



HYDERABAD ELECTRIC SUPPLY COMPANY

Tel: 022-9260127
Fax: 022-3820254
Email: mmmhesco@yahoo.com

Office of the
Manager (Material Management)
237-WAPDA Offices Complex
Hussainabad, Hyderabad.

No: HESCO/MMM/DM(P&PD)/194/ 7003-7012

23/10/2024

M/s National Engineering Electric Works
Plot No. S-72, S.I.T.E Area Hyderabad

SUBJECT: BREACH OF CONTRACTUAL OBLIGATION BY M/S NATIONAL ENGINEERING ELECTRIC WORKS HYDERABAD FOR THE SUPPLY OF DOUBLE ARMING BOLT 510X16 DA-20'' AGAINST PURCHASE ORDER NO.03-03425 DATED 10.03.2022

- Ref:
01. This office notice No. HESCO/MMM/DM-P&P/03/20707-09 dated 13.06.2022
 02. This office notice 1st reminder No. HESCO/MMM/DM-P&P/08/21743-45 dated 24.06.2022
 03. This office notice 2nd reminder No. HESCO/MMM/DM-P&P/08/3694-96 dated 30.08.2022
 04. This office notice 3rd reminder No. HESCO/MMM/DM-P&P/08/5375-77 dated 28.09.2022
 05. This office notice 4th reminder No. HESCO/MMM/DM-P&P/08/7477-79 dated 27.10.2022
 06. This office notice 5th reminder No. HESCO/MMM/DM-P&P/08/8482 dated 08.11.2022
 07. This office notice 6th reminder No. HESCO/MMM/DM-P&P/08/10486 dated 07.12.2022
 08. This office final notice No. HESCO/MMM/DM-P&P/05/12006 dated 28.12.2022
 09. This office show cause notice No. HESCO/MMM/DM-P&P/03/12782-83 dated 09.01.2023
 10. This office again shows cause notice No. HESCO/MMM/DM-P&P/08/7264 dated 27.10.2023

The subject purchase order was placed upon your firm for supply of 53,032 Nos Double Arming Bolt 510x16 DA-20'', wherein following delivery schedule was prescribed:

P.O No. & Dated	Delivery Schedule	Final Delivery Date	Qty: on Order (Nos.)	Qty: already supplied (Nos.)	Balance Qty: (Nos.)
03-03425 dt: 10.03.2022	90-days	07.06.2022	53,032	45,000	8,032

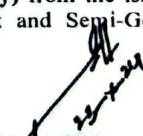
In this context, it is apprised to you as follow:

- You have failed to deliver the goods within prescribed delivery schedule (2.4 years has elapsed since the expiry of delivery schedule on dated 07.06.2022). In this regard, notices were served upon you for supply of material but you did not supply the same.
- Your firm failed to perform contractual obligations during the execution of contract.
- Your firm submitted a fake inspection call during the currency of contract as intimated by the Deputy Manager (MI) PPMC Karachi vide letter No. Deputy Manager/MI/PPMC/KHI/1930-31 dated 26.03.2024.

It reveals that you have clearly committed breach of the contract and failed to fulfill the contractual obligation. Consequently, it has been decided by the competent authority to impose the following penalties upon your firm under Clause-15 & 16 of P.O and Public Procurement Rule-19:

- Purchase order No. 03-03425 dated 10.03.2022 is hereby cancelled.
- Performance guarantee in shape of Call Deposit Receipt submitted against subject purchase order bearing CDR No. 3151 dated 17.05.2024 amounting to Rs: 1,370,000/- is hereby forfeited and confiscated in favour of CEO HESCO, Hyderabad.
- Your firm is **Black-listed** and debarred for the period of **(three year temporary)** from the issue of this letter in HESCO all DISCOs / NTDC under PPMC and other Government and Semi-Government Department, on account of failure of contractual obligations.

This is issued with the approval of Chief Executive Officer HESCO Hyderabad.


MANAGER
MATERIAL MANAGEMENT
HESCO HYDERABAD

Copy to:

1. Chief Executive Officer _____ (All DISCOs)
2. General Manager (Technical), HESCO Hyderabad.
3. Chief Engineer (MI) PPMC, 723 Wapda House Shahrah-e-Quaid-e-Azam Lahore.
4. Chief Financial Officer, HESCO Hyderabad is requested to depute special messenger for encashment the Performance Guarantee in shape of Call Despite Receipt No. 3151 dated 07.03.2022 re-valid dated 13.11.2023 & 17.05.2024 amounting to Rs.1,370,000/- valid upto **16.11.2024** in favour of Chief Executive Officer, HESCO. (original CDR attached).
5. Manager Material Management, _____ (All DISCOs).
6. Director (MIS), "IT Section" Public Procurement Regulatory Authority, 1st Floor FBC Building, Near State Bank, Sector G-5/2, Islamabad Phone: 051-9205728 to kindly upload the "Black-listing of firm" on PPRA Web site. The same is being mailed electronically to you.
7. Manager Media & Public Relation NTDC, G-63, Wapda House Lahore.
8. Deputy Manager Public Relation Officer HESCO Hyderabad for further necessary action.
9. Registrar Pakistan Engineering Council Attatruk Avenue (East) G-5/2 Islamabad.
10. Summit Bank Limited, Latifabad Hyderabad Islamic Banking Window, Latifabad No. 07 5/D Unit No. 07 Hyderabad is requested to encashed above mentioned Call Deposit Receipt in favour of Chief Executive Officer, HESCO, Hyderabad.
11. Master file