

राष्ट्रीय राजमार्ग एवं अवसंरचना विकास निगम लिमिटेड

सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार
दूसरी मंजिल, ट्रांजिट होस्टल ऑफिसर्स क्लब, लाम्फेल, मणिपुर- 795004

National Highways & Infrastructure Development Corporation Limited

Ministry of Road Transport & Highways, Govt. of India
2nd Floor, Transit Hostel, Officers' Club, Lamphel, Manipur-795004,
Tel. No.: +91385-2416303, Email ID: ro-imphal@nhidcl.com



(भारत सरकार का उद्यम)

WITHOUT PREJUDICE

(A Government of India Enterprise)

NHIDCL/RO-Imphal/I-J/SR/Km 145.00-Km221.138/2020-21/2nd Call/ 465 Date: 14.08.2023

To

M/s Manipur Steel Industries (India)
Nilakuthi Near Food Park
Imphal-West, Manipur

Sub: "Special Repair of NH-37 Imphal-Jiribam Road (Km 145.00 to Km 221.138) [Total Length 76.138 Km] in the State of Manipur in the year 2020-2021 on Item Rate Basis (2nd Call)". Termination Notice in pursuant to Clause 53.1 & 53.2 (a) & (i) of Section V of the Contract Agreement-reg.

Ref:

- (i) RO-Imphal letter: NHIDCL/RO-Imphal/I-J/SR/Km 145.00-Km 221.138/2020-21/2nd Call/435, dated: 05.08.2023
- (ii) RO-Imphal letter: NHIDCL/RO-Imphal/I-J/SR/Km 145.00-Km 221.138/2020-21/2nd call/1223, dated: 13.10.2022
- (iii) PMU Noney letter: NHIDCL/PMU-Noney/NH-37/I-J/PKG-III/145-221/2021-22/2039, dated: 30.09.2022
- (iv) PMU Noney letter: NHIDCL/PMU-Noney/NH-37/I-J/PKG-III/145-221/2021-22/1629, dated: 20.05.2022
- (v) Contractor letter: MSI/ED/TN/NHIDCL/2022-(1), dated: 09.05.2022
- (vi) RO-Imphal letter: NHIDCL/RO-Imphal/I-J/SR/Km 145.00-Km 221.138/2020-21/2nd call/90, dated: 24.04.2022
- (vii) PMU Noney letter: NHIDCL/PMU-Noney/NH-37/I-J/PKG-III/145-221/2021-22/1512, dated: 08.04.2022
- (viii) PMU Noney letter: NHIDCL/PMU-Noney/I-J/NH-37(Km 145.00-Km 221.138)/20-21/828, dated: 18.10.2021
- (ix) RO-Imphal letter: NHIDCL/RO-Imphal/I-J/SR/Km 145.00 - Km 221.138/2020-21/2nd call/339, dated: 26.07.2021
- (x) PMU Noney letter: NHIDCL/PMU-Noney/I-J/NH-37(Km 145.00-Km 221.138)/20-21/433, dated: 07.07.2021

Sir,

The work for "Special Repair of NH-37 of Imphal-Jiribam Road (Km 145.00 to Km 221.138) [Total Length = 76.138 Km] in the State of Manipur in the year 2020-2021 on Item Rate Basis (2nd Call)" was awarded to M/s Manipur Steel Industry (India). The Letter of Acceptance (LOA) was issued vide NHIDCL RO- Imphal Letter No. NHIDCL/RO-Imphal/I-J/SR/KM 145.00- KM 221.138/2020-21/2nd Call/1576 dated 23.02.2021 and subject Contract Agreement was signed between NHIDCL and Contractor on 10.06.2021. The Appointed Date of the Project was accorded as 03.03.2021 and the Schedule Completion date with contract period of 6 months was 02.09.2021.

2. The salient features of the project are as under: -

Sl. No.	Particulars	Details
1	Maintenance Contractor	M/s Manipur Steel Industries (India)
2	Letter of Acceptance (LOA)	23.02.2021
3	Date of signing of Contract Agreement	10.06.2021
4	Original Contract Price	Rs 3,87,58,088.92
5	Amount in approved COS	Rs 36,52,883.00
6	Revised Contract Price after approval of COS (4+5)	Rs 4,24,10,972.34
7	Appointed date	03.03.2021
8	Schedule Completion Date	02.09.2021
9	Revised schedule Date of Completion, if EOT is accorded	18.05.2022 with liquidated Damages of Rs 42,41,097/-
10	Actual Completion Date	Work incomplete and the contractor has de-mobilized from site
11	Contract Period	6 Months
12	Progress of Work (till date)	Physical -78.00 % Financial - 77.33 %
13	Performance Security	BG No. 6343NDOG00002322 Amount- Rs 19,38,000/- Valid upto 22 nd October 2022

3. Whereas, the stipulated completion period of the cited subject project was for 06 months i.e by 02.09.2021 and extended upto 18.05.2022 with LD imposed amounting to Rs 42,41,097/-(Rupees Forty Two Lakhs Forty One Thousand and Ninety Seven only). However, the subject project not yet completed even after lapse of 450 days.

4. Whereas, time and again, the contractor was instructed to mobilize sufficient manpower and machineries at site in order to pace up the construction work for timely completion of the project.

5. Whereas, more than 28 months have been elapsed since the commencement of the project, however, the cited subject work has not yet been completed by M/s Manipur Steel Industries (India) even after such an inordinate delay.

6. Whereas, the Authority, vide several letters under reference above, instructed and cautioned the Contractor from time to time to execute the cited subject work with high standard of execution in a time bound manner. However, despite of repeated written and verbal instruction to gear up resources, machineries and manpower on ground for timely completion of the subject work, the progress of work at site has been abysmally slow and sluggish.

7. Whereas, the Authority vide letter under ref (vi) has issued an Intention to Termination Notice to the Contractor due to poor progress and performance of the subject work. In response, the reply to the Termination Notice received from the Contractor vide letter under ref (v) was found unsatisfactory after examined in consultation with PMU-Noney and misleading as also conveyed by PMU-Noney vide ref letter(iv) above.

8. Whereas, DGM (P), PMU-Noney vide letter at ref (iii) has recommended to terminate the Contract and also informed that during several site inspections, it has been observed that there has not been establishment of site camp and the contractor could not perform execution of maintenance work to complete the balance scope of work as per Contract Agreement despite of repeated instructions. Further, PMU-Noney has informed that no positive response from the Contractor is received by the PMU till date. Further, PMU-Noney stated that the Physical Progress of the subject project since the month of April 2022 is almost Nil.

9. Whereas, it has been found that the contractor has de-mobilized all the materials, machineries and manpower from the site without informing any intimation and approval of Authority.

10. Whereas, the contractor is well aware that the Imphal-Jiribam Road is of utmost importance for the state of Manipur which is broadly regarded as the second (2nd) Lifeline of Manipur and hence, the project needs to be implemented with high standard of execution in a time bound manner.

11. Whereas, the contractor acts of Omission and commission have resulted hereunder:-
i. The Authority is losing goodwill of the people and is also incurring the wrath of the State of Manipur.
ii. The Authority is losing market reputation and credibility in the eyes of its Stake holders.

12. Whereas, the contractor has breached the terms and conditions of the Contract Agreement under clause 53.2 (a) & (i) of section V, which may read as follows:

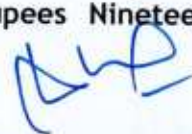
The Employer may terminate the Contract if the Contractor causes a fundamental breach of the Contract. Fundamental breaches of the Contract include, but not limited to the following:

(a) The Contractor stops work for 10 days when no stoppage of work is shown on the current Programme and stoppage has not been authorized by the Engineer;

(i) If the Contractor fails to set up a field laboratory with the prescribed equipment, within the period specified;

13. Whereas, the Authority vide letter under ref (ii) has issued a Termination Notice to the Contractor for defaults & breaches on the part of the Contractor as per **Clause 53.1 & 53.2 (a) & (i) of Section V of the Contract Agreement** for the cited subject work stating to submit reply to this Termination Notice within 07 days as why M/s Manipur Steel Industries (India) should not be terminated for such causal and negligent approach towards the project and for failing to maintain the standard of service required as per the terms & conditions of the Contract Agreement. No reply was received from M/s Manipur Steel Industries (India).

14. Whereas, Authority vide letter at ref (i) has issued Termination Notice in pursuant to Clause 53.1 & 53.2(a) & (i) of Section V of the Contract Agreement wherein it was mentioned that if no response is received from M/s Manipur Steel Industries (India) within 7 days from issuance of the notice then Authority will terminate the subject project and forfeit the submitted PBG amounting to Rs. 19,38,000/- (Rupees Nineteen Lakhs Thirty- Eight



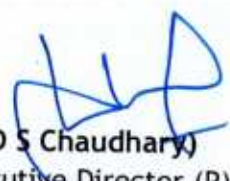
Thousand only) in pursuant to Clause 53.3(a) of the Contract Agreement & also debar M/s Manipur Steel Industries (India) for a period of 2 years from participating in future bids of NHIDCL.

15. Whereas, the contractor has not been submitted reply against the issued Termination Notice and the Authority has left will no other options instead of termination of the project.

16. In light of the aforesaid facts and circumstances, the Competent Authority of NHIDCL is keeping of the view that Contract Agreement with M/s Manipur Steel Industries (India) is hereby terminated for the subject project with immediate effect in accordance with Clause 53.1 & 53.2 (a) & (i) of Section V of the Contract Agreement and also being forfeited the submitted PBG amounting to Rs. 19,38,000/- (Rupees Nineteen Lakhs Thirty- Eight Thousand only) and Retention Money by the Contractor in pursuant to Clause 53.3 (a) of the Contract Agreement.

Further, M/s Manipur Steel Industries (India) is debarred for a period of 02(two) years from participating in future bids of NHIDCL projects.

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


(D S Chaudhary)
Executive Director (P)
RO-Imphal , Manipur.

Encl: As stated above.

Copy to:

- i. PS to MD, NHIDCL HQ, New Delhi.
- ii. PS to Director (Tech), NHIDCL HQ, New Delhi.
- iii. ED (V) NHIDCL HQ, New Delhi.
- iv. GM (IT), HQ NHIDCL, New Delhi-with a request to put the notice on the website.
- v. DGM (T), Manipur Division, NHIDCL HQ, New Delhi.
- vi. GM (P), PMU-Noney, Manipur.
- vii. Relevant File.