Sub: Banning of Business Dealings

Ref: (i) NHPC NIT No. NH/Conts (E&M)-II/BSPS-22/PR10115/282/2016 dated 29.11.2016
(Tender ID at CPP e-portal: 2016_NHPC_145922_1) and subsequent retender NIT no.
NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016 dated 29.12.2016 (Tender ID at CPP
e-portal: 2016_NHPC_145922_2)
(ii) Suspension letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016/517 dated
31.07.2017
(iii) Show Cause Note vide letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/
2016/627 dated 24.08.2017
(iv) Your letter dated 05.09.2017
(v) Our letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016/760 dated 03.10.2017
(vi) Your email dated 05.10.2017
(vii) Our letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016/776 dated 06.10.2017
(viii) Your letter no. CDVE/TOF/NHPC/OHS/2017-18/10015 dated 26.10.2017
(ix) Your letter no. CDVE/17-18/OHS/NHPC/0293R1 dated 02.12.2017
(x) Our letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/2018/28 dated 04.01.2018
(xiii) Our letter no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/2018/139 dated 30.03.2018

Dear Sir,

In response to NHPC NIT no. NH/Conts (E&M)-II/BSPS-22/PR10115/282/2016 dated
29.11.2016 (E-Tender ID at CPP e-portal: 2016_NHPC_145922_1) and subsequent retender NIT no.
NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016 dated 29.12.2016 (E-
Tender ID at CPP e-portal: 2016_NHPC_145922_2), you have submitted your bid.

Whereas the Competent Authority had prima facie considered the allegations as detailed
below are of serious nature and decided to conduct investigation.

NHPC NIT No. NH/Conts (E&M)-II/BSPS-22/PR10115/282/2016 dated
29.11.2016 (E-Tender ID at CPP e-portal: 2016_NHPC_145922_1) and subsequent retender NIT no.
NH/Conts (E&M)-III/BSPS-22/PR10115/282/2016 dated 29.12.2016 (E-
Tender ID at CPP e-portal: 2016_NHPC_145922_2), you have submitted your bid.

Whereas the Competent Authority had prima facie considered the allegations as detailed
below are of serious nature and decided to conduct investigation.
"Misrepresentation of facts/submission of non-genuine documents by your company in the tender of Electromechanical Works-Package EM-4 (xv) comprising of Design, manufacturing, supply, installation, testing & commissioning of Oil Handling System for Renovation and Modernization of Baira Siul Power Station (3X60 MW), District Chamba (Himachal Pradesh) as detailed below:

1. The performance report no. 760/EE(G)/KPS/TN:GK-11/2015-16/1025 dated 15.09.2016 signed by Senior Engineer, Khodri Power Station of M/s UJVN Limited has not been issued by the concerned office as confirmed by Office of Executive Engineer (Gen.), Khodri Power Station.

2. The performance report no. EM3/MI EXPN/4106P/0056 dated 16.05.2016 signed by D.C.E. (Pur/MM) of Materials Management Complex, M/s Neyveli Lignite Corporation Limited, Neyveli has not been issued by the concerned office as confirmed by Office of The Chief General Manager, Materials Management Complex, NLC India Limited, Neyveli.

Whereas show cause notice vide no. NH/Conts (E&M)-III/BSPS-22/PR10115/282/ 2016/627 dated 24.08.2017 was served upon you. Whereas you submitted the reply along with documents vide your letter no. CDVE/17-18/OHS/NHPC/0293 dated 05.09.2017 and subsequent correspondences thereafter [refer Sl. no. (v) to (x) of correspondences and personal hearing dated 10.01.2018]. After considering the allegations made in the show cause notice, your reply to the show cause notice documents/documentary evidence in support thereof, it has been decided to Ban the Business Dealing with you and you are hereby debarred from entering into contracts with NHPC within jurisdiction of NHPC Corporate Office.

This order shall have the following effects:

i) Further business dealings with your firm is banned with immediate effect. The order of Banning would operate for a period of three (03) years. Competent Authority may extend the period of Banning.

ii) During the period of Banning, no Business Dealing shall be held with your firm. No Enquiry/ Bid/ Tender shall be issued to your firm nor will the bids submitted by your firm be entertained.

iii) In cases where tenders have already been issued to you and Price Bids are yet to be opened, the Price Bid submitted by you shall not be opened and BG/ EMD, if any, submitted by you shall be returned.

iv) In cases where tenders have already been issued to you and price bids have already been opened, the Tendering Process shall be continued.

a) In case of ongoing contracts between you & NHPC, (including cases where contract has already been awarded before the issue of Banning order) you will be required to continue with the execution and perform as per terms of the contract.
b) In case the Firm is in Joint Venture the following would also be applicable:

i) Participation of Agency in Joint Venture:

Tenders in which your firm has been proposed as Joint Venture Partner by any of the bidders and price bids have been opened prior to Banning of your firm in such cases the tendering process shall not be annulled on this ground and the Agency shall be permitted to continue as Partner in the Joint Venture for such bidding. However where event of price bid opening has not taken place prior to Banning of Agency then in such case Agency shall not be permitted to participate as Partner in the Joint Venture.

ii) Banning of Joint Venture:

As the Joint Venture is banned, your firm intends to bid as Partner(s) of Joint Venture in bidding process then it shall be permitted to participate in the bidding process if it has not been banned on grounds of its role and responsibility in the tendering process for which the Joint Venture has been banned in Past. In case if the Joint Venture which has been banned does not indicate the roles and responsibility of individual Partner(s) then, the partner of the banned Joint Venture shall only be allowed to participate in the bidding process if its participation share is less than 35%.

c) Your firm shall not be allowed to participate as Sub-Vendor/ Sub-Contractor in the tenders.

Further if your firm is an approved Sub-vendor under any Contract for such equipment/ component/ service, the Main Contractor shall not be permitted to place work Order/ Purchase Order/ Contract on your agency as a Sub-Vendor/ Sub-Contractor after the date of Banning even though the name of the party has been approved as a Sub-Vendor/ Sub-Contractor earlier.

d) There would be no bar on procuring the spares and awarding Contracts towards Annual Maintenance (AMC)/ O&M/ Repair works on Agencies pertaining to the packages for which they have been banned provided the Equipment has been supplied by such Agency.

e) Banning of Business Dealing shall not be applicable to the Subsidiary company of the Banned Agency provided subsidiary company has not participated on the strength of the Banned Agency. However, in case of a default by a Sub-Contractor, the banning shall be applicable to the Sub-Contractor as well as the Lead Partner of the concerned JV or the Sole bidder as the case may be.

On expiry of the above period of Banning, you may approach Contracts (E&M) Division, NHPC Limited, Faridabad, with request for revocation of the order mentioning inter-alia the steps taken by you to avoid recurrence of misconduct which has led to Banning.

[Signature]
Further if you desire to appeal against this order you may do so within 30 days from the date of issue of this order to the appellate authority as here under:

Appellate Authority: Shri Ratish Kumar
Designation: Director (Projects)
Address: Neer Shakti Sadan, NHPC Office Complex, Sector-33, Faridabad (Haryana)-121003
Ph. no.: 0129-2278003
e-mail: ratishkumer@nhpc.nic.in

Yours faithfully,
For & On behalf of NHPC

(Ajay Mathur)
Chief Engineer (Civil)-III
Contracts (E&M) Division