

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 2346 1600, www.nhidcl.com



**BHARATMALA**  
ROAD TO PROSPERITY



**NHIDCL**  
BUILDING INFRASTRUCTURE - BUILDING THE NATION

CIN: U45400DL2014GOI269062

सार्वजनिक क्षेत्र का उपक्रम

A PUBLIC SECTOR UNDERTAKING

**NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017**

**Dated: 26.10.2018**

**CIRCULAR**

**Sub: Debarment of M/s AARPEE Infraprojects Pvt. Ltd. from participating in future projects of/ or to be undertaken by NHIDCL till 25<sup>th</sup> October 2021 - reg.**

With the approval of Managing Director, NHIDCL, M/s AARPEE Infraprojects Pvt. Ltd., Infinity Square, Room No. 201, 2nd Floor, Beside PCM Bus Terminus, 2nd Mile, Sevoke Road, P.O. Siliguri, Dist. Jalpaiguri -734001, West Bengal has been debarred from participating in future projects of/or to be undertaken by NHIDCL w.e.f. 26.10.2018 till 25.10.2021. Copy of debarment letter no. NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017 Dated 26.10.2018 is enclosed herewith for information and records.

*Rahul Gupta*

(Rahul Gupta)

Executive Director

Copy to:

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

*Upload on website.*  
*[Signature]*  
*29/10*



राष्ट्रीय राजमार्ग एवं अवसंरचना विकास निगम लिमिटेड

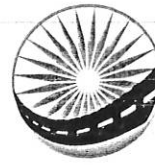
सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार

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 2346 1600, www.nhidcl.com



BHARATMALA  
ROAD TO PROSPERITY



BUILDING INFRASTRUCTURE - BUILDING THE NATION

CIN: U45400DL2014GOI269062

सार्वजनिक क्षेत्र का उपक्रम

A PUBLIC SECTOR UNDERTAKING

NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017/258

26.10.2018

To,

M/s Aarpee Infraprojects Pvt. Ltd.  
Infinity Square, Room No. 201,  
2<sup>nd</sup> Floor, Beside PCM Bus Terminus,  
2<sup>nd</sup> Mile, Sevoke Road,  
P.O. Siliguri  
Dist. Jalpaiguri - 734001

[Kind Attention: Sh. Rakesh Kumar Garg, Authorized Signatory]

Sub: Construction of 2-lane with paved shoulder including geometric improvement from Km 0.00 to Km 16.000 of stretch Singtam-Tarku of NH-510 on EPC basis under SARDP-NE phase 'A' in the state of Sikkim.-Letter of Debarment under Article 3(1) of Integrity Pact of Contract Agreement (CA) - regd.

- Ref: 1) M/s Aarpee Infraprojects Pvt. Ltd. letter No Nil dated 27.09.2018  
2) NHIDCL's Letter no NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017/183 dated 18.09.2018  
3) NHIDCL's letter no NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017/162 dated 11.09.2018  
4) NHIDCL's letter no NHIDCL/Sikkim/Civil Work/Singtam-Tarku(0.000-16.000)/2017/1671 dated 06.08.2018  
5) NHIDCL's Letter no. NHIDCL/Sikkim/Civil Work/Singtam-Tarku/2017/82/441 dated 31.03.2017

Sir,

Whereas, LOA for the work of "Construction of 2-lane with paved shoulder including geometric improvement from Km 0.00 to Km 16.000 of stretch Singtam-Tarku of NH-510 on EPC basis under SARDP-NE phase 'A' in the state of Sikkim" (hereinafter referred as Project) was issued to M/s. Aarpee Infraprojects Pvt. Ltd. (hereinafter referred as the Contractor) on 31.03.2017 by the National Highway Infrastructure & Development Corporation limited (hereinafter referred as 'NHIDCL' or 'Authority'); and

2. Whereas, thereafter a Contract Agreement for executing the subject work was signed on 17.04.2017 between Authority and the Contractor; and the Appointment Date for the project was fixed as 01.11.2017; and

*Rahul Gupta*

3. Whereas, the contract was terminated vide letter at Sr. No. (iv) under reference above and Performance Security BG worth Rs. 10.00 Cr. has been forfeited in consequence.

4. Whereas, the Authority vide letter at Sr. No. (iii) under reference above issued 'Show cause Notice' and 'Personal Hearing' giving 14 (fourteen) days notice period as to why M/s Aarpee Infraprojects Pvt. Ltd. should not be debarred for a period of 5 (Five) years for participating directly or indirectly in any form in any work connected with NHIDCL.


5. Whereas, pursuant to the show cause a personal hearing was held on 27.09.2018, which was attended by Shri Rajesh Garg, Director, on behalf of M/s Aarpee Infraprojects Pvt. Ltd.

6. Whereas, the Competent Authority considered your subsequent reply, submitted vide letter No. Nil dated 27.09.2018 in response to 'Show cause Notice' dated 11.09.2018 and it is stated that the submissions / reply of M/s Aarpee Infraprojects Pvt. Ltd. are not found satisfactory.

7. Whereas, during the course of the personal hearing the contractor has made an admission of the contents of the show cause and also requested not to initiate any further action to debar the firm or taking any further legal action under the provisions of the Contract agreement.

8. Whereas, in compliance of the directions of the Hon'ble Supreme Court judgment in *Kulja Industries vs Chief General Manager, Western Telecom Project BSNL & Ors AIR 2014 SC 9*, has been deliberated and considered, which are as follows

Sl. No.	Relevant factors considered for debarment in terms of Kulja Industries Limited.	Remarks of NHIDCL
(a)	The actual or potential harm or impact those results or may result from the wrongdoing.	Cancellation of the Contract and re-invitation of bids and therefore wastage of public money.
(b)	The frequency of incidents and/or duration of the wrongdoing.	First
(c)	Whether there is a pattern or prior history of wrongdoing.	Yes, M/s Aarpee Infraprojects Pvt. Ltd. has been found to be indulges in similar misconduct in bid submission for another work pertaining to work "Construction of alternative highway to Gangtok in Sikkim via Bagrakot-Chuikhim-Nimbong-Kafer-Bakhim-Algarah-Rhenok in the State of West Bengal and from Rhenok-Rorathang-Pakyong along with spur from Aritar-Rolep-Menla in the State of Sikkim (Package No. IVA from km 0.00 to km 13.00 of Bagrakot-Kafer



		section of NH-717A on EPC Mode under Phase A of SARDP-NE in the of West Bengal).”
(d)	Whether the contractor has been excluded or disqualified by an agency of the Federal Government or has not been allowed to participate in State or local contracts or assistance agreements on the basis of conduct similar to one or more of the causes for debarment specified in this part.	Not known
(e)	Whether and to what extent did the contractor plan, initiate or carry out the wrongdoing.	The LOA had been issued on 31.03.2017. The appointed date has been declared as 01.11.2017. The work has already been commenced and 9 months of working season has been spent. The work was obtained by fraud.
(f)	Whether the contractor has accepted responsibility for the wrongdoing and recognized the seriousness of the misconduct.	Yes, By letter dated 27.09.2018 he has admitted his guilt.
(g)	Whether the contractor has paid or agreed to pay all criminal, civil and administrative liabilities for the improper activity, including any investigative or administrative costs incurred by the Government, and has made or agreed to make full restitution.	No
(h)	Whether the contractor has cooperated fully with the government agencies during the investigation and any court or administrative action.	The Contractor has replied to Show Cause Notices, etc.
(i)	Whether the wrongdoing was pervasive within the contractor's organization.	Not known
(j)	The kind of positions held by the individuals involved in the wrongdoing.	Not known
(k)	Whether the contractor has taken appropriate corrective action or remedial measures, such as establishing ethics training and implementing programs to prevent recurrence.	Not known
(l)	Whether the contractor fully investigated the circumstances surrounding the cause for debarment and, if so, made the result of the investigation available to the debarring official.	Not known

*Rahul Gupta*

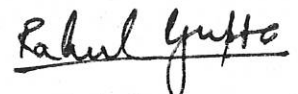
9. Whereas, NHIDCL has suffered time loss and reputational damage due to Contractor's fundamental breaches to the Contract and Contractor's persistent & sustained gross defaults. There has also been severe strain on the public ex-chequer and there is loss of public money. To initiate debarment, the relevant provisions under Article 3(1) 'Consequences of Breach' of Integrity Pact of the Contract Agreement (CA), which reads as follows :

*" If the Bidder(s)/ Contractor(s) , either before award or during execution of Contract has committed a transgression through a violation of Article 2 above or in any other form , such as to put his reliability or credibility in question , the Principal / Owner after giving 14 days notice to the contractor shall have powers to disqualify the Bidder(s)/ Contractor(s) from the Tender process or terminate / determine the Contract , if already executed or executed or exclude the Bidder / Contractor from future contract award process. The imposition and duration of the exclusion will be determined by the severity of transgression and determined by the Principal / Owner. Such exclusion may be forever or for a limited period as decided by the Principal / Owner."*

10. In view of above and after taking into consideration all the facts and records and as per the guidelines stipulated in Kulja Industries (supra), the Competent Authority has decided to debar **M/s Aarpee Infraprojects Pvt. Ltd** for a period of **3 (three) years** for participating directly or indirectly in any form in any work connected with NHIDCL under provisions of the Article 3(1) of Integrity Pact of the Contract Agreement (CA).

11. This letter is issued without prejudice to any other right or remedy available to the Authority under the Contract Agreement and/or applicable law and is issued with the approval of the Managing Director, NHIDCL.

Yours Sincerely,



(Rahul Gupta)  
Executive Director