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IATIONAL HIGHWAYS & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD. Ainistry of Road Transport & Highways, Government of India 'ARKSIDE Building, 1st Floor lear BSNL, Barik, Shillong Aeghalaya- 793001 :-mail:edp.shillong@nhidcl.com



BUILDING INFRASTRUCTURE - RUIN DING THE NATION

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No.NHIDCL/RO-SHG/S-D/BS/2021/357/ 797 .

Dated: 13.07.2021

M/s Real Concept, Station Feeder Road, Opp. Syndicate Bank Siliguri- 734005 Distt. Darjeeling (West Bengal) Emai: <u>mailmkandoi@gmail.com</u>

Sub: Providing & installation of road safety measures by fixing of traffic signboard, Construction of metal beam crash barrier, road studs & road marking of Shillong-Dawki road of NH-40 in the state of Meghalaya: Termination of Contract -Reg

Without Prejudice

Ref: (i) Your letter no. RC/NHIDCL/SH/14/2020-21 dated 24.06.2021

(ii) Your letter no. RC/NHIDCL/SH/13/2020-21 dated 07.06.2021

(iii) Your letter no. RC/NHIDCL/SH/11/2020-21 dated 19.05.2021

(iv) RO, NHIDCL letter no. NHIDCL/RO-SHG/S-D/BS/2021/357/614 dated 12.05.2021

(v) Your letter no. RC/NHIDCL/SH/10/2020-21 dated 19.04.2021

(vi) RO, NHIDCL letter no. NHIDCL/RO-SHG/S-D/BS/357/412 dated 19.03.2021

(vii) PMU letter no. PMU-MAWKYRWAT/Road Safety/Real Concept/2703 dated 18.03.2021

- (viii) Your letter no. RC/NHIDCL/SH/09/2020-21 dated 14.03.2021
- (ix) PMU letter no. PMU-MAWKYRWAT/Blackspot/2634 dated 04.03.2021
- (x) PMU letter no. PMU-MAWKYRWAT/Blackspot/2564 dated 14.02.2021
- (xi) PMU letter no. PMU-Mawkyrwat/Blackspot/2500 dated 25.01.2021

(xii) Contract Agreement signed on 12.12.2020

(xiii) RO, NHIDCL letter no. RO/M-S/Tender/BS/S-D/2020/593/6081 dated 22.10.2020

Sir,

WHEREAS, Letter of Award (LOA) for the work of "Providing & installation of road safety measures by fixing of traffic signboard, Construction of metal beam crash barrier, road studs & road marking of Shillong-Dawki road of NH-40 in the state of Meghalaya on 22.10.2020 by National Highways & infrastructure Development Corporation Limited (NHIDCL) (hereinafter referred as the "Authority");

2. WHEREAS, the Contract Agreement was signed between M/s Real Concept (Contractor) and the National Highways & Infrastructure Development Corporation Limited (NHIDCL) (Authority) on 12.12.2020.

3. WHEREAS, as per the Contract Agreement, the work was to be completed within three months, however, in complete disregard to the completion period, even after lapse of 03 months after signing of the Contract Agreement, the work has not been commenced at site. Moreover, the Contractor has failed to mobilize its manpower and machineries at the site.

4. WHEREAS, the number of times the Authority requested the contractor to start the work and mobilize required man-power and machineries at site at the earliest. However, despite repetitive requests, the contractor has not started the work and has abysmally failed to maintain the standard of

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service and forgotten ensure timely completion of the contract's work required for the subject work as per the terms & conditions of the Contract Agreement.

5. WHEREAS, NHIDCL vide letter under ref no (ix) and (x) issued Show Cause Notices to the Contractor for such inordinate delay in the subject work and the Contractor was requested to submit its reply to the show cause Notice within 07 days. However, the contractor has submitted the reply to the Show cause notices, moreover, contractor has used Covid-19 as an excuse to hide the failure of non-deployment of manpower & resources within the time frame. This establishes the casual approach of the contractor in executing the subject work, when time is the essence of the Contract.

6. WHEREAS, despite the Authority's various verbal directions no improvement was observed in the performance of the work, further with only 12 days left for the contract period, negligible quantum of works were executed at site which was without prior approval of concerned PMU. Hence, Show Cause Notice was issued vide letter dated 04.03.2021, for placing the agency in the negative list and levying a non-refundable penalty of Rs. 50,000/-, on account of delayed execution of work and non-submission of relevant documents/test reports etc.

7. WHEREAS, Contractor vide letter dated 14.03.2021 at ref (viii) above, has requested extension of completion date by 30 days from the stipulated date of completion i.e. 13.03.2021, without any plan for completing the work or any sincere justification for the extension.

8. WHEREAS, NHIDCL vide its letter dated 18.03.2021 & 19.03.2021, has issued a final notice and recommended the extension of time for a period of 16 days i.e. upto 28.03.2021 for completion of work, otherwise the firm will be placed in the negative list of the Authority/NHIDCL.

9. WHEREAS, Contractor vide letter dated 19.04.2021 has again used Covid-19 as an excuse and further requested for extension of the completion period to 31st May 2021. Accordingly, our office has issued show cause notice to your office vide letter dated 12.05.2021 at ref (iv) wherein the lapses and delays on the part of the agency were elaborated and it was mentioned that "the *NHIDCL hereby extends final chance to complete the contracted work by 31st May 2021 as committed by your firm vide letter RC/NHIDCL/SH/10/2020-21 dated 19.04.2021. Failing which the contract will be cancelled and firm will be placed in the negative list for 02 years. PBG will be forfeited as per CA Clause"*

10. WHEREAS, Contractor vide letter dated 19.05.2021 at ref (iii) above, has replied to the Show cause notice. Accordingly, this office has examined the reply received from the Contractor and found it to be unjust and unreasonable.

11. Further Contractor vide letter dated 07.06.2021 at ref (ii) above, has again requested for the extension of time till 30th June 2021 for completing the works and balance activities, stating the restrictions imposed in view of Covid-19 cases. However, this office has no reasons to agree & recommend your request for EoT due to your repeated reluctance and indifference behavior towards the work and directions of the authority.

12. WHEREAS, NHIDCL vide its letter dated 25.01.2021 at ref (xi) above, had directed your firm to submit the test reports, material cartificates, drawings for approval of the Engineer as per Clause



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18 of CA and also provided locations at which each item was to be executed for your necessary action. However you have failed to follow the correct procedure, delay approval of quality of item, approval of plan and drawings from concerned PMU.

13. WHEREAS, Contractor vide letter dated 24.06.2021 at ref (i) above, has claimed that 08 nos of BOQ item no. 1.01, 42 nos of BOQ item no. 1.05 and 60 metre of BOQ item no. 1.06., have been executed on ground. However, the items has been placed arbitrarily at wrong locations by the agency without intimation/prior approval of PMU despite specific directions for the same and to coordinate through authorized representative. Despite clear directions during the Joint Visit with the representative of the agency dated 05.01.2021 for finalization of location & execution of work as per CA/BOQ, the work is not done as per plan intimated vide letter dated 25.01.2021 at ref (xi). Therefore, arbitrary work done at wrong location cannot be taken as work executed by the agency as per CA.

14. The request for the extension of time as submitted by Contractor is neither justifiable nor agreeable as enough time was available during the month of Feb, March & April 2021 with no restrictions in the State of West Bengal, Assam or Meghalaya on the movement of manpower and execution of work. Moreover relaxation on Construction activities has been given by the State Govt. in the month of May 2021 hence, Contractor could have completed the work well within the given time frame without any hindrances.

15. WHEREAS, the Contractor has breached the terms and condition of the Contractor Agreement as well as RFP provision and forced the NHIDCL/Authority to take action under clause 53.2 of section V of RFP, which reads as under:

"The Employer may terminate the contract if the contractor causes a fundamental breach of the Contract. Fundamental breaches of Contract include, but not limited to the following: If the contractor has not completed at least thirty percent of the value of work required to be completed after half of the completion period has elapsed"

16. In the light of the aforesaid facts and circumstances, the non-exhaustive fundamental breaches and in view of the contractor's persistent & sustained gross default in complying the contractual obligations, the Authority is hereby terminating the contract Agreement dated 12.12.2020 signed with M/s Real Concept, in terms of -Clause 53.2 of Section V of RFP. This termination is issued at the risks and costs of the contractor, and the Authority further reserves its right to claim damages from the contractor, if any.

17. This termination is issued without prejudice to any other right or remedy available with the Authority under the Contract Agreement and/or applicable.



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Copy to:

- 1. Director (Tech.), NHIDCL, Hqr.
- 2. Executive Director (V), NHIDCL, Hqr.
- 3. GM (P), NHIDCL, PMU-Mawkyrwat
- 4. Sr. Manager (IT), NHIDCL Hqr. To put the notice on the website and also give wide publicity.



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