

1. **CTE Type Examination of work of cladding wall**
2. **CTE Type Examination of protection wall at TRT outlet of PSP**
3. **CTE Type Examination of river dredging work at Tehri HPP**

## **Intensive Examination Report**

Name of the Organization : THDC India Ltd.

Name of the work : Const. of Concrete Cladding  
(upto EL-615.0 m) for PSP-TRT outlet works .

Location : Bhagirathipuram, Tehri

Estimated cost : 285.92 Lacs

Period of Inspection : March 2011

### **1.0 Particulars of work**

**1.1** Name of work : Const. of Concrete Cladding  
(upto EL-615.0 m) for PSP-TRT outlet works.

Agreement No. : 03/SM/C&MM/THDC/Tehri/2009-10

Name of the contractor : M/s Bharat Construction Co.  
Dehradun.

Estimate cost : 285.92 Lacs.

Tendered cost : -----

Date of Start of work : 21.1.2011

Stipulate date of Completion of work as Per agreement : 31.05.2011

Present progress : 75% work completed.

### **1.2 Departmental Authorities :**

General Manager (P)	i. Sh. D.K. Govil,
AGM (PH)	ii. Sh. S.R. Mishra,
DGM (F)	iii. Sh. J. Behra,
Sr. Manager (PH)	iv. Sh. A.K. Sharma

### 1.3 Official in charge of Work :

AGM (PH)	i. Sh. S.R. Mishra
Sr. Manager (PH)	ii. Sh. A.K. Sharma
Manager (PH)	iii. Sh. U.V. Singh

### 2.0 Scope of work

The scope of work is elaborated as under:

- (i) The construction of concrete cladding retaining wall upto EL-615.00 m (MWL of Koteshwar) in a length of approx. 20.0 RM (Zone-A) after removing all overhang.
- (ii) Concrete cladding / retaining wall upto an EL-615.00 m in zone-B in order to protect the approach from sliding.
- (iii) Placing of wirecrates (Gabins) in the area of loose rock muck upto EL- 615.00 m (Zone-C) in order to protect the approach to the outlet pit.

### 3.0 Administrative Approval & Expenditure Sanction

#### 3.1 Facts in brief

3.1.1. AGM (Civil-Design) and DGM (Civil-Design) along with site officials visited the site on dated 31.12.2010. Consequently, Design Deptt. vide their letter No.THDC/RKSH/CHM/F-222.2/243 dated 14.1.2011 (**Ref. Annexure-I**) has suggested to immediately take up following protection measures up to EL-615.0 m

- (i) Concrete cladding retaining wall upto an EL- 615.00 m MWL of Koteshwar) in a length of approx. 20.0 RM (**Zone-A**) after removing.
- (ii) Concrete cladding / retaining wall upto an EL-615.00 m (+) **in zone-B** in order to protect the approach from sliding.
- (iii) Wire crates (Gabions) in the area of loose rock muck upto EL-615.00 m (**Zone-C**) in order to protect the approach to the outlet pit.

3.1.2. Design department in their letter has elaborated the reason for taking up the above said works of different Zone. They have stated that due to filling of Koteshwar reservoir (FRL-612.5M: MWL-615.00M) which was scheduled for Jan, 11 end & fluctuations thereof, there was likelihood of water entering into the outlet pit of TRT portal area of Tehri PSP. In the upstream of the protection wall of TRT portal area there were two locations from where the loose rock muck has already slided & needs to be protected in order to avoid further slipping of muck from the hillside.

3.1.3. Execution department initiated the proposal on 20.01.2011 for obtaining the Administrative approval to carry out the above work as variation of Contract Agreement No. 03/SM/C&MM/THDC/Tehri 2009-10 dated 20.04.2010 against the dredging work at TRT out let. (**Ref. Annexure-II**)

- 3.1.4.** Execution Department in their proposal reiterated the reason given by the Design department. They have stated that to facilitate the work of PSP-TRT Outlet works; a Flood Protection Wall was constructed earlier in a length of approx. 150 m up to EL-622.0 m to avoid the area from flooding. However, the length of said protection wall is inadequate as the level of rock ledge in the u/s side of the said wall is falling below the level of EL-615.0 m in a certain length from its starting end. Loose soil/ overburden have accumulated over the said rock ledge in a varying depth of more than 3.0 m.
- 3.1.5.** It was also observed by execution department that certain protection measures are required to be taken up necessarily for the approach to PSP-TRT Outlet works, particularly at the locations where no firm rock supports or Rock Ledge are available below the approach road towards road side.
- 3.1.6.** Execution department has mentioned in their proposal that limited time period was available before reservoir impoundment of Koteshwar HEP for carrying out of the above cited works as suggested by the Design deptt. Therefore, there remains only one option to get the work done from a construction agency, which have adequate men & machinery and was mobilized already in the Project area either by awarding the said works on Selection basis or under variation of any contract agreement running under the Project.
- 3.1.7.** It was stated by execution department in the proposal that at that time only one construction agency i.e. M/s Bharat Construction was available with Project who have adequate Men & Machineries including one Batching plant and already mobilized under the Agreement no. 03/SM/C&MM/THDC/Tehri 2009-10 dated 20.04.2010 to carry out the work of river dredging at HPP-TRT outlet area.
- 3.1.8.** Matter was further discussed with CGM (Projects) along with AGM (PH & PSP) and it was decided to carry out the work of concrete cladding works (works under **Zone A & Zone B**) under variation of Contract Ag. No. 03/SM/C&MM/THDC/Tehri/2009-10 dated 20.04.2010. It was also decided that the Protection measures for **Zone C** i.e. in the area of loose rock muck may be carried out by placing of Gabions as suggested by Design Department, under variation of Contract Agreement No. 11/ SM/ C&MM/ THDC/ Tehri/2010-11 dated 15.06.2010, which is running under Power House Const. deptt. for construction of Toe support arrangements for dumped muck at Fakua Nalah by placing of Gabions.
- 3.1.9.** The Administrative approval for carrying out the works under Zone A, Zone-B & Zone-C was given by CGM(Project) on 21.1.2011.(**Ref. Annexure-III**)
- 3.1.10.** The expenditure of the subject work was booked in Budget Head :J-Power Plant. (**Ref. Annexure-IV**)

## **3.2 Observations**

- 3.2.1** Execution department did not mention the DOP provisions in the proposal while obtaining the approval of CGM. Apparently, as per the Agreement, value of work of

River Dredging was Rs.3.58 crores and till date total payment made to contractor against the work is Rs 6.0 crores. The estimated cost of works of cladding in question is about Rs.3.0 crores. Hence, enhanced cost after all variations would be in excess of Rs.9.0 crores which does not come under the power of CGM(Project) as per DOP provisions. Why the case was not put up to competent authority as per provisions of DOP. Please comment.

**3.2.2** The expenditure of work of dredging was considered in the budget head of O&M, whereas, the expenditure of the said works as an Extra items was shown in head J-Power Plant under essential work of PSP. Thus, there is ambiguity while considering the Budget Head. The works of different heads should not be dealt with in same tender/contract as DOP provisions are different for different heads. Please comment.

#### **4.0 Detailed Estimate & Technical Sanction**

##### **4.1 Facts in Brief**

**4.1.1** An estimate was prepared by Execution department to carry out the work of concrete cladding for **Zone-A** and **Zone-B** as per design details provided by Design deptt.

**4.1.2** As per the records made available by execution department, for estimation purpose, rates of major items of work i.e. Concrete with irretrievable & retrievable shuttering has been taken from the work of 'Concrete cladding at right bank in front of T-1 & T-2 Outlet' against contract agreement No.47/SM/C&MM/THDC/Tehri/2010-11 dated 28.02.2011 as the site conditions of the proposed concrete cladding work are similar to this work. However, rates of the rest of items i.e. Earthwork in excavation, drilling of 38mm dia. hole. F/I 25mm dia. 2.5m long grouted rock anchor and F/I 25mm dia.1.0m long Anchor bar which were not available under this agreement, has been taken from the work of 'Hill slope treatment work near Zero Bridge against Agreement 41/SM/C&MM/THDC/tehri/2010-11 dated 17.1.2011. The copy of rates of different Agreement is placed at **Annexure-V**.

**4.1.3** The estimate of concrete cladding covered under Zone-A and Zone-B has been prepared for 60.0 RM length at the u/s side of the existing Flood Protection Wall. Total estimated cost of the proposed concrete cladding works is Rs. 285.92 Lacs (Ref. **Annexure-VI**).

**4.1.4** The estimate of Gabions covered under Zone C was prepared considering the rate provided in the Agreement no.11/SM/C&MM/THDC/Tehri/2010-11dated 15.06.2010.The length of Gabions considered for the purpose of estimation is 73.0m (approx.) Total estimated cost of the proposed Gabions works is Rs. 95.44 Lacs (**Ref. Annexure-VII**).

**4.1.5** It was mentioned in the proposal by the Execution Department that the rates of the items of work have been adopted for estimation purpose. Final rates of these items shall be finalized, considering them as 'Extra Items' of work under Variation of Contract Ag. No.03/SM/C&MM/THDC /Tehri/2009-10 dated 20.04.2010 and Agreement No.11/SM/C&MM/THDC/Tehri/2010-11dated 15.06.2010 respectively.

**4.1.6** The work of River bank protection at outlet areas of T-1,T-2 i.e. Concrete cladding was awarded to M/s Bharat Construction Co., No.47/ SM/ C&MM/ THDC/Tehri/ 2010-11 dated 28.02.2011 on 6.77% higher than the estimated rate on the ground of urgency of work.

## **4.2 Observations**

**4.2.1** The rate of items for the works covered under Zone A & Zone B have been taken for purpose of estimation from the Agreement of work of River bank protection at outlet areas of T-1,T-2 which has been awarded to M/s Bharat Construction Co on 6.77% higher than the estimated rate on the ground of urgency of work. Thus, rate of item of concrete cladding was higher than the estimated cost. Hence, the rate of items should have been taken from the estimate prepared by execution department of the above said work.

## **5.0 Design & Drawing**

### **5.1 Facts in Brief**

**5.1.1 Design department vide their** letter No. THDC/RKSH/CHM/F-222.2/243 dated 14.1.2011 has given the construction drawings for the work of Concrete Cladding and Gabions. As per the Drawing, Grade of concrete is M-20 which has been used for concrete cladding. They have provided the details of Gabions having dimensions 2.0x1.0x1.0m.They have also indicated the Zone-A, Zone-B & Zone -C in the photograph of outlet area of Tehri PSP. (**Ref. Annexure-VIII**).

### **5.2 Observations**

**5.2.1** Impounding of Koteshwar reservoir got delayed due to various problems. It was known in advance that Koteshwar reservoir is going to be impounded. Impression gathered by Vigilance is that works are not being planned in technical and engineering manner but emergent situations are created and the works are being enhanced/extra items are being awarded/works are being awarded on single tender basis. Why the work was not planned and executed in systematic manner. Kindly bring out the departments and officials who have failed in proper planning of the works.

## **6.0 Award of work.**

### **6.1 Facts in Brief.**

**6.1.1** Execution department vide letter No. 632A/PH/Tehri dated 21.01.2011 intimated M/s Bharat Construction, Dehradun to take up the work of concrete cladding (upto-EL615.0m) at PSP-TRT outlet site before impoundment of Koteshwar Reservoir on emergent basis. They have intimated the estimated quantity of each item required for completion of work. They have also asked from M/s Bharat Construction to submit the rate of the 'Extra Items' of work as per the provision of contract Agreement No. 03/SM/C&MM/THDC /Tehri/2009-10 dated 20.04.2010. (**Ref. Annexure-IX**)

## **6.2 Observations**

**6.2.1** The work of concrete cladding was considered as an extra item under the variation of the work of dredging against the Contract Ag. No. 03/ SM/ C&MM/ THDC/ Tehri/2009-10 dated 20.04.2010. As per the provision of Agreement, the extra items are required to be executed for proper completion of works covered under scope. However, the said works considered as extra items are not covered under the scope of work of dredging work. The estimated cost of extra work is about Rs 2.85 crores. Hence, contractor was awarded more work without competition which was neither in the scope of Agreement nor required for completion of awarded work. Reasons may please be brought out.

## **7.0 Payments to Contractor**

### **7.1 Facts in brief**

**7.1.1** Total 75 %( approx.) work has been completed till date. As the rates of extra items have not been finalized, no payment has been made to contractor. The Proposal of extra items has been prepared on 28.01.2011 by execution department. As per the record made available by Execution department, the proposal has been sent to Finance department on 30.04.2011. **(Ref. Annexure--IX)**

**7.1.2** As per the policy and procedures for Procurements of Goods & Work & Services chapter- 18 under clause- 18.3.4 extra items and new items. The rates for all extra/ new items shall be approved by ED/GM on recommendations by a Committee comprising of the representatives of the concerned works at site, Planning (Technical Cell) and local Finance within the time frame specified by ED/GM considering the contractual commitment. Pending approval of the rates, payment of 75% of the checked rate may be authorized by ED/GM **(Ref. Annexure-X)**.

### **7.2 Observations**

**7.2.1** The work of Concrete cladding was started on 22.01.2011 and 75% work has been completed. The rates of extra items have not been finalized even after 4 months of start of work. Due to non finalization of rates no payment has been made to contractor. No time limit has been specified for the finalization of extra items by the ED/GM. Hence, the provision of Policies and procedure has not been followed by the Concerned Executives. Reasons may please be explained. Has any accountability fixed on this ground?

## **8.0 Records**

### **8.1 Facts in Brief**

**8.1.1** The site order book has been maintained by the executives at site and signature of executives and representative of contractor has been done on the register. The copy of site order book is placed at **Annexure –XI**.

8.1.2 The ramanas of Boulders purchased by Contractor are placed at **Annexure-XII**.

## 8.2 **Observations**

8.2.1 Hindrance register has not been maintained by site officials. Reasons may please be brought out.

## 9.0 **Site Inspection**

### 9.1 **Facts in Brief**

9.1.1 The site was inspected on 28.04.2011 by Vigilance. The Concrete Cladding in the length of 20m under Zone –A has been completed up to EL 615m. Similarly, Concrete Cladding in the length of 25m out of 40m has been completed up to EL 615.0m. The work of Gabions in the length 73m has also been completed up to EL 615.0m. The level of wall and measurement of gabions has been checked and found correct. Work was not in progress.

### 9.2 **Observations**

9.2.1 Undulations were observed on Concrete cladding wall. Hence, it seems that the form works during the placement of concrete were neither in line nor properly braced to prevent the deformation.

## 10.0 **Sample collection**

### 10.1 **Facts in brief**

10.1.1 The following construction materials have been collected from site and sent to Central Material Testing Lab at Koti for their testing (**Ref. Annexure-XIII**)

- i. Cement 43 grade OPC
- ii. Sand
- iii. Aggregate 5-10mm
- iv. Aggregate 10-20mm
- v. Aggregate 20-40mm

10.1.2 The test results of above materials are awaited.

### 10.2 **Observation**

10.2.1 The test results of above materials are awaited.

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**THDC INDIA LTD**  
**Office of the Chief Vigilance Officer, Dehradun**

**I.O.M.**

**Confidential**  
**No: THDC/Vig./CTE-01/(10)**  
**Dated: .04.2011**

**From:**

**DGM (Vigilance)  
THDC Ltd.,  
Dehradun (UK).**

**To:**

**Shri S.R.Mishra  
AGM( PSP) ,  
THDCIL,,  
Tehri**

**Sub: The work of Construction of Concrete Cladding (upto 615m) for PSP – TRT outlet under Agreement no 03/ SM/ C&MM/THDC/TH/09-10dt.20.04.2010.**

1. The work of Construction of Concrete Cladding (upto 615m) for PSP – TRT outlet has been awarded to M/s Bharat Construction Co. as an extra item under the variation of Agreement no 03/ SM/ C&MM/THDC/TH/09-10dt.20.04.2010 against the work of river dredging at TRT HPP..
2. The scope of work of the river dredging as per Agreement Provision is as under:
  - The subject work comprises river dredging in the outlet area of TRTs of HPP between stilling basin of Spillways and flood protection wall of PSP. The work of river dredging will be carried out along the river during no generation period when the machines are shut. This period will be about 5-6 hrs. per day when the work of river dredging will be carried out. .
3. Thus, as per the above the subject work do not fall under the provision of Contract Agreement and not incidental to work. Generally ,extra items are being executed to complete the work covered under the scope of work.
4. The expenditure of the subject work was booked in Budget Head :J-Power Plant whereas the expenditure against work of river dredging has been considered under the head of O&M
5. In the instant case, the work of cladding wall of Rs.2.85 lacs (approx) was awarded to contractor as an extra item under the variation clause of Agreement of work of river

dredging with the approval of CGM (Project) .However, while obtaining the approval of CGM no DOP clause was mentioned in the proposal.

6. The date of start and completion of work are 21.1.2011 & 31.05.2011 respectively.75% work has been completed at site .No payment has been made to contractor. The rates of extra items are under finalization.

**(S.P.SINGH )**

**2. CTE Type Examination of protection wall at TRT outlet of PSP**

**Intensive Examination Report**

Name of the Organization : THDC India Ltd.  
Name of the work : Balance work of River Bank Protection  
at outlet Area of T-1, T-2  
Location : Bhagirathipuram, Tehri  
MOU'S Amount : c 4,65,33,267.00  
Period of Inspection : 31.03.2011

**1.0 Particulars of work**

**1.1 Name of work**

Agreement No.	1. 06/SM/C&MM/THDC/2010/dt. 07.05.2010 2. 47/SM/C&MM/THDC/Tehri/2010/ dt.28.02.2011
Name of the Contractor	1. M/s C.P. SYSTEM PVT. LTD. 2. M/s Bharat Construction
Estimated cost	c 4,35,79,284.00
Date of start of work	1. 15.02.2010 2. 20.09.2010
Stipulated date of Completion	1. 14.11.2010 2. 19.05.2011
Present Progress	1. 11.13% 2. 82.32%

## **1.2 Departmental Authorities and Officials in charge of work**

- i). AGM (PH/PSP)
- ii). DGM (Spillway)
- iii) Sr. Manager (Power House)
- iv) Manager (Power House)
- v) Sr. Engineer (Power House)

## **2.0 Scope of work**

Since the work of subject agreement is the balance work of previous Ag. No. 06/SM/C&MM/THDC dated 07.05.2010 which was initially awarded to M/s C.P. System through open tendering. Thus, the scope of work is the same as mentioned in the LOA of M/s C.P. System which is reproduced as under:

“The work under this contract comprises of protection of right bank hill slopes in front of outlets of spillway tunnel T-1,T-2,TRT-1&TRT-2 by providing concrete cladding up to EL.607.0m.”

## **3.0 Administrative Approval & Expenditure Sanction**

### **3.1 Fact in brief**

Administrative approval for the subject work was accorded by the then CGM (Project) on 11.05.09 (**Ref. Annexure-I**). The budget for the above work has been kept under the head of ‘Operation & Maintenance’ of Tehri Dam project. The Financial concurrence of work has been given by Finance department vide Sl. No. 02/THDC/F&A/09-10/ date 11.05.09

#### **3.1.1 Observation**

3.1.2 Nil

## **4.0 Detailed Estimate & Technical Sanction**

### **4.1 Facts in brief**

Estimate of c 4, 99, 34,200.00 was initially prepared by execution department on the basis of CWC guideline. As some clarification were required by Planning department, accordingly the execution department reframed the estimate of c 4,82,437,03.50 and submitted to Technical cell for checking the estimate. Further, technical cell checked and

reduced the estimated cost to Rs. 4,35,79,284.00, which was technically sanctioned vide technical sanction order no. 46/THDC/P&T/07/E-2/PH/dt. 11.05.09 (**Ref. Annexure-II**).

## **4.2 Observation**

**4.2.1** Execution deptt. prepared the inflated estimate which was subsequently reduced by planning deptt. The difference between the estimate prepared by execution department and reduced estimate Rs. 46.64 lacs. The reasons for preparing the inflated estimate may please be brought out.

## **5.0 Design & Drawing**

### **5.1 Facts in brief**

Execution department has provided the drawing related to the work of River Bank Protection at Outlet area of Tail Race tunnel T-1, T-2 issued by design department. (**Ref. Annexure-III**).

### **5.2 Observation**

5.2.1 Nil

## **6.0 Tender Documents**

### **6.1 Facts in Brief**

The tender documents against NIT no. THDC/TEHRI/C&MM/2009-10/12 comprising of General conditions of Contract, Special condition of Contract and Technical Specification was prepared by contract department and execution department respectively.

### **6.2 Observation**

6.2.1 Nil

## **7.0 Pre-qualification**

### **7.1 Facts in brief**

The Prequalification criteria formulated are as under:

- (i). Average annual financial turn over during last 3 year, ending 31 March 2009 should be at least 30% of estimated cost.

(ii) Experience of having successfully completed similar works individually costing not less than as stated below during last 7 years ending 31 March 2009 should be either of the following:

(a). Three similar completed work costing not less than the Amount equal to 40% of estimated cost.

OR

(b). Two similar completed works costing not less than the Amount equal to 50% of estimated cost.

OR

(c). One similar completed work costing not less than the amount equal to 80% of estimated cost. Construction / Maintenance of civil work shall be considered as similar nature of work.

## 7.2 Observation

7.2.1 Nil.

## 8.0 Inviting and opening of Tenders

Open tender were invited through e-tendering by publishing the NIT no. THDC/TEHRI/C&MM/2009-10/12 in the following news paper with the approval of GM (Project) under DOP clause no. 38 for publication.

1.	Rastriya Sahara	05.08.09
2.	Amar Ujala	05.08.09
3.	Economic Times	05.08.09
4.	Hindustan Times (Delhi)	05.08.09

The detailed NIT and complete tender documents were also displayed on THDC web site. The date of sale of the tender document was 04.08.09 to 24.08.09 and date of receipt of filled tender was 25.08.09 up to 13.00 hrs. through e-tendering. The copy of NIT is enclosed at (**Annexure-IV**). Following officers were nominated as the tender committee members:

1. Sh. Jai Kumar, AGM (C&MM)
2. Sh. R.K. Bhatt, AGM (Power House)
3. Sh. J. Behra, Sr. Manager (F&A)

The following two parties uploaded the tender document within stipulated sale period i.e. from 04.08.09 to 24.08.09

1. M/s C.P. System Ltd., Noida
2. M/s Bharat Construction, Dehradun/ New Tehri

On due date of opening i.e. 25.08.09, bid details were checked before opening of Techno Commercial bids. According to Bid details, it was found that four bidders requested for above tender but only two bidders uploaded the tender. Therefore, due to poor response, said tender was not opened by the committee and decided to extend the opening date of tender. Committee recommended for the extension of 15 days after publication of corrigendum for better competitive rates, which was subsequently approved by GM (Project) (**Ref. Annexure-V**).

Accordingly, corrigendum against the subject NIT was published in following News papers. As per corrigendum, the sale of tender documents extended up to 21.09.09 and date of bid submission was 22.09.09 up to 13.00 hours. (**Annexure-VI**).

1. Rastriya Sahara 03.09.09
2. Amar Ujala 03.09.09
3. Economic Times 03.09.09
4. Hindustan Times (Delhi) 03.09.09

Further, on due date of opening i.e. 22.09.09 no other parties uploaded the tender. Following two parties uploaded the tender documents, which were down loaded by the committee.

1. M/s C.P. System
2. M/s Bharat Construction

## **8.2 Observation**

- 8.2.1** The subject work, as seen from various documents of execution deptt., was of urgent nature. In spite of response of two parties the bid submission date was extended for a period of 15 days which resulted in delay of almost one month. Once the tenders have been given wide publicity through website and free, fair & transparent tendering is being ensured and work is of urgent nature, how the committee has arrived at the decision of “inadequacy of competition”

## **9.0 Tender Scrutiny & Award of work**

### **9.1 Facts in brief**

Techno-commercial part of the bids were open by committee and bids were sent to executing unit for technical suitability. After examining the required document, submitted by the bidders, executing unit concluded that M/s C.P. System and M/s Bharat Construction are technically qualified.

The Commercial evaluations of both the parties are as under:



Sl. No.	Name of Party	Turn Over (Lakhs)	Exp. (Lakhs)			Remark
	As per CVC		One works	Two works	Three works	
	436.00 Lakh		130.80	348.80	218.00	
1.	M/s C.P. System	5718.70 1241.30 386.00 AV= 2448.66	1400.00			Qualified
2.	M/s Bharat Construction	2813.00 6633.10 AV= 3148.70	520.00			Qualified

The details of turn over and experience certificates submitted by M/s C.P. System and M/s Bharat construction respectively are enclosed at **Annexure-VII & VIII**.

As the parties were commercially and technically qualified, the committee recommended to open the price bid of both parties which was subsequently approved by competent authority.

The price bids of both the parties were opened by committee on 30.11.09 and comparative statement was prepared. It was found from the comparative statement that M/s C.P. System which is L-1 party has quoted +7.85% higher rate than the estimated rate and L-2 party M/s Bharat Construction has quoted 14.01% higher rates than the estimate rate respectively which are as under.

Sl. No.	Name of Party	Estimated Amount	Quoted Amount	Difference	Remark
1.	M/s C.P. System	4,35,79,284.00	4,70,03,300.00	+7.85%	L-1
2.	M/s Bharat Construction		4,96,87,580.00	+14.09%	L-2

Since, M/s C.P. System quoted +7.85% higher than the estimated rate, committee decided to call the L-1 bidder for negotiation, which was approved by CGM (Project). The copy of approval is enclosed at **Annexure-IX**.

During the negotiation, M/s C.P. System ( L-1) agreed to give 1% rebate on their quoted rates offered in original price bid. After negotiation, the total cost of the work was Rs. 4,65,33,267.00 which was still +6.77% higher than the estimated rates.

Keeping in view the urgency and importance of work as described by executing unit, committee recommended to award the work in favour of M/s C.P. System and which was approved by CGM (Project). The copy of approval is enclosed at **Annexure-X**.

## **9.2 Observation**

### **9.2.1 NIL**

## **10.0 Contract Document**

### **10.1 Facts in brief**

The letter of award no. THDC/Tehri/C&MM/3029/dt. 01.02.2010 along with detailed scope of work was issued to the contractor **Ref. Annexure-XI**. Subsequently, agreement was signed on 20<sup>th</sup> April 2010 after depositing the security deposit of Rs. 13,95,998.00 in the form of FDR. The FDR is mortgaged with THDC India Ltd. in Finance department. The work was awarded within the validity period.

## **10.2 Observation**

**10.2.1** As per the clause no. 7.0 'validity of Tender' of agreement. The tender submitted by the tenderer shall valid for acceptance for a period of 120 days from the date specified for submission. Whereas as per NIT, the tender shall remain valid for 180 days for acceptance from the date of opening of tender. There is a discrepancy between the tender document & agreement. It shows the casual approach has been kept by C&MM department while preparing the agreement. Reasons & action taken any please be intimated.

**10.2.2** As per clause 8.0 'contract agreement of agreement' "Tenderer shall remain enter into a contract agreement with owner within 15 days from the date issue of LOI/letter of award. The agreement shall be signed at the office of the owner on the date and time to be mutually agreed". Whereas the agreement was signed after 03 month & 06 days from the date of issue of letter of award. The undue benefit has given to the contractor i.e. furnishing the performance guarantee after 01 month & 25 days. The reason for not signing the agreement in time may please be intimated. Recoveries made from contractor if any may also be intimated.

## **11.0 Payment to Contractor**

### **11.1 Facts in brief**

Total payment of Rs. 51,79,542/- has been made upto 2<sup>nd</sup> R/A bill i.e. upto the 07.08.2010 (**Ref. Annexure-XII**).

**11.2 The date of start of work was 15.02.2010.** As per execution department, after writing several letters to the contractor i.e. M/s C.P.System and after repeated instructions, the contractor started the work at site on 03.04.2010. However, the actual work of concrete placement at site started by the contractor in the month of June 2010. The contractor continued the work upto 07.08.2010 and after 4 months total cost of executed work was Rs. 51,79,542.00 which was only 11.13% of the total awarded value. However, the time

period for completion of the subject work was seven months from the date of start i.e. 15.02.2010. (**Ref. Annexure-XIII**).

- 11.3** M/s C.P. System vide letter dt. 10.08.2010 citing clause no.12.3.0 (a) of GCC, (**Ref. Annexure-XIV**). intimated THDC that due to prevailing force majeure conditions heavy monsoon and continuous running of all four turbines, there was no clearance of site. They requested THDC to allow them to demobilize their machinery and manpower .However, they assured that as soon the site conditions improve for restarting the work after monsoon all machinery and manpower will be remobilized. They also requested for rescheduling the time period for completion of work.
- 11.4** After closure of Chute Spillway gates and stoppage of release of water through Chute Spillway, execution deptt. vide their letter no. 208/THDC/Tehri/Spillway/2010/CP-25/dt. 30.09.10 was intimated to M/s C.P. System to immediately restart the work (**Ref. Annexure-XV**) mentioning as the work was required to be completed well before impoundment of Koteshwar reservoir which was reschedule in the month of December 2010.
- 11.5** As per record made available by execution, no response was received from contractor. Thus, M/s C.P.System vide letter no. 215/THDC/Tehri/Spillway /2010/CP-25/dt. 12.10.2010 was again requested to restart the work within 07 days from the date of the letter, otherwise the work shall be carried out by the Corporation at his risk and cost. (**Ref. Annexure-XVI**).
- 11.6** As per execution department, the subject work was of urgent nature and required to be completed before impoundment of Koteshwar reservoir and M/s C.P. System was not responding to letters of THDC. Thus, keeping in view the past progress of Contractor and their demobilization status, it was decided by execution department to execute the work on top priority by other agency already mobilized at site on same rates & on same terms and conditions of the Agreement No 06/SM/C&MM?THDC/TEHRI/2010-11 dated 07.05.2010 against which the work was awarded to M/s C.P.System through open tender system.
- 11.7** Accordingly ,it was decided by Project that balance work pertaining to concrete cladding in front of Spillway tunnels T-1 &T-2 be got executed through M/s Bharat Construction Co. as they were already mobilized at site. Subsequently, M/s Bharat Construction Co. vide their letter No. BC/THDC/Slope Stab/02/11 dated 17.10.2010 (**Ref. Annexure-XVII**) given their consent to execute the balance work at the same rate as awarded to M/s C.P.System on same terms and Conditions.
- 11.8** As per execution department, M/s Bharat Construction Co. was executing the balance works of Balance work of River Bank Protection at outlet Area of T-1, T-2.As the work was being executed by M/s Bharat Construction Co, Execution department initiated a note dated 19.01.2011 for post facto approval of CGM (Project).The proposal after checked by planning department and vetted in Finance department was approved by CGM(Project) under the “ sub-Delegation of Emergency Power” delegated to GM(Tehri Complex) vide CS Department vide office –order No. 9/2010 dated 22.09.2010 under the

category of 'other similar incidents. The copy of proposal is enclosed at **Ref. Annexure-XVIII**.

**11.9** Accordingly, The letter of Award was issued to M/s Bharat Construction Co. vide Letter no.THDC/TEHRI/C&MM/2010-11/A/F-156/3380A dated 23.02.2011 by C&MM department (**Ref. Annexure-XIX**).

**11.10** Subsequently, Agreement was signed on 28.02.2011.Total payment of Rs. 3,43,13,021.00 has been made to M/s Bharat Construction against the agreement no. 47/SM/C&MM/THDC/2010-11/ dt. 28.02.2011. (**Ref. Annexure-XX**).

**11.11** The relevant clause no 42.0.0 i.e. Cancellation of Contract in full or part deals with the cancellation of contract. The gist of relevant portion applicable to work is as under :  
If the Contractor:

- At any time make default in proceeding with the works with due diligence and continues to do so after a notice in writing of 7 days from Owner, or
- Commits default in complying with any of the terms and conditions of the Contractor and does not remedy it or take effective steps to remedy it within 7 days the works or items of the work with individual dates of completion, after a notice in writing is given to him in that behalf by the owner, or
- Fails to complete on or before the date(s) or completion , and does not complete them with in the period specified in a notice given in writing in the behalf by the Owner, or.
- The Accepting Authority shall on such cancellation have powers to :
- Take possession of the site and any materials constructional plant, implements, stores, etc. thereon, and or.
- Carry out the incomplete work by any means at the risk and cost of the contractor.
- On the cancellation of the contract in full or in part the Accepting Authority shall determine what amount, if any, is recoverable from the Contractor for completion of works or part of the works, or in case the Works or part of works is not completed the loss or damage suffered by the Corporation in determining the amount, credit shall be given to the contractor for the value of the work executed by him up to the time of cancellation, the value of contractors material taken over and in corporate in the work, and use tools & tracks and machinery belonging to the contractor. The plant & machinery and materials etc. deployed at site by the contractor for the works shall be in the custody of Engineer-in-charge or his representative.
- Any excess expenditure incurred or, to be incurred by the Corporation in completing the works or part of the works or the excess loss or damages suffered or may be suffered by the corporation as aforesaid after allowing such credit shall be recovered from any money due to contractor on any account, and if such money are don't sufficient, the contractor shall be called upon in writing to pay the same within 30 days.

## **11.4 Observation**

**11.4.1** Contractor M/s C.P. System was intimated vide letter no. 215/THDC/Tehri/Spillway/2010/CP-25/dt. 12.10.10 to start the work at site within 7 days from the date of the letter otherwise all the balance work pertaining to the above referred contract agreement shall be get executed by the corporation at his risk and cost.

As per above letter issued to M/S C.P.System, 7 days were completing on 19.10.2010. But consent letter from Bharat Construction was obtained on 17.10.2010. Thus, consent of other contractor was taken before expiry of the 7 days i.e. 19.10.10. Execution department did not wait for the response of previous contractor. Reasons may please be brought.

**11.4.2** The 2<sup>nd</sup> contractor M/S Bharat started the work at site without signing the agreement and without deposition of the performance guarantee. The post facto agreement along with other formalities has been completed after 5 month and 8 days. During the said period there was no agreement was in existence. The agreement was signed by the party on 28.02.11. The reasons may please be brought.

**11.4.3** Both the agreements. i.e. agreement no. 06/SM/C&MM/THDC/Tehri/2010/dt. 07.5.10 with M/s C.P. Systems and 47/SM/ C&MM /THDC/2010-11/ dt. 28.02.11with M/s Bharat Construction respectively were prepared by C&MM department. The Budget head M-04 has been mentioned against agreement no. 06 and Budget head Z-09 (O&M) has been shown against Ag. No. 47 for the same work of Execution. Hence, there is ambiguity in the provision of Budget. The works of different heads should not be dealt with in same tender/ contract as DOP provisions are different for different heads. Please comment

**11.4.4** The Balance work of River Bank Protection at outlet area of T-1, T-2 against agreement no. 47/SM/C&MM/THDC/2010-2011/dt. 28.02.11 was awarded to M/s Bharat Construction at risk and cost of earlier contractor i.e. M/s C.P.System. No Contractual and legal action as per the terms of contract conditions against M/s C.P.System was taken by the officials of execution department at the time of awarding the work to M/s Bharat Construction Co. The work of M/s C.P.System was not formally terminated nor has his PG been forfeited before asking M/S Bharat Construction to do the work. No correspondence has been made with contractor after 7 days notice. Reasons may be brought out.

Why the open tendering was not followed for getting the balance work done. Reasons may be The Balance work of River Bank Protection at outlet area of T-1, T-2 against agreement no. 47/SM/C&MM/THDC/2010-2011/dt. 28.02.11 was awarded to M/s Bharat Construction at risk and cost of earlier contractor i.e. M/s C.P.System. No Contractual and legal action as per the terms of contract conditions against M/s C.P.System was taken by the officials of execution department at the time of awarding the work to M/s Bharat Construction Co. The work of M/s C.P.System was not formally terminated nor has his PG been forfeited before asking M/S Bharat Construction to do the work. No

correspondence has been made with contractor after 7 days notice. Reasons may be brought out.

## **12 Record**

### **12.1 Site Record**

#### **12.1.1 Facts in brief**

The execution department has provided the documents related to progress register related to both agreements (**Ref. Annexure-XXI**).

**12.1.2** The test for construction material and concrete cubes were conducted by execution department at testing lab of the department at site. The test results are placed at (**Ref. Annexure- XXII**).

**12.1.3** The test for cement was conducted at Central Material Testing Lab at Koti. The test results are placed at (**Ref. Annexure- XXIII**).

**12.1.4** The structural steel was sent to I.I.T. Roorkee for their testing. The test results are placed at **Annexure-XXIV**.

### **12.2 Observation**

**12.2.1** The test results obtained from site lab, CMT Lab and I.I.T. Roorkee, meets the technical requirements.

## **13 Site Inspection**

### **13.1 Facts in brief**

The site was inspected on 31.03.2011. During the inspection the following have been observed.

**13.1.1** 82.32% (approx) work has been completed. No work was in progress. The department official stated the reasons that the work was held up since 13.03.11 due to break down of Batching Plant, repairing of Chute was in progress.

### **13.2 Observation**

**13.2.1** Undulations were observed on Concrete cladding wall. Hence, it seems that the form works during the placement of concrete was neither in line nor properly braced to prevent the deformation.

## **14.0 Sample collection**

### **14.1 Facts in brief**

**14.1.1** Following construction material were collected from site and sent to the Central Material Testing Lab at Koti for their testing.

- (i)** Cement 43 grade OPC
- (ii)** Sand
- (iii)** Aggregate 5-10mm
- (iv)** Aggregate 10-20mm
- (v)** Aggregate 20-40mm

### **14.2 Observation**

**14.2.1** The test results of above construction material are awaited.

**3. CTE Type Examination of river dredging work at Tehri HPP**



**Investigation Examination of work of River Dredging at TRT's HPP against Agreement No. 03/SM/C&MM/THDC/TH/09-10/Dt. 20.04.2010**

**1. Particulars of work**

**1.1 Name of work**

Agreement No.	:	03/SM/C&MM/THDC/TH/09-10/ Dt. 20.04.2010
Name of the Contractor	:	M/s Bharat Construction, 9 PPCL Colony, Uday Vihar, Haridwar bye Pass Road, Dehradun
Estimated cost	:	Rs. 3,27,37,500.00
Tendered cost	:	Rs. 3,58,42,500.00
Date of start of work	:	23.02.2010
Stipulated date of Completion of Works as per agreement	:	22.05.2010
Present Progress	:	15%

**1.2 Departmental Authorities and Officials in charge of work**

- i). AGM (Power House)
- ii). Sr. Manager (Power House)
- iii). Manager (Power House)
- iv). Engineer (Power House)

## **2. Scope of work**

The subject work comprises river dredging in the outlet area of TRTs of HPP between stilling basin of spillway and flood protection wall of PSP, as spelt out in BOQ, Technical Specification and as per the instructions/satisfaction of Engineer-in-Charge.

The work of river dredging will be carried out along the river during no generation period when the machines are shut. This period will be about 5-6 hrs. per day when the work of river dredging will be carried out.

## **3. Administrative Approval & Expenditure Sanction**

### **3.1 Facts in brief**

Administrative approval for the subject work was accorded by GM (Project) on 10.4.2009 (**Ref. Annexure-I**). The budget for the above work has been kept under the head 'Operation & Maintenance' of Tehri Dam Project. The Financial concurrence of work has been given by Finance deptt. vide F.C. No. 3286 dt. 6.2.2010.

### **3.2 Observation**

#### **3.2.1 Nil.**

## **4. Detailed Estimate & Technical Sanction**

### **4.1 Facts in brief**

Estimate of Rs.387.38 lacs was prepared by Execution deptt. on the basis of CWC guidelines. After checking the estimate, Planning deptt. reduced the estimated cost to Rs. 3,27,37,500.00, which was technically sanctioned vide technical sanction order no. 29/THDC/P&T/07/ E-2 (PH)/ dt. 29.04.09 (**Ref. Annexure-II**).

### **4.2 Observation**

#### **4.2.1 Execution deptt. prepared the inflated estimate which was subsequently reduced by planning deptt. The difference between the estimate prepared by execution deptt. and reduced estimate is Rs. 60.00 lacs. The reasons for preparing the inflated estimate may please be brought out.**

## 5. Design & Drawing

### 5.1 Facts in brief

Execution deptt. has provided the drawing related to the General layout plan indicating therein the proposed River Dredging area. (Ref. Annexure -III)

### 5.1 Observation

#### 5.2.1 Nil

## 6. Tender Documents

### 6.1 Facts in brief

The tender documents comprising of General Conditions of Contract, Special Conditions of Contract and Technical Specifications have been prepared by Contract deptt. & Execution deptt. respectively.

### 6.2 Observation

6.2.1 As per the NIT, the tender submitted by the tenderer shall remain valid for a period of 180 days from the date specified for submission. The subject work, as seen from various document of execution deptt., was of urgent nature and its should be completed within 3 months. Whereas the validity period was kept 180 days i.e. six months. The reasons may please be brought out.

## 7. Pre qualification

### 7.1 Facts in brief

The prequalification criteria formulated are as under:

- i). Average annual financial turn over during last 3 years, ending 31 March 2009 should be at least 30% of estimated cost.
- ii). Experience of having successfully completed similar works individually costing not less than as stated below during last 7 years ending 31 March 2009 should be either of the following:
  - a) Three similar completed works costing not less than the amount equal to 40% of estimated cost.

OR

- b) Two similar completed works costing not less than the amount equal to 50% of estimated cost.

OR

- c). One similar completed work costing not less than the amount equal to 80% of estimated cost.

Definition of Similar works as defined in NIT's is as under:-

Construction/ Maintenance of river valley project and / or construction / maintenance of Hydro Power Plant shall be considered as similar nature of work.

### 7.1.1

## 7.2 Observations

7.2.1 The basis of incorporating the details of equipment alongwith its number in tender documents may please be brought out.

7.2.2 The total value of the equipments is about Rs. 5.50 crores which is more than the work value and the period of execution of work is 3 months only. Therefore, necessity of incorporating the clause in respect of ownership of the equipments may please be explained.

7.2.3 Only the model no. of both the Dozer has been mentioned. Whereas the details in respect of their HP, capacity etc. should have been mentioned in tender documents. Reasons may please be brought out.

## 8. Inviting and Opening of Tenders

### 7.3 Facts in brief

Open tender were invited through e-tendering by publishing the NIT No. THDC/TH/C&MM/2009-10/12 in the following News papers with the approval of GM (Project) under DOP clause no. 38 for publication.

- i) Economic Times dt. 05.08.09
- ii) Amar Ujala dt. 05.08.09
- iii) Rashtriya Sahara dt. 05.08.09
- iv) Hindustan Times dt. 05.08.09

The detailed NIT and complete tender documents were also displayed on THDC web site . The date of sale of the tender document was 04.08.09 to 24.08.09 and the date of receipt of filled tender was 25.08.09 upto 13.00 hrs. through e-tendering. The copy of NIT are enclosed at **(Annexure-IV)**.

Following officers were nominated as the tender committee members:

- i) Sh. Jai Kumar, AGM (C&MM)
- ii) Sh. R.K. Bhatt, AGM (Spillway)
- iii) Sh. J. Behra, Sr. Manager (F&A)

The following two parties uploaded the tender documents within stipulated sale period i.e. from 04.8.09 to 24.08.09 :

- 3 C.P. Systems Pvt. Ltd., Noida.
- 4 M/s Bharat Construction, Dehradun/ New Tehri.

On due date of opening i.e. 25.08.09, Bid details were checked before opening of Techno commercial bids. According to Bid details, it was found that four bidders requested for above tender but only two bidders uploaded the tender. Therefore, due to poor response, said tender was not opened by the committee and decided to extend the opening date of tender. Committee recommended for the extension of 15 days after publication of corrigendum for better competitive rates, which was subsequently approved by GM (Project) **(Ref. Annexure-V)**.

Accordingly, corrigendum against the subject / NIT was published in following News papers . As per corrigendum, the sale of tender documents extended till 21.09.09 and date of bids submission was 22.09.09 upto 13.00 hrs. **(Annexure-VI)**.

- i) The Economic Times dt. 03.09.09
- ii) Amar Ujala dt. 03.09.09
- iii) Rashtriya Sahara dt. 03.09.09
- iv) Hindustan Times dt. 03.09.09

Further, on due date of opening i.e. 22.09.09, following three parties uploaded the tender documents, which were downloaded by the committee.

- i) M/s Sanjay Construction
- ii) M/s C.P. System
- iii) M/s Bharat Construction

#### **7.4 Observation**

**7.4.1** . System may please be explained.

**7.4.2** Some (two) offers were received in the initial date. How the security system in a tendering process are being ensured so that there is no leakage of rates quoted by other bidder.

#### **8. Tender Scrutiny & Award of work**

##### **8.1 Facts in brief**

Techno-commercial part of the bids were open by committee and bids were sent to executing unit for technical suitability. After examining the required documents, submitted by the bidders, executing unit concluded that M/s C.P. System and M/s Bharat Construction are technically qualified but M/S Sanjay Construction did not submit its experience certificates, so its technical suitability can not be considered. Accordingly, C&MM deptt. requested M/s Sanjay Construction to submit the required experience certificate. After obtaining the desired document related to experience certificate, the file sent to execution deptt. for their examination. Execution deptt. on 24.10.09 stated that on examining the documents of Sanjay Construction, the company is found technically suitable. Subsequently, C&MM deptt. on 16.11.09 asked from the execution deptt. to give clear-cut technical suitability considering all technical aspects of NIT. Accordingly, Execution deptt. on 25.11.09 sent the file to C&MM deptt. stating that parties may be asked to submit proof of equipment & Machineries as mentioned in clause no. 7 of Special Condition of contract. The copy of clause no. 7 is enclosed at (**Annexure- VII**).

The documents submitted by the bidders against clause no. 7 of special condition were examined by execution deptt. The comments of the Dy. Manager of execution deptt. are as under:-

- i) Bharat Construction have all the required equipments and machineries. The company have submitted photocopies of ownership documents of all the required machineries.
- ii) Sanjay Construction have only 4 excavators and 3 tippers under its ownership but do not have required dozers, survey instruments and

sufficient dumpers. The documents of 14 no. dumpers submitted by the company show the ownership in the name of other groups, but in his unsigned and unnamed undertaking the company owner declares that he is the owner of all those 14 dumpers including some other equipment not required for the work.

- iii) C.P. Systems do not have any required equipments except one dozer A-155, which is also not in the name of the company, but the company has given an undertaking that all the required equipments (list submitted with undertaking) will be made available for the execution of the work.

The copy of list of equipment & machinery submitted by all the three bidders is enclosed at **Annexure-VIII**.

Comments of Sr. Manager (PH) on the issues are as under :-

“As per above, Bharat Construction have required equipments and machineries as per submitted requisite documents. C.P. Systems have submitted undertaking to make available all the required equipments for the execution of the work. Sanjay Construction have some of the equipments and they have submitted an unsigned and unnamed undertaking for some of the equipments to make them available, but they are still short of some of the equipments like dozers, 5 dumpers, survey instrument etc.

As per clause no.7 of the special conditions of the contract the bidder should have required equipments with proof of ownership. In view of all this, it is recommended that the committee should look into the matter and take a decision on it.”

The file sent to C&MM deptt. on 21.1.10 by Sr. Manager (PH), C&MM deptt. on 22.1.10 asked from execution deptt., that the clear-cut technical suitability may be given on terms and condition of NIT.

Accordingly, execution deptt. stated that as per documents submitted by the bidders only Bharat Construction is technically suitable and recommended to committee to take a decision on it. Accordingly, M/s Bharat Construction was found technically suitable by the committee. The commercial evaluation of M/s Bharat Construction is as under:

Sl. No.	Name of Party	Turn Over	Experience			Remarks
			One work	Two work	Three work	
	As per CVC	98.21 Lacs	261.89 Lacs	163.68 Lacs	130.14 Lacs	
1	M/s Bharat Construction	2813.07 Lacs 6633.13 Lacs Av. 3148.73 Lacs	520.00 Lacs			

The details of turn-over and experience certificates submitted by M/s Bharat Construction is enclosed at **Annexure-IX**.

In view of above committee recommended that price bid of Technically & commercially qualified parties namely M/s Bharat Construction may be opened as single offer against open tender, which was approved by Competent Authority

The price bid of M/s Bharat Construction Company was opened by committee on 28.1.2010 and it was found that party has quoted +23.70 higher than the estimated amount, which is as under:-

Sl. No.	Name of Party	Estimated amount	Quoted Amount	Difference in %	Remarks
1.	M/s Bharat Construction	327.37	405.00	+ 23.71	

Since, M/s Bharat Construction quoted +23.71 higher than the estimated rate, committee decided to call the bidder for negotiation, which was approved by CGM (Project). The copy of approval is enclosed as (**Annexure- X**).

During the negotiation, M/s Bharat Construction party agree to give 11.50% rebate on their quoted rates offered on original price bid. After negotiation, the total cost of the work was Rs.3,58,42,500.00 which was still +9.48% higher than the estimated rates.

Keeping in view the urgency and importance of work as described by executing unit, Committee recommended to award the work in favour of M/s Bharat construction and which was approved by GM (Project). The copy of approval is enclosed at **Annexure- XI**.



## **8.2 Observation**

**9.2.1** After opening of the Techno-Commercials bids, the technical bids were sent to execution deptt. for technical suitability. After examining the bids submitted by bidders, execution deptt. technically qualified M/s Bharat Construction & M/s C.P.System. M/s Sanjay construction was not considered as they had not submitted the experience certificate. Subsequently, on the request of C&MM deptt., M/s Sanjay Construction submitted the experience certificates and on this basis execution deptt. considered M/s Sanjay Construction as technically qualified. After 23 days, C&MM asked from the execution deptt. to give clear-cut technical suitability considering all technical aspects of NIT.

It is mention here that once the execution deptt. technically qualified all the bidders than how C&MM deptt. has arrived to the decision that execution deptt. did not evaluate the bids of bidders considering all technical aspects of NIT. While going through the award files, it is understood that C&MM deptt. knew that the execution deptt. did not evaluate the bids on the basis of proof of ownership of Equipments & Machineries submitted by the bidders, but did not come-out in the file with clear-cut observations. Surprisingly, such an important issue was brought to the notice of execution deptt. after 23 days that to without mentioning the relevant clause of NIT. Please clarify.

**9.2.2** The work was of urgent nature. But, the C&MM Department has taken 6 months time to award the work from the publication of NIT. Hence, the sanctity of the urgency has been defeated. Please clarify.

**9.2.3** The completion period of above mentioned work is 3 months from 23.02.2010 to 22.05.2010. The work was awarded on higher rate then estimated rates to single qualified party on negotiation basis showing the urgency of works before on set of monsoon season. Please clarify..

## **10. Contract Document**

### **10.1 Facts in brief**

The Letter of Award No. THDC/Tehri/C&MM/3095/dt. 08.02.10 along with detailed scope of work were issued to the Contractor (**Ref. Annexure-XII**). Subsequently, agreement was signed on 20<sup>th</sup> April 2010 after depositing the security deposit of Rs. 10,75,275.00 in the form of Bank Guarantee. The B.G. was duly verified by the Finance deptt. Tehri. The work was awarded within the validity period.

### **10.2 Observation**

**10.2.1** While going through the agreement, it has been observed that the para “The tenderers have to submit the proof(s) indicating their ownership with respect to the above mentioned tools & plants & equipments” was not mentioned in the

agreement. However, the same was the part of the NIT. It is pertinent to mention here that two parties were disqualified on the basis of this condition only. Thus the conditions which were published to prospective bidders were subsequently not made part of Contract Agreement. This shows non-transparent working.

Reasons & action taken may please be explained.

**10.2.2** As per the clause no. 7.0 'Validity of Tender' of agreement "The tender submitted by the tenderer shall valid for acceptance for a period of 120 days from the date of specified for submission. Whereas as per NIT, the tender shall remain valid for 180 days for acceptance from the date of opening of Tender. There is a discrepancy between the tender document & agreement. It shows that the causal approach has been kept by C&MM deptt. while preparing the agreement. Reasons & action taken may please be explained. clarify.

**10.2.3** While going through agreement, it has been observed that many pages were not placed properly. This also shows the causal approach of C&MM deptt. while preparing the agreement. Action taken may please be intimated.

**10.2.4** As per clause 8.0 'Contract Agreement' of Agreement, "Tenderer shall enter into a contract agreement with Owner within 15 days from the date of issue of LOI/ Letter of Award. The agreement shall be signed at the office of the Owner on date and time to be mutually agreed". Whereas the agreement was signed after 01 months & 13 days from the date of issue of Letter of Award. The undue benefit has been given to the contractors i.e. for furnishing the performance Guarantees after 1 month. The reason for not signing the agreement in time may please be intimated.

**10.2.5** As per NIT, the provision for excavator bucket capacity (1.5 cum) was 02 nos. However, in the agreement it has been mentioned 01 no. only. Reason and action taken may please be intimated.

**10.2.6** The conditions published through tender documents issued to bidders should from part of the agreement whereas in this case it has not been done. The reasons and action taken may please be intimated.

**10.2.6** The tender documents issued to bidders should unfailingly be formed part of the agreement whereas in this case the procedure has not been followed. The reasons and action taken may please be intimated.

## **11 payment to Contractors**

### **11.1 Facts in brief**

No payment has been made to the contractor till the date of inspection of work.

## **Records**

### **12. Site Records**

#### **12.1 Facts in brief**

The execution deptt. has provided the documents related to details of equipment deployed for disposal of muck (**Ref. Annexure-XIII**).

### **13. Site Inspection**

#### **13.1 Facts in brief**

The site was inspected on 07.06.10 & 8.06.10 respectively. During the inspection the following have been observed.

**13.1.1** The date of start and date of completion of work were 23.02.2010 and 22.05.2010. The work was inspected in the month of June and at that time only 15% work was completed.

**13.1.2** Before starting the work of river dredging, the initial R.L. were recorded in measurement book was obtained from execution deptt. (**Ref. Annexure-XIV**) by executing unit at D/S and U/S side between Ch. -25m to -460m & Ch. +55m to +75 m respectively. The R.L. between Ch. +55m to +75m were checked and found correct.

**13.1.3.** The excavated material from river dredging is being dumped at Village Chopra, which is 3.7 Km far from the site.

**13.1.4.** Contractor has provided the certificate of insurance of miscellaneous and special type of vehicles from 15.5.2010 to 14.5.2011. The copy of the same is enclosed at **Annexure-XV**.

**13.1.5** The equipments and machineries deployed at site by the contractor have been mentioned below:-

i.	Excavator	02 Nos.
ii	Dozer-. (At dumping yard.)	01 No.
iii	Dumper (25T)	12 Nos.
ii.	Water tanker	01 No.
iii.	Total Station(Survey instrument)	01 No.

## **13.2 Observation**

### **13.2.1.**

**13.2.4** As per the agreement, contractor has to provide full time Safety Engineer at site to prevent the accident. During the inspection no Safety Engineer was available at site. Please clarify.

**13.2.5** It has been observed that the materials / boulders coming out from the work of dredging are being dumped in the Chopra Village. Villagers of Chopra are taking out the boulders and selling to private contractors who are doing the work of retaining walls. It is suggested that execution deptt. may take the boulders in their custody so that the same can be used for up-coming works of THDC.

## **14.0 Compliance of Commission's circular Regarding leveraging technology.**

### **14.1 Observations:-**

**14.1.1** It is learnt that NIT is being uploaded in website of THDCIL but is not uploaded in NIC portal tender gov. in .Reason may be brought out alongwith action proposed to be taken for compliance in future.

**14.1.2** Action taken for e-payment may be brought out evidence that the contractors are being given option for payment through electronic means may be brought out.

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