requested to submit workable plan, for executing the work within 24 months from date of issue of NoA. In response of Notice, the contractor had presented some feeble excuses for delay caused and ensure that work will be completed within stipulated time period. However, even after several pursuances from this office, TKC neither procure the major material as per submitted pert chart nor submitted the realistic procurement plan and month wise project execution plan to complete works in prescribed time period.
3. As per conditions of award, the completion and commissioning of facilities was to be attained by the contractor in 4 stages within 24 months from date of issue of NoA as stipulated in 'Appendix-4; Time Schedule' of the contract document "25% work should get completed within 9 months, 25% balance works should get completed in next 5 months, 25% balance works should get completed in next 5 months and final 25% balance works should get completed in next 5 months".
4. An overview of the aforesaid stage-wise targets prescribed in the contract award and the actual progress attained by the contractor is indicated hereunder :-

### (A) Stage wise financial progress achieved:-

S. No.	Prescribed schedule for completion & commissioning of facility or part thereof	Prescribed financial target for completion schedule	Actual financial physical progress achieved (Amount)
1	Stage -I; within 9 months from date of issue of Notification of Award	25% of contract price i.e. Rs. 7.02 Cr. by 20.10.2017	NIL
2	Stage -II; within 14 months from date of issue of Notification of Award	50% of contract price i.e. Rs. 14.04 Cr. by 20.03.2018	NIL

**(B) Physical progress achieved:-**

S. No.	Work provision	Unit	Provision (100%)	Prescribed Physical Target (50%) for completion by end of Stage-II i.e. 20.03.2018	Latest Progress achieved as on 28.02.18
1	New 33/11 KV substation	No.	2	1	0
2	Additional Power Transformer	No.	1	1	0
3	New 33 KV Line	Km	3	1.5	0
4	New 11KV Line	Km	8	4	0
5	Aerial Bunched Cable New	Km	22	11	0
6	Aerial Bunched Cable Conversion	Km	50	25	0
7	Dist. Transformers	No.	74	37	0
8	Meter replacement	No.	17764	8882	0

5. From the above details, it is clear that the contractor failed to execute the works in accordance with the stage-wise target set in the award. Although the turnkey contract award placed on you contains exclusive and specific directives/guidelines in regard to execution without any need for the MPMKVCL to pursue with the contractor, however, since the achievements in respect of stage-wise targets as per time schedule were not satisfactory, therefore, to ensure timely completion of the contract by the contractor, concerned officers of the Company at different levels regularly pursued the contractor at personnel level and served various letters and notice to you as given below to improve the performance:-

S. N.	Date	Particulars
1	31.05.2017	Issue letter for Poor Progress of work execution in Hoshangabad (O&M) Circle.
2	14.06.2017	Provide Mobilization Advance of Rs. 1,27,27,000 (Rs. One Crore Twenty Seven lakh Twenty Seven Thousand only)
3	16.06.2017	Issue letter for Slow Progress of work execution in Hoshangabad (O&M) Circle.
4	26.07.2017	Review progress of M/s Laxmipati Balaji Infra., Bhopal. In which commitment of contractor was recorded.
5	02.08.2017	Review progress of M/s Laxmipati Balaji Infra., Bhopal. In which commitment of contractor was recorded.
6	23.10.2017	Issue Termination Notice to M/s Laxmipati Balaji Infra., Bhopal.
7	06.11.2017	Issue letter for review the progress of M/s Laxmipati Balaji Infra., Bhopal.
8	21.11.2017	Issue letter for review the progress of M/s Laxmipati Balaji Infra., Bhopal.
9	16.01.2018	Issue letter regarding dissatisfaction towards the progress of M/s Laxmipati Balaji Infra., Bhopal.

10	24.01.2018	Issue letter for payment of amount of LD due to failure in completion of 25% facilities of work in Hoshangabad (O&M) Circle.
11	31.01.2018	Issue letter for slow progress of M/s Laxmipati Balaji Infra., Bhopal for Hoshangabad (O&M) Circle.
12	17.02.2018	Issue letter for slow progress M/s Laxmipati Balaji Infra., Bhopal.

6. In spite of regular pursuance with the contractor and even after serving termination notice to you vide letter No. MD/MK/IPDS/693 dated 23.10.2017, there has not been any improvement in the performance of the contractor.
7. The contract agreement executed by you with MPMKVVCL provides for recovery of liquidated damages on failure of the contractor in attaining Completion Time Guarantee. As per provision of contract, MPMKVVCL may consider termination of contract once the maximum amount of liquidated damages on this account, which is 5% of the contract amount, is reached. Due to exorbitant delay in execution of work under the contract by you, the amount of liquidated damages has exceeded the maximum limit stated above.
8. The contractual period for Stage I & II to be completed on 20.03.2018 and even after lapse of more than 13 months from date of issue of NoA, the contractor is still very far from completion of the contract within stipulated time period.
  - i) The progress of completion and commissioning of facilities in physical & financial terms is NIL which is extremely poor by any standard.
  - ii) He has not made procurement of full requirement of various material to complete the project so far.
  - iii) Manpower deployment for execution is very poor which has practically caused the project execution to come to standstill.
9. From the foregoing Para, it is concluded that the contractor has persistently and miserably failed to execute the contract in accordance with the terms & conditions and prescribed completion time schedule and has also found to be persistently neglecting to carry out his obligations under the contract without any just cause. It is worth mentioning that besides MPMKVVCL the instant contract is also of vital public importance as it aims to provide reliable and quality power supply to the urban population of Hoshangabad, Harda, Itarsi and Pipariya towns covered under the contract through renovation and strengthening of existing urban distribution system.

Due to your non-performance, the urban population of these towns is not getting the desired benefits of IPDS Project.
10. In context of above paras, MPMKVVCL has no alternative except to terminate the contract. Therefore, as per Clause No. 36.2.2 (c) & (d) of Sec-IV, GCC of bid document of contract, the contract award No. MD/MK/IPDS/NoA/Lot-IV/Hoshangabad/459 dated 21.01.2017 is hereby terminated with immediate effect on account of your default with all ensuing consequences thereupon. The Bank Guarantees submitted by you towards various securities of the contract are hereby forfeited. The details of the Bank Guarantees forfeited are as follows:-

S. No.	Bank Guarantee Submitted against	BG No. & Date	Amount of BG	Name of Bank	Last date of Validity
1	Performance Security	3227ILG000717 dated 07.04.2017	Rs. 2,81,10,167/-	Punjab National Bank, Bhopal	20.04.2020
2	Mobilization Advance	3227ILG001117 dated 21.04.2017	Rs. 1,40,00,000/-	Punjab National Bank, Bhopal	21.03.2018

11. Upon receipt of this 'Termination Order', the contractor shall comply with the following conditions according to the provisions of contract:-

- (i) Immediately cease all further work, except for such work as may be necessary for the purpose of protecting that part of the facilities already executed, or any work required to leave the site in a clean and safe condition.
- (ii) Immediately terminate all sub-contracts.
- (iii) Within 7 days of issue of 'Termination Order', deliver to MPMKVVCL all the parts of the facilities executed by the contractor upto the date of termination. Such facilities shall include all work executed, installation services provided, and all plants acquired for the purpose of the facilities upto and including the date of termination.
- (iv) To the extent legally possible, assign to MPMKVVCL all right, title and benefit of the contractor to the facilities and to the plant as of the date of termination.
- (v) Deliver to MPMKVVCL all drawings, specifications, and other documents prepared by the contractor or its sub-contractors as of the date of termination in connection with the facilities.
- (vi) Tender Holiday for M/s Laxmipati Balaji Infrastructure, (Presently, M/s Laxmipati Balaji Infrastructure Pvt. Ltd.,) Bhopal along with its Joint venture M/s New Modern Technomech Pvt. Ltd. Odisha for three year in all three DISCOM of Madhya Pradesh.

12. The contractor is held liable to pay the following recoveries as per terms and conditions of the contract:-

- (i) Any extra cost in completion of balance facilities from another agency as per Clause no 36.2.6 of terms and condition of contract.
- (ii) Amount of Liquidated Damages against Completion time Guarantee as per Clause No. 21.2 of SCC of Section-V.
- (iii) Unadjusted amount of Mobilization/Material advance paid to you by MPMKVVCL.
- (iv) Interest on unadjusted amount of advances as per provision of contract terms and condition.
- (v) Any other amount recoverable as per terms and conditions of the contract.

13. This order of termination is issued under approval from the competent authority of the MPMKVVCL.

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CGM (Urban Project)

**Copy to:-**

1. M/s Laxmipati Balaji Infrastructure (Presently, M/s Laxmipati Balaji Infra. Pvt. Ltd.) 204, IInd Floor, Corporate Zone, C21 Mall, Hoshangabad Road, Bhopal-462026.
2. M/s New Modern Technomech Pvt. Ltd. office at S-2/29, Chhancha Industrial Estate, P.O. Baripada, Dist. Mayurbhanj, Odisha-757001.
3. Principal Secretary, Energy Department, Govt. of MP, Mantralaya, Bhopal.
4. MD, M.P. Power Management Company Limited, Shakti Bhawan, Jabalpur.
5. MD, M.P. Poorva Kshetra Vidyut Vitaran Co. Ltd, Jabalpur.
6. MD, M.P. Pashchim Kshetra Vidyut Vitaran Co. Ltd, Indore.
7. Director (Technical) O/o MD (CZ) MPMKVVCL, Bhopal.
8. Chief Finance Officer O/o MD (CZ) MPMKVVCL, Bhopal.
9. Chief General Manager (BR/GR) MPMKVVCL, Bhopal/ Gwalior.
10. General Manager (O&M) MPMKVVCL, Hoshangabad.
11. DGM (O&M) MPMKVVCL, Hoshangabad/Itarsi/Pipariya/Harda.
12. PS to MD (CZ) MPMKVVCL, Bhopal.
13. Shri S.K. Srivastava, Nodal Officer (IPDS) M.P. Power Finance Corporation Limited. Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi-110001.
14. Project Manager, REC-PDCL, Bhopal.
15. Branch Manager, Punjab National Bank, Mullick Market Branch, Bhopal.
16. Order File.

  
**GM (Urban Project)**