

RCF/DEBARMENT/HERCULES/2223/148

03.04.2026

निदेशक (त.) के कार्या. में प्राप्त

सं. 204 दि. 28.4.26
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Subject: Approval for Debarment of M/s. Hercules Mechanical Works for a period of Two (2) years due to non-performance & non-addressing of execution/contract related compliance issues.

References:

1. Work order No ET-CC-E/UREA/EOT CRANE/64/2223-148 Dt: 22.04.23 (Pg. 157-163)
2. Our E-mails dtd 10.07.2025, 18.07.25, 30.07.25, 22.08.25, 08.09.25, 06.10.25, 13.10.25, 15.10.25, 06.12.2025, 16.01.2026 and 17.01.2026
3. Warning letter CONTRACT CELL/WARNING LETTER/ HERCULES/2025/01 Dt:15.10.25 (Pg. 174)
4. Show Cause Notice CONTRACT CELL/NON-PERFORMANCE/HERCULES/2024/04 Dt: 12.11.2025 (Pg. 188-189)
5. User note Urea/Electrical/2026/02/25/01 dated 25.02.2026 (Pg 198-199)

A. Background:

The referred work order was placed on M/s. Hercules Mechanical Works on single techno commercially suitable bidder basis for Retrofitting of Safe Area EOT Crane to FLP EOT Crane in HP Pump Bay suitable as per Hazardous Area Classification in Urea Plant of RCF Trombay Unit, Chembur, Mumbai for contract value of ₹ 30,85,800.30 Plus taxes (₹ 26,15,865.30 plus taxes for retrofitting jobs and ₹ 4,69,935.00 plus taxes for CAMC job post expiry of guarantee/warranty period). The work order validity was till 21.04.2025. The retrofitting job was completed on 21.04.2025. As per the work order, the guarantee/warranty period is one year from the date of completion, i.e., up to 21.04.2026.

M/s. Hercules Mechanical Works was communicated via email dtd 10.07.2025, 18.07.2025, 30.07.2025, 22.08.2025, 08.09.2025, 06.10.2025, 13.10.2025 and 15.10.2025 to carry out maintenance job under guarantee & warranty period of retrofitting jobs as per referred work order since July 2025. However, M/s. Hercules Mechanical Works have been delaying by committing extending dates for attending maintenance job under the referred work order.

B. Present status:

A warning letter dtd 15.10.2025 (Pg. no. 174) was issued to M/s. Hercules Mechanical Works to attend maintenance job as per referred work order within 48 hours of receipt of the warning letter.

Vide email dtd 18.10.2025 (Pg. no. 176), M/s. Hercules Mechanical Works have committed that the work shall be started by 24.10.2025. However, work was not started on the committed date of 24.10.2025 as intimated by user vide their email dtd 24.10.2025. (Pg. no. 177).

Furthermore, since 27.10.2025, M/s. Hercules Mechanical Works have been delaying on the issue of gate pass preparation even when gate pass was issued earlier during execution stage. (Pg. no. 178-183)

M/s. Hercules Mechanical Works have been delaying subject job since July 2025 by committing new dates and till date the job has not been attended.

Hence, on due approval of the competent authority, a show cause notice CONTRACT CELL/NON-PERFORMANCE/ HERCULES /2024/04 Dt: 12.11.2025 was issued to M/s. Hercules Mechanical Works







Vide show cause notice CONTRACT CELL/NON-PERFORMANCE/ HERCULES /2024/04 Dt: 12.11.2025, M/s. Hercules Mechanical Works was informed to give explanation within one week from the date of issued this notice. If the M/s Hercules Mechanical Works fails to reply within stipulated time period of one week or explanation is not found to be satisfactory, then name of M/s. Hercules Mechanical Works shall be proposed for debarment and their name shall be put on Holiday list and displayed on RCF Ltd. website. Depending on the outcome of the show cause notice, it shall also be proposed for, not to consider M/s. Hercules Mechanical Works bids for current ongoing tenders and for future upcoming tenders in all units of RCF [Pg. 188-189].

And,

As per the Disciplinary Measures mentioned in the NIT (ANNEXURE-V- Clause 1.a) as agreed by you in the tender :-

An Agency can be put on 'holiday list', for a minimum duration of one year and up-to a maximum period of three years by RCF Ltd: -

- a) In case of non-performance or poor performance, unsatisfactory performance, no response consistently with respect to delivery, not meeting delivery schedule, poor quality and workmanship despite repeated request to improve performance.

Additionally, following action may be taken as per the Disciplinary Measures mentioned in the NIT (ANNEXURE-V- Clause 3) as agreed by you in the tender:-

In-case the Agency is put on Holiday list or on blacklist or gets delisted, EMD and SD, if any, submitted by the Agency shall stand forfeited. EMD/SD/PBG/available balance of other contracts of the same Agency shall also be considered for forfeiture, for the recovery towards any risk and cost amount, if applicable

In response, vide mail dtd. 14.11.2025 M/s Hercules Mechanical Works mentioned

-Quote

This has reference to your various email and various notice regarding rectification of EOT Crane.

To follow the normal procedure of RCF for gate pass PVC is required.

Looking to above facts we had humbly requested on receipt of 1st notice that PVC will take time because we have shifted to ambarnath & workers are coming from thane as well as PVC required native place address/ verification from native place, hence we requested to give us 2 days pass as you have given at time of erection for rectification of panel as well as CT motion.

At that stage you said, PVC is compulsory, get it done at earliest.

Accordingly, we have completed the procedure & awaiting the PVC of the worker/s.

Once again our humble request rectification is of 2 days time hence give us the 2 days pass & not to wait for PVC.

[Handwritten signatures and initials at the bottom of the page, including 'hs 314', 'Raj', and others.]

Needless to say due to PVC our work is held up & if our person/s leaves for hyderabad for erection work of Bharat Dynamics EOT Crane, your work shall be done on 25.11.2025 afterwards.

-Unquote

As per contractor's request, additional time i.e. up to 25.11.2025, for resolving/addressing of issues as per email request, was given to contractor M/s Hercules Mechanical Works.

However, the contractor has not resolve/addressed the issues even in the extended time after reminder mails dtd 06.12.2025, 16.01.2026. and 17.01.2026. (Pg. 195 BK- 197 BK)

Even after several reminders, M/s Hercules Mechanical Works's performance has not improved and till date the job has not been attended. Therefore, this is considered as non-compliance with the terms and conditions of the relevant bid document as per the Disciplinary Measures mentioned in the NIT (ANNEXURE-V of NIT)

C. Committee Deliberation:

Committee deliberated on followings:

- i. M/s Hercules Mechanical Works was given the job of for Retrofitting of Safe Area EOT Crane to FLP EOT Crane in HP Pump Bay suitable as per Hazardous Area Classification in Urea Plant of RCF Trombay Unit, Chembur, Mumbai vide Work Order No ET-CC-E/UREA/EOT CRANE/64/2223-148 Dt: 22.04.23 for contract value of ₹ 30,85,800.30 Plus taxes (₹ 26,15,865.30 plus taxes for retrofitting jobs and ₹ 4,69,935.00 plus taxes for CAMC job).
- ii. The work order validity was till 21.04.2025. The retrofitting job was completed on 21.04.2025 (copy of Minutes of Meeting attached, Pg. 164BK).
- iii. Separate CAMC work order was to be placed for the period of two years Post expiry of the successful guarantee & warranty period of retrofitting jobs as per already accepted CAMC scope and terms and conditions published along with this tender and at the approved rates.
- iv. As per the work order, the guarantee/warranty period is one year from the date of completion, i.e., up to 21.04.2026.
- v. During the guarantee/warranty period till date, M/s Hercules Mechanical Works has failed to perform any preventive maintenance activity and has not attended the EOT Crane breakdown issues intimated by call / mail.
- vi. Additionally, the M/s Hercules Mechanical Works consistently neglected to complete proper gate pass formalities and PVC (Police Verification Certificate) for the deputation of manpower to attend the issues, despite repeated communications and commitments from their own side. The M/s Hercules Mechanical Works has been observed to provide misleading information in all communications

The bottom of the page contains several handwritten signatures and initials in blue ink. From left to right, there is a large 'P', a signature with '3/4' below it, another signature with '2/1' below it, a signature with 'Raj' below it, a signature with '23.12.25' below it, a signature with '21' to its right, and a signature with 'Mang' to its right. There is also a circular stamp with a signature inside it.

- vii. The contractor been delaying subject job since July 2025 by committing new dates and gate pass preparation. Till date the job has not been attended.
- viii. Warning letter was issued to M/s Hercules Mechanical Works on dt. 15.10.2025. In reply M/s Hercules Mechanical Works informed to depute manpower by 24.10.2025. User dept. vide their email dtd 24.10.2025 informed that M/s Hercules Mechanical Works has not responded.
- ix. Show Cause notice was issued to M/s Hercules Mechanical Works on dt. 12.11.2025 vide email. In reply M/s Hercules Mechanical Works informed to depute manpower by 25.11.2025. However, the contractor has not resolved/addressed the issues even after follow up reminder emails dtd 06.12.2025, 16.01.2026 and 17.01.2026. (Pg. 195 BK- 197 BK)
- x. User department vide their letter Urea/Electrical/2026/02/25/01 dtd 25.02.2026 has suggested
 - a. To initiate suitable action against the M/s Hercules Mechanical Works as per the terms and conditions of the work order in view of the above non-performance and non-compliance.
 - b. Not to issue the further CAMC work order to M/s Hercules Mechanical Works due to the vendor's poor performance and non-compliance during the warranty period
 - c. To initiate a fresh open tender process for AMC of FLP EOT Crane in HP Pump Bay suitable as per Hazardous Area Classification in Urea Plant of RCF Trombay Unit, Chembur, Mumbai

In view of the above, this is considered breach of terms and conditions of the contract. Action against M/s Hercules Mechanical Works shall be taken as per ANNEXURE-V of the NIT - DISCIPLINARY MEASURES: Procedure for action against an Agency in case of corrupt / fraudulent/ collusive / coercive practices and persistent poor performance / un-satisfactory performance.

- Sufficient time and opportunity has been given to M/s Hercules Mechanical Works to improve the performance, resolve the contract related non-compliance issues & to also represent against such debarment process.
- Hence, debarment is proposed for limited to only RCF [i.e. for RCF Trombay, Thal and Marketing] thereby banning all business dealings with M/s Hercules Mechanical Works.

D. Committee Recommendations:

In view of the above, following is proposed:

- i. To debar the firm M/s Hercules Mechanical Works limited to all units/departments of RCF [i.e. for RCF Trombay, Thal and Marketing] for a period of two (2) years from date of approval of this note as the CAMC period is for two years (22.04.2026 to 21.04.2028) and publish their name on RCF website in debarment listed M/s Hercules Mechanical Works.








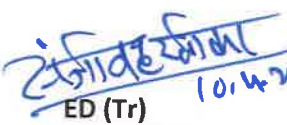


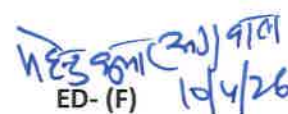
- ii. Offer submitted by M/s Hercules Mechanical Works for current tenders under evaluation process & future tenders at RCF Trombay, Thal and Marketing, during their debarment period shall not be considered.
- iii. Not to issue the further CAMC work order of basic value of ₹ 4,69,935 plus taxes to M/s Hercules Mechanical Works as per Work order No ET-CC-E/UREA/EOT CRANE/64/2223-148 Dt: 22.04.23 due to the vendor's poor performance and non-compliance during the warranty period
- iv. To forfeit Security deposit (3% of WO value as per NIT amounting to ₹ 78,476.00) of M/s Hercules Mechanical Works from subject WO ET-CC-E/UREA/EOT CRANE/64/2223-148 Dt: 22.04.23.
- v. Other contracts concluded (awarded) before the issue of the debarment order to M/s Hercules Mechanical Works shall, not be affected by the debarment Order.

Submitted for kind approval as per ANNEXURE-V of the NIT - DISCIPLINARY MEASURES: Procedure for action against an Agency in case of corrupt / fraudulent/ collusive / coercive practices and persistent poor performance / un-satisfactory performance


"We the members of the Tender Committee give an undertaking that we do not have any Personal interest in the companies / agencies participating in the tender process".



 ED (P&CC)
 (M. Ramesh)
 8/4/26



 ED (Tr)
 (Sanjeev Harlikar)
 10/4/2026


 ED- (F)
 (M.K. Agrawal)
 6/4/26


 ED (Legal & CS)
 16/4/26


 D(T)
 8/5/26


 D(F)
 12/5/26


 CMD
 12/5/26


 3/4/26




 03/04/26