

Madhya Pradesh Urban Development Company Limited

(CIN No. U75110MP2015SGC034139)

(Department of Urban Development and Housing, Government of Madhya Pradesh)

Project Management Unit

No./PMU/ENGG/3F,5C& 3A/2026/ ...

1429

Bhopal, Dated ...7.../03/2026

To,

M/s South Gujarat Construction Co. Pvt. Ltd. and
M/s Engineering Professional Co. Pvt. Ltd. (JV)
201, Third Floor, Blue Ribbon,
Opp. V R Mall, Near Harmony Residency,
Vesu, Surat (Gujarat) - 395007

Email: epcsg18@gmail.com

Sub: Regarding Blacklisting – Package No.MPUSIP-3F: Improvement to Water Supply Services in Athana Nagar Parishad in Neemuch District in Madhya Pradesh,
Package No. MPUSIP-5C: Improvement to Water Supply Services in Chand Nagar Parishad in Chhindwara District in Madhya Pradesh,
Package No MPUSIP-3A: Improvement of Water Supply in Kukdeshwar, Nayagaon and Sarwaniya Maharaj Nagar Parishads in Neemuch District and Nagri Nagar Parishad in Mandsaur District in Madhya Pradesh

Ref: (for Package 3F)

1. LOA vide letter no. PMU/ENGG/2020/1847 dated 04.03.2020.
2. NTP vide PM, PIU, Ujjain letter no. PIU/UJN/3F/2020/790 dated 15.09.2020.
3. Show Cause Notice for Blacklisting vide letter no. PMU/ENGG/3F/2025/8430 dated 11.12.2025.
4. This office letter no.37 dated 02.01.2026

(for Package 5C)

5. LOA vide letter no. PMU/ENGG/ADB/2019/8302 dated 25.10.2019.
6. Notice to Proceed vide letter no. 096/MPUDCL/2019 dated 31.01.2020.
7. Show Cause Notice for Blacklisting vide letter no. PMU/ENGG/5C/2025/8232 dated 04.12.2025.

(for Package 3A)

8. Notice of Award vide PMU/ENGG/2018/463 Dated 5.02.2018.
9. Notice to proceed vide PM, PIU letter no PIU/IND/3A/1477 Dated 5.03.2018.
10. Show Cause Notice for Blacklisting vide letter no. PMU/ENGG/3A/2025/8432 dated 11.12.2025.
11. MOM of the Meeting dated 11.09.2025 chaired by MD(MPUDC) and issued vide no. 7106 dated 17.09.2025.
12. Contract Review Meeting held on 31.01.2026 under chairmanship of MD, MPUDC, (MoM issued vide letter no. 742 dated 03.02.2026).
13. PM, PIU Ujjain letter no. PIU/Ujjain/2026/65 dated 18.02.2026
14. This office letter no.1011 dated 19-02-2026 for convening meeting on 20.02.2026
15. Letter of Blacklisting vide letter no. PMU/ENGG/3F,5C&3A/2026/1111 dated 25.02.2026.

Amarkantak Bhawan, Press Complex, Zone-1, M.P. Nagar, Bhopal-462004

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The above- two packages **MPUSIP-3F** and **MPUSIP-5C** were awarded to your firm, **M/s South Gujarat Construction Co. Pvt. Ltd. & M/s Engineering Professional Co. Pvt. Ltd. (JV)** and one package **MPUSIP-3A** was awarded to your firm **M/s Engineering Professional Co. Pvt. Ltd & M/s South Gujarat Construction Co. Pvt. Ltd (JV)** on **04.03.2020, 25.10.2019** and **05.02.2018** respectively, with a scheduled completion date of **27.01.2023, 12.06.2022** and **02.07.2020** respectively. Despite repeated reminders, extensions, and continuous support, your firm has failed to execute and complete the Design & Build works within the stipulated timelines.

It is a matter of serious concern that even after a span of five to Six years, the progress of work for the awarded Package 3F, 5C and 3A remains grossly unsatisfactory despite continuous correspondence, repeated directives, and multiple notices issued by this office. Despite the passage of time, no substantial progress or improvement has been observed to date.

As per PCC Clause 9.2, you were required to complete the Design & Build works of all awarded packages within 850 days from the date of commencement of Packages 3F, 5C and 3A. The failure to adhere to this contractual timeline constitutes a material breach of contract.

Package-wise Progress as on 31.01.2026

1. MPUSIP-3F

S. No.	Activity	Status
1	Date of Commencement	29.09.2020
2	Schedule date of Completion	27.01.2023
3	1 st Time Extension till	30-06-2024
4	2 nd Time Extension till	31-03-2025
5	Elapsed Days till 31.01.2026	1950
6	Percentage time elapsed	230%
7	Percentage time remaining	-
8	Physical Progress	58 %
9	Financial Progress	49%

2. MPUSIP-5C

S. No.	Activity	Status
1	Date of Commencement	13.02.2020
2	Schedule date of Completion	12.06.2022
3	1 st Time Extension till	30-10-2022
4	2 nd Time Extension till	30-09-2023
6	Elapsed Days till 31.01.2026	2179
7	Percentage time elapsed	256%

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8	Percentage time remaining	-
9	Physical Progress	67 %
10	Financial Progress	51.39%

3. MPUSIP-3A

S. No.	Activity	Status
1	Date of Commencement	05.03.2018
2	Schedule date of Completion	02.07.2020

Town wise progress details as submitted by PM-PIU are as under:-

S.No.	Package	Town	Physical Progress	Financial Progress
1.	MPUSIP-3A	Kukdeshwar	72%	80%
2.		Sarwaniya Maharaj	93%	90%
3.		Nayagaon	90%	85%
4.		Nagri	77%	87%

Town-wise Pending Works status under package MPUSIP-3A is as under:-

Nayagaon:

- Raw water pump installation at WTP site
- Flow meter installation at raw water rising main
- Plinth protection, drainage, approach & internal road CC
- SCADA system & finishing works at WTP
- OHT (200KL & 100KL) finishing
- Distribution network (CC dismantling, excavation, laying, refilling, road restoration, carriageway) – pipeline pending at Jawad Road
- HSC connections at Jawad Road
- Valve installation & valve chamber construction

Sarwaniya Maharaj:

- Compound wall, tiling, painting, sanitary fittings & pump house finishing
- Flow meter & 1 standby raw water pump installation
- Plinth protection, drainage, roads, SCADA system, boundary wall, finishing works, transformer installation
- CWRM 100 m from pump house to OHT
- OHT construction (bottom slab, dome, tank wall, 30% staircase)
- Distribution network & HSC connections
- 124 Valve Chambers Construction
- Filling of WTP campus

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Nagri:

- WTP structures incomplete, clear water pumps, transformer, 11 KV line pending
- RWRM: proper DI pipe fixing at intake approach bridge
- CWRM: 55 m laying
- Distribution network incomplete, jointing pending
- HSC connections and testing pending
- Mechanical works, pump installation, finishing, standby raw water pump
- Valve installation & chamber construction (only 9 valves installed)

Kukdeshwar:

- Raw water pumps at Devri-Somiya intake well, HT feeder line 500 m supply + 1.10 km installation
- Connection with aerator 267 m
- Admin building structure 100%, electromechanical 50%, plinth protection, drainage, CC approach & internal roads, finishing, painting, PLC SCADA installation
- CWRM: 53 m to OHT remaining
- OHT (400KL & 150KL) pipe fittings, valve installation, valve chambers, railing & ladder fixing, painting
- Distribution network 8116 m (75mm-4617m, 110mm-2309m, 160mm-870m, 225mm-281m, 250mm-39m)
- HSC connections
- Valve installation & chambers
- Approach road from intake to Khankheri.

It is pertinent to note that during the ADB Review Meeting dated 14.11.2024 (MOM vide 9515 dated 25.11.2024), your firm committed to commissioning all four towns namely Kukdeshwar, Nayagaon, Sarwaniya Maharaj and Nagri by 24.12.2024, which you have failed to honor. In view of this and your continued poor performance, your conduct constitutes persistent failure to complete the work within contractual timelines, abandonment or stoppage of work without justification, breach of contract including PCC Clause 9.2 (850-day completion), read with GCC Clauses 9.2 and non-compliance with repeated notices and instructions to rectify deficiencies.

Vide this office letter no.37 dated 02.01.2026, your firm was called for hearing on 12.01.2026 for package **MPUSIP-3F** and vide this office letter no.1011 dated **19.02.2026**, your firm was called for hearing on **20.02.2026** for package **MPUSIP-3A** against the SCNs/ Notices issued to your firm as well as progress review but the stated meeting was not attended by you as well as by any of your authorized representative which shows negligence on your part. Also, response to the SCN/ Notice issued is not submitted by your firm. **Hence, sufficient opportunity has already been provided to your firm.**

It is pertinent to mention here that in the workshop cum review meeting held under the Chairmanship of MD (MPUDC) on **31.01.2026** referred at s.no.11, **15 days time has been given to**

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your firm for Package MPUSIP-3A to improve progress of work by deploying resources and if the progress does not improve then the project will be Terminated. Project Manager, PIU, Ujjain in his letter referred at s.no.13 has stated that inspite of this 15 days waiver time from 31.01.2026, the work has not been started on site till 18.02.2026 and the work has been completely stopped since 30.06.2025.

Project Manager, PIU, Ujjain vide letter no.65 dated 18.02.2026 has also recommended the Termination of Contract for package MPUSIP-3F as well as MPUSIP-3A along with the Blacklisting of your firm citing poor performance of work and further informed that the work of sump well has not been started till 18.02.2026 and the work of OHT is stopped at Ground Level from June-2025 and further informed that the work (under package MPUSIP-3F) has been completely stopped from 30.06.2025. In the workshop cum review meeting held under the Chairmanship of MD(MPUDC) on 31.01.2026, the CMO of Athana mentioned that the work has been stopped since July 2025 and present rate of progress shows that the work cannot be completed in two months as promised by the Contractor.

Despite substantial financial expenditure, critical works remain incomplete, preventing commissioning.

The subjected package 5C have been reviewed during ADB Mission Midterm Review Meeting held on 26.08.2025 and directions were given to expedite the works. You have promised to start the work from 01.03.2025 in the review meeting held on 10.02.2025. But there is no deployment of manpower at site till date, thus no tangible improvement has been observed which shows your apathy towards the project.

Your attention is drawn to the Show Cause Notices dated 11.12.2025, 04.12.2025 and 11.12.2025 (Ref. 3, 7 & 10), wherein you were categorically directed to submit your replies by 29.12.2025, 16.12.2025 and 29.12.2025 respectively, allowing approximately 14 days in each case. Despite being afforded sufficient opportunity, you have failed to submit any reply to the said Show Cause Notices within the stipulated time. No explanation or justification has been received from you up to the date of passing of this order. Accordingly, the matter has been decided on the basis of the available records.

In case of Package 5C, as per your letter dated 18.12.2025, it has been requested to grant a final opportunity to complete the balance works under the package. However, such opportunities have already been granted to you so many times, but you have not initiated any work in the past one and a half years, which is not acceptable.

Progress was also reviewed by the Managing Director, MPUDC, on 11.09.2025, during which you committed to completing the work by 31st December 2025. Despite this commitment, no activity has commenced at the site, and no response has been received from your side. Although a revised work plan was submitted on 25.08.2025, again indicating completion by 31.12.2025, there has been no actual mobilization at the site. Multiple reminders and notices have also gone unanswered. You

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have repeatedly failed to honor the commitments made during various review meetings. These actions constitute a serious breach of contract and non-compliance with repeated corrective instructions given under GCC Clause 15.1. Such failure has caused serious prejudice to public interest by delaying provision of essential water supply services.

The work progress was once again reviewed by the Managing Director, MPUDC, on 12.12.2025, during which it was apprised that no work has been carried out at site for the past two years. The CMO Chand also raised serious concerns regarding the complete lack of progress and the pending balance road restoration. This continued non-performance has gravely affected public interest, as the residents of Athana and Chand Nagar Nagar Parishads have been deprived of safe drinking water. The continued non-performance has adversely affected public interest by depriving residents of Athana and Chand Nagar Parishads of safe drinking water, thereby justifying immediate penal action.

Looking to the non-performance attitude of the Contractor of Package 3F and 3A, and slow progress of works, Collector, Neemuch District, vide letter no. 10 dated 5.01.2026 has recommended to terminate and Blacklist the contractor. Similarly, Collector, Chhindwara District vide letter no. 428 dated 8.01.2025 has also recommended to terminate and Blacklist the contractor of package 5C for non-performance attitude of the Contractor and slow progress of works.

In view of taking into account your continued poor performance, non-deployment of adequate resources to complete the works, non-achievement of milestones, the citizens of the respective **ULBs Athana, Chand, Kukdeshwar, Nayagaon, Sarwaniya Maharaj and Nagri** are deprived of safe drinking water. Your actions constitute persistent failure to complete the works within the contractual timelines, unjustified abandonment or stoppage of work, and breach of contract, including non-compliance with PCC Clause 9.2 read with GCC 9.2, as well as repeated failure to adhere to notices and instructions issued for rectification of deficiencies.

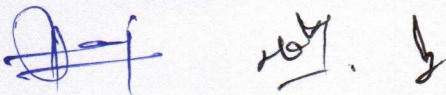
This action is taken in exercise of powers conferred under Order No. 11240/PMU/MPUDCL dated 17-12-2021, the contractor i.e. "M/s South Gujarat Construction Co. Pvt. Ltd. (Registration no.-EB01022) & M/s Engineering Professional Co. Pvt. Ltd. (Registration no.-EA01065) (JV)" individually stand blacklisted from the date of this letter for a period of Three (3) years.

During this period the following restriction shall remain in force against the Contractor:

1. The Contractor shall not be entitled to participate in his own name or any of its partner's name, as joint venture, in any future bids invited by MPUDCL.
2. The Contractor shall not be allowed/ permitted to purchase bidding form, for any future bid of MPUDCL.

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Page 6 of 7



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3. In case any bid is received in any form from the contractor, shall be treated as ineligible.
4. No contract of any kind whatsoever shall be placed to contractor including its allied firms after the issue of blacklisting order by MPUDCL.

(Shailendra Shukla)

Deputy Project Director (Tech.)
MPUDC

No./PMU/ENGG/3F,5C& 3A /2026/ ... 1430,

Bhopal, Dated 17.../02/2026

Copy to:

1. Managing Director, MPUDC, Bhopal for information
2. Additional Managing Director, MPUDC, Bhopal for kind information.
3. Engineer-in-Chief, MPUDC Bhopal for kind information
4. Engineer-in-Chief, UADD Bhopal for information please.
5. Finance Controller, MPUDC for information.
6. Chief Engineer Planning & Budget (State Registration Officer) Office of the Engineer-in-Chief, PWD, Nirman Bhawan, Arera Hills, Bhopal for information.
7. Project Manager, PIU, Ujjain, for necessary action.
8. Project Manager, PIU, Chhindwara, for necessary action.
9. Team Leader, PMDSC, Bhopal, for necessary action.
10. ACM (PMDSC), Jabalpur & Ujjain, for necessary action.

Deputy Project Director (Tech.)
MPUDC