राष्ट्रीय राजमार्ग एवं अवसंरचना विकास निगम लिमिटेड सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार तीसरी मंजिल, पीटीआई बिल्डिंग, 4–संसद मार्ग, नई दिल्ली–110001

National Highways & Infrastructure Development Corporation Limited

Ministry of Road Transport & Highways, Govt. of India 3rd Floor, PTI Building, 4-Parliament Street, New Delhi-110001, +91 11 23461600, www.nhidcl.com

(मारत सरकार का उद्यम)



BUILDING INFRASTRUCTURE - BUILDING THE NATION CIN: U45400DL2014GOI269062

ROAD TO PROSPERITY CIN: U45400DL20140

(A Government of India Enterprise)

## WITHOUT PREJUDICE

No. NHIDCL/CivilWorks/Ar.Pr./Hunli-Anini(pkg-1 Bridge work/257 Dated 10.09.2021

To,

M/s Buru Enterprises Yara-Tabang Complex Ess-Sector, Itanagar Puram Pare District Arunachal Pradesh-791111 Email:- buruenterprises@gmail.com

(Kind Attention : Mr. Bamang Tago, Authorized Signatory)

**Subject:** Construction of Two Major bridges at Existing Ch. 23+650 (Design Ch. 23+550) and Ch. 28+200 (Design Ch. 28+200) of bridge span 160 m along the Existing Hunli-Anini Road from Km 21.500 to Km 37.500 in the State of Arunachal Pradesh on EPC Mode under SARDP – **Order of Debarment- reg.** 

**Ref. (i)** NHIDCL letter no. NHIDCL/CivilWorks/Ar.Pr./Hunli-Anini(pkg-1 Bridge work/2457 dated 30.06.2021.

(ii) M/s Buru Enterprises letter no. BE/NHIDCL-01/2021/201 dated 23.07.2021

(iii) NHIDCL letter no. NHIDCL/CivilWorks/Ar.Pr./Hunli-Anini(pkg-1 Bridge work/2511 dated 27.07.2021.

(iv) NHIDCL letter no. NHIDCL/CivilWorks/Ar.Pr./Hunli-Anini(pkg-1 Bridge work/2540 dated 16.08.2021.

M/s Buru Enterprises letter no. BE/NHIDCL/CivilWorks/Ar.Pr./Hunli-Anini(pkg-1
Bridge work)/2021-22/207dated 20.08.2021

Sir,

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WHEREAS, NHIDCL invited the bid for the work of "Construction of Two Major bridges at Existing Ch. 23+650 (Design Ch. 23+550) and Ch. 28+200 (Design Ch. 28+200) of bridge span 160 m along the Existing Hunli-Anini Road from Km 21.500 to Km 37.500 in the State of Arunachal Pradesh on EPC Mode under SARDP".

2. WHEREAS, M/s Buru Enterprises, submitted its bid on 15.06.2021 for the subject project.

3. WHEREAS, NHIDCL vide its letter dated 30.06.2021 issued the LoA in favour of M/s Buru Enterprises at the bid Price of Rs. 47,47,43,500/- (Rupees Forty Seven Crore Forty Seven Lakh Forty Three Thousand Five Hundred only) (Excluding GST). Vide the said letter, it was informed to M/s Buru Enterprises, to furnish Performance Security for an amount of Rs. Rs. 1,42,42,305 /- (Rupees One Crore Forty Two Lakh Forty Two Thousand Three Hundred and Five Only) within 30 days of receipt LoA as per Clause 2.21 of the RFP. It was also made clear to M/s Buru Enterprises, that in case of failure of submission of Performance Security as per Clause 2.21 of RFP, the Award shall be deemed to be cancelled and/or M/s Buru Enterprises, will be debarred from participating in the future projects of NHIDCL for a period of one year.

4. **WHEREAS,** M/s Buru Enterprises did not submit the required Bank Guarantee towards Performance Security till date, but instead vide their letter at Ref (ii) intimated that the time given for construction of the Bridges is only 549 days and completion of the works is not possible within the stipulated time as major part of the time will be wasted in the design and model study works. M/s Buru Enterprises further stated that they would like to withdraw from the aforesaid project.

5. **WHEREAS**, the request of M/s Buru Enterprises for withdrawing from the subject work has been accepted by the Competent Authority of NHIDCL. Accordingly, LOA dated 30.06.2021 for the subject work has been withdrawn vide NHIDCL letter at Ref(iii).

6. **WHEREAS, as per Clause** 2.20.4 of the RFP, the Authority shall be entitled to debar the Bidder from participating in the future projects of NHIDCL, for a period of one year, inter

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alia in any of the events specified in Clause 2.20.5. The Bidder, by submitting its BID pursuant to this RFP, shall be deemed to have acknowledged and confirmed that the Authority will suffer loss and damage on account of withdrawal of its BID or for any other default by the Bidder during the period of BID validity as specified in this RFP. No relaxation of any kind for BID Securing Declaration shall be given to any Bidder.

7. **WHEREAS**, as per Clause 2.20.5, the Bidder may be debarred for a period of one year from participating in the future projects of NHIDCL, for causing loss of time and effort of the Authority without prejudice to any other right or remedy that may be available to the Authority under the bidding documents and /or under the Agreement, or otherwise, under the following conditions:

- (a) xxxxxx
- (b) xxxxxx

(c) If a Bidder withdraws its BID during the period of Bid validity as specified in this RFP and as extended by mutual consent of the respective Bidder(s) and the Authority;

(d) In the case of Selected Bidder, if it fails within the specified/extended time limit by Authority -

- i. to sign and return the duplicate copy of LOA;
- to furnish the Performance Security/Additional Performance Security (if any) as per Clause 2.21; or
- iii. to sign the Agreement;

8. WHEREAS, M/s Buru Enterprises submitted the Bid Securing Declaration that "in case the bid is withdrawn or modified during the period of its validity or if they fail to sign the contract in case the work is awarded to them or they fail to submit a performance security before the deadline defined in clause 2.21 of the Request for Proposal (RFP), then M/s Buru Enterprises will be debarred for participation in the tendering process for the works of NHIDCL and works under other Centrally Sponsored Schemes, for a period of one year from the bid due date of this work.

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9. **WHEREAS,** M/s Buru Enterprises has failed to follow the relevant clauses of the RFP, hence, NHIDCL vide letter at ref(iii) has withdrawn the Letter of Award issued in favour of M/s Buru Enterprises.

**10. WHEREAS,** NHIDCL vide letter at ref. (iv) above, issued the Show Cause Notice for debarment to M/s Buru Enterprises, under clause 2.20.4 & 2.20.5 of the RFP and requested to explain in writing within a period of 15 days, that as to why M/s Buru Enterprises, should not be debarred for a period of one year from participating in the future projects of NHIDCL. It was also informed that in case M/s Buru Enterprises, fails to submit its reply within the stipulated period, it shall be presumed that M/s Buru Enterprises, has nothing to explain and further action will be taken in accordance with the provisions of the RFP.

11. WHEREAS, M/s Buru Enterprises, vide letter at ref. (v) above, submitted the reply to the Show Cause Notice for Debarment. Vide the reply, M/s Buru Enterprises has informed that the main reason for withdrawal from work is the attributed to change of scope of bridge span from 160 m to 180 m and the factors governing the design of the bridge beyond the reasonable control of the contractor. M/s Buru Enterprises has also intimated that the construction of the Bridge is not possible within the stipulated time i.e. within 549 days as major part of the time will be wasted in the design and model works.

12. **WHEREAS**, the reply dated 20.08.2021 received from M/s Buru Enterprises, has been perused, examined and is rejected on the ground of the following reasons:-

a) The subject work was awarded to M/s Buru Enterprises in the  $2^{nd}$  call and M/s Buru Enterprises has submitted their bid in both  $1^{st}$  and  $2^{nd}$  call of bid, where the estimated cost in both times bid called was Rs. 45.43 crore and work completion time was 549 days.

b) The price quoted by M/s Buru Enterprises in  $1^{st}$  and  $2^{nd}$  call of subject work bids were 4.9% and 4.5% above to the estimated cost put to tender respectively.

c) M/s Buru Enterprises had more than 3 months time (i.e form the date of tender of  $1^{st}$  call to the bid due date of the  $2^{nd}$  call) for proper preliminary survey and estimation. No such issues was raised by M/s Buru Enterprises in the pre-bid meetings of both the calls.

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d) M/s Buru Enterprises has also submitted their bid in the 3<sup>rd</sup> call of the subject work tender, wherein also the time period for completion of work is 549 days (unchanged) and span is 160 m (unchanged).

13. **WHEREAS,** the reply given by M/s Buru Enterprises is not justified and the act of M/s Buru Enterprises, has caused the loss of time and efforts of the Authority as well as delayed the project in question. Due to the withdrawal of LoA for the defaults of M/s Buru Enterprises, the Authority had to re-invite the bid and has to again carry out the entire exercise for awarding the work.

14. All the earlier correspondences/letters/notices of the Authority/NHIDCL, may be read as part & parcel of this order.

15. In view of the aforesaid facts and circumstances, M/s Buru Enterprises, is hereby debarred for a period of one year from participating in the future projects of NHIDCL in accordance with Clause 2.20.4 & 2.20.5 of the RFP.

16. This order of debarment is herby issued without prejudice to the rights of the NHIDCL available under the relevant provisions of the RFP as well as applicable laws.

17. This issues with the approval of the Competent Authority.

Yours faithfully,

(Ajay Ahluwalia) Executive Director (T)

> 2021

Copy to :

i. Director General (RD) & SS Ministry of Road Transport & Highways.

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- ii. Director General (Border Roads), Seema Sadak Bhawan, Ring Road, Narayana, New Delhi-100010.
- iii. Chairman, NHAI
- iv. Chief Secretaries (PWD/Roads) of all State Govt./UT with National Highways and Centrally Sponsored Schemes.
- v. Chief Engineer of all State Govt./UT dealing with National Highways and Centrally Sponsored Schemes.
- vi. P.S to MD, NHIDCL/Director (A&F/T), NHIDCL
- vii. All officers of NHIDCL-HQ/Branch Offices.
- viii. Media relation/IT division with request to get it hosted on NHIDCL website.