



MGVCL

MADHYA GUJARAT VIJ COMPANY LTD.  
 Corporate Office : Sardar Patel VidyutBhavan,  
 5<sup>th</sup> Floor, Race Course, Vadodara - 390 007  
 Phone No. 0265 - 2350783 / 2310583-86/2350783(D)  
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 CIN No. U40102GJ2003SGC042907

**STOP DEAL- CIRCULAR**

Ref. No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/Stop Deal Circular/8130	Dt.21.11.22
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By RPAD//E-Mail

To,  
 M/s Simba Enterprises,  
 C1B 803, GIDC Estate,  
 Makarpura, Vadodara-390010

E-Mail:  
[pitumotwani@yahoo.com](mailto:pitumotwani@yahoo.com)

(Works at: As Above)

Sub.:	Stop Dealing with M/s Simba Enterprises with their Proprietors of for period of <b>One (1) Years</b> from the date of issue of this circular.
Ref.:	<ol style="list-style-type: none"> <li>1. LOA No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/LOA/Simba/939 Dt.19.04.21</li> <li>2. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/1236 Dt.20.05.21 (Reminder for SD &amp; Agreement)</li> <li>3. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/1456 Dt.05.06.21 (Reminder-2 for SD &amp; Agreement)</li> <li>4. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/1669 Dt.21.06.21 (Reminder-3 for SD &amp; Agreement)</li> <li>5. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/TT/2279 Dt.09.08.21 (Type Test Approval)</li> <li>6. AT No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/2303 Dt.09.08.21</li> <li>7. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/2602 Dt.21.09.21 (Reminder)</li> <li>8. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/2740 Dt.11.10.21 (Reminder-2)</li> <li>9. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/2827 Dt.20.10.21 (Notice)</li> <li>10. Your office Email dated 20.10.2021 (Notice Reply)</li> <li>11. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/2998 Dt.17.11.21 (<b>Show Cause Notice</b>)</li> <li>12. Your reply against SCN: SE/MGVCL/LTDB Dt.17.11.21 (Through Mail)</li> <li>13. TOL No: MGVCL/PP/20-21/5095/63-100 KVA LTDB/Simba/3161 Dt.09.12.21 (<b>Personal Hearing</b>)</li> <li>14. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/713 Dt.07.03.22 (<b>Reminder</b>)</li> <li>15. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/926 Dt.01.04.22 (<b>Reminder-2</b>)</li> <li>16. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/1132 Dt.21.04.22 (<b>Final Notice</b>)</li> <li>17. Your reply against Final Notice: SE/MGVCL/100KVA LTDB Dt.24.04.2021, received on 23.04.22 (Through Mail)</li> <li>18. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/1146 Dt.25.04.22 (<b>Show Cause Notice</b>)</li> <li>19. Your reply against SCN: SE/MGVCL/LTDB/ Dt.30.04.2022</li> <li>20. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/2004 Dt.28.06.22 (<b>Reminder</b>)</li> <li>21. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/4883 Dt.27.07.2022 (<b>Notice</b>)</li> </ol>

22. Your reply against notice dated 29.07.2022 (Through mail)
23. Your representation to MD-MGVCL: SE/MGVCL/LTDB Dt.29.07.22
24. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/5799 Dt.04.08.2022
25. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/6104 Dt.22.08.22 (Show Cause Notice)
26. Your representation to MD-GUVNL: SE/MGVCL/LTDB Dt. 29.08.2022
27. Your Letter No: SE/MGVCL/LTDB/9 Dt.02.09.2022, received on 03.09.22
28. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/6608 Dt.05.09.22
29. Your office Email dated 08.09.2022
30. This office reply vide email dated 08.09.2022
31. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/6711 Dt.14.09.22
32. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/6902 Dt.23.09.22
33. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/7089 Dt.14.10.22 (FINAL SHOW CAUSE NOTICE)
34. Your reply against Final Show Cause Notice letter dated 15.10.22 (Through Mail)
35. TOL No: MGVCL/Proc/J1/20-21/5095/63-100 KVA LTDB/Simba/7172 Dt.27.10.22 (Personal Hearing)
36. Your reply after personal hearing through mail dated 14.11.2022

(1) MGVCL had placed an order to your firm vide under ref (1) for supply of 1400 Nos. of 63 KVA Metal LTDB & 1000 Nos. of 100 KVA Metal LTDB as per specification, terms and condition of tender for the year 2020-21 subject to submission of pending Type Test report & got it approval from MGVCL within 30 days from the date of receipt of LOA.

The commencement period of above order was 45 days from the date of receipt of LOA & delivery schedule of 63 KVA LTDB was 7 months on equal monthly basis & 100 KVA LTDB was 5 months on equal monthly basis.

You had not submitted Security Deposit & execution of Agreement within stipulated time limit as per LOA/tender terms & conditions. Hence, MGVCL was issued the reminder letters (Ref.02 to 04) for completed the formalities as per LOA/Tender terms & conditions then after you had submitted Security Deposit & execution of agreement for above mention LOA/tender.

You had also submitted pending last Type Test reports/clarification after 107 days from issuance of LOA which was approved by MGVCL vide this office letter dated 09.08.2021 (Ref.05). MGVCL had issued the Details purchase order on same day of approval of pending Type Test Reports (i.e. 09.08.2021).

(2) AT Cl. No. 53 is reproduce here under;

*"In case, you fails to deliver the store/materials/equipments or any consignment thereof within schedule/contractual period of delivery or in case the stores are found not in accordance with prescribed specification and/or the approved sample, or in breach of tender / contract conditions, MGVCL shall exercise its discretionary power to take action like Stop deal for some period/permanent Stop deal/cancellation of vendor registration/forfeit the performance guarantee towards Warranty in favor of MGVCL etc."*

- (3) You had not offered the order materials even after too much time had been lapsed from the delivery schedule started as well as reminder letters/notice/Show Cause Notice issued by this office (Ref.07 to 11). You had reply against Show Cause Notice vide your office letter/mail dated 17.11.21 which was not acceptable by MGVCL, hence you were asked for personal hearing vide letter dated 09.12.2021 (Ref.13). You were not present in personal hearing & replied that "We have offered 63 KVA LTDB for inspection on dated 20.12.2021".
- (4) You had started the supply of 63 KVA LTDB only. Hence, MGVCL had again issued the reminder letters/Final Notice/Show Cause Notice (Ref.14 to 18) for offered of inspection call for 100 KVA LTDB. Then after you had offered/supplied only 100 Nos. of 100 KVA LTDB only against Schedule Lot quantity 200 Nos.
- (5) Again MGVCL had issued the reminder letter & notice to you for completing the above order/offer inspection call but you had not offer the inspection call for above tender item as per delivery schedule and/or your commitment. You were many times committed for supply/complete the above order but not offered/supply the order materials as per delivery schedule as well as your commitment.

Hence, MGVCL has withheld the payment of last supplied DI No-MGVCL/Tech/192/DI/148 Dt. 21.07.2022. However, your supplied Lot vide DI-MGVCL/Tech/192/DI/148 Dt.21.07.2022 **which was also failed & rejected.** Accordingly, MGVCL has intimated to you for replacement of rejected Lot within 1 months from the date of receipt of letter dated 14.09.2022. Subsequently informed for total expense to be recovered & replacement of rejected Lot vide this office letter dated 23.09.2022.

You were committed to supply 150 Nos. of 100 KVA LTDB by end of every month vide your letter dated 02.09.2022 But till date you have never supply/offer the above tender materials as per delivery schedule/your commitment.

Final Status of above order is as under;

Sr. No.	Items	Unit	Order Qty.	Total Supply Qty.	Balance Qty.	Remarks
1	2	3	4	5	6=4-5	7
1.	63 KVA LTDB	No	1400	1254	146*	*204 Nos. LTDB replacement is pending (i.e. 146+204=350 Nos.)
2.	100 KVA LTDB	No	1000	100	900	

- (6) After considering above fact; MGVCL had again issued Final Show Cause Notice (4<sup>th</sup> times) to you for "why actions like stop dealing/black listing your firm and/or partners/directors of your firm, forfeiting of SD B.G., risk & cost purchase, cancellation of vendor registration awarded by the subsidiary company of GUVNL and/or any other actions as decided by MGVCL should not be taken against you/your firm" & also further asked to submit reply within 15 days from the date of receipt of the notice. Against Final Show-Cause notice. You were replied vide letter dated 15.10.2022 that "we are once again requesting you to kindly release our payment deducted unlawfully and against tender norms and specification then and than we will be able to supply boxes in monthly requirement" which is not acceptable.

## (7) Personal Hearing:

Hence, competent authority of MGVCL had decided to call you for the 2<sup>nd</sup> times personal hearing on the matter and the same was conveyed to vide letters dated 27.10.2022. The hearing was held on 09.11.2021.

Representative of M/s Simba Enterprises, Mr. Pitu Motwani attended the hearing meeting. After personal hearing, you had replied vide email dated 14.11.2022 which major points is as under;

- (A) We have supplied the LTDB 1400 Nos. out of 2400 Nos.
- (B) Our aim is to supply the balance 900 Nos. of LTDB 100 KVA in a span of maximum 5 months.
- (C) Our payment is pending for the last lot of LTDB 63 KVA already supplied on 21.07.21
- (D) We appeal to you to consider testing one more random sample at our cost so to enable us to prove our capability for effective production.
- (E) We also request you to kindly proceed with the release of our payment thereafter we may execute the balance order.

***MGVCL has not considered the above representation due to following reason;***

- (A) You have only supplied 1354 Nos. of LTDB (63 KVA LTDB-1254 Nos. & 100 KVA LTDB-100 Nos.) However Last Supplied Lot for 63 KVA LTDB, 204 Nos. was failed & till date not replaced by you even after two time informed to you. Hence, actual effective supplied 1150Nos. (47.91%) (63 KVA LTDB-1050 nos. & 100 KVA LTDB 100 Nos.) till date.
- (B) You were committed the same things many times earlier but till date order not completed as per delivery schedule & your commitment.
- (C) Your payment was put up on hold as per AT terms & conditions
- (D) You were requested for Re-sampling but it is not as per AT clause. Hence it is regretted.
- (E) Withheld payment is as per AT Clause.

(8) Looking to the all above facts, it is concluded that MGVCL has given enough/sufficient chance/time to you complete order but you have totally failed to complete the order in time as well as replace the rejected Lot against above order placed to your firm, it is consider as a breach of contract as per AT terms and condition and resulting into acute shortage of such items in MGVCL which has affect the various field work of MGVCL. Your reply and representation against final Show Cause Notice (4<sup>th</sup> times) is not satisfactory and not acceptable. Under this circumstance, Madhya Gujarat Vij Company Limited (MGVCL) has finally decided to take following actions against your firm.

(1) To stop deal all kinds of business with M/s Simba Enterprises & their Proprietor, Works at: C1B, 803, GIDC Estate, Makarpura, Vadodara-390010 for the period of one (1) Years from the issue of circular.

(2) To forfeit the SD amount of Rs. 7,85,951.00 vide BG No:OGT0017210055745 dated 28.06.2021 Valid up to 05.08.2023 for not to execute the purchase order within delivery schedule.

- (3) To forfeit the Withheld payment of Last DI-148 Dt. 21.07.2022 (i.e. 16.77 Lacs net amount payable)
- (4) Risk & Purchase Cost amount, if any shall be recovered from you/your firm as decided by the competent authority which is binding to you & same will be intimated to you in due time.

This is without prejudice to our other rights in terms of the contract / purchase orders and contentions.

On behalf of MGVCL,

(R G Nagariya)  
Addl. Chief Engineer (Proc)

**Copy To (By RPAD):**

Mr. Pitu Motwani,  
C1B 803, GIDC Estate,  
Makarpura, Vadodara-390010

**Copy FWCs to: -**

1. ETA to MD, MGVCL, Corporate Office, Vadodara
2. P.S. to MD, GUVNL/GSECL/GETCO/DGVCL/UGVCL/PGVCL, Corporate Office Vadodara /Surat/ Mehsana / Rajkot
3. P.S. to Director (T), GUVNL, HO, Vadodara.
4. CE (Tech & Operation) & CE (Project)- MGVCL- Vadodara / CE (Purchase), PGVCL -Rajkot / CE (Purchase) UGVCL - Mehsana /ACE (Purchase), DGVCL- Surat / CE (Purchase), GSECL - Corporate Office - Vadodara / CE (Purchase) GETCO - Corporate Office - Vadodara.
5. ACE (TECH), GUVNL, HO, Vadodara.
6. GM (IT), GUVNL, HO, Vadodara.
7. GM (F&A), MGVCL, Corporate Office, Vadodara.
8. GM(F&A),DGVCL/UGVCL/PGVCL/GSECL/GETCO, CorporateOffice, Vadodara/ Surat/Mehsana/Rajkot.

**Copy to:**

1. CS, MGVCL Corporate Office - Vadodara.
2. SE(O&M), Circle Office, Vadodara (City) / Vadodara (O&M) / Anand/ Godhra/ Nadiad.
3. SE (IT), MGVCL Corporate Office - Vadodara..To upload on MGVCL website.
4. SE (Proc)/EE (Proc), MGVCL Corporate Office, Vadodara.
5. All Store Officer, RSO / Division store office, MGVCL....As per mailing list.
6. DY.CAO (F&A) / AO (Bills) / (Cash) / (Audit), MGVCL, A/c. Deptt., Corporate Office Vadodara.
7. All Power Distribution Companies of: Other states of India / All State Electricity Boards of India.....As per list attached.