

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



(भारत सरकार का उद्यम)

(A Government of India Enterprise)

NHIDCL/Manipur/NH-102A/UTT/2021/PKG-3/197122/

2942

Date: 21.04.2022

To,

1. M/s L.G. Choudhary - M/s Yogi Construction Co. (JV)  
M-6/64, Gokul Apartments,  
Near Parasnagar Bus Stop, Sola Road,  
Ahmedabad-380063.  
Email: [mslgchaudhry@yahoo.co.in](mailto:mslgchaudhry@yahoo.co.in)  
Kind Attention: Mr. Laljibhai G Chaudhary
2. M/s L.G. Choudhary  
M-6/64, Gokul Apartments,  
Near Parasnagar Bus Stop, Sola Road,  
Ahmedabad-380063.  
Email: [mslgchaudhry@yahoo.co.in](mailto:mslgchaudhry@yahoo.co.in)  
Kind Attention: Mr. Arvindbhai S Patel
3. M/s Yogi Construction Co.  
106-B, S.B.K. Society, Near Ramji Mandir,  
Bhattha, Ahmedabad - 380007.  
E-mail: [pnnp12397a@gmail.com](mailto:pnnp12397a@gmail.com)  
Kind Attention: Mr. Pankaj Patel

**Sub:** "Construction of Two laning with Hard shoulder road of Ukhrul - Toloi -Tadubi section of NH-102A from Design Chainage 50.850 Km to 81.870 Km (Package 3) in the State of Manipur on EPC mode - 2nd Call" - "Debarment from participating in the future projects of NHIDCL for a period of one year" - Reg.

**Ref.:**

- (i) LOA issued vide letter No. NHIDCL/Manipur/NH-102A/UTT/PKG-3/197122/2485 dated 22.10.2021.
- (ii) Your letter No. Nil dated 02.12.2021.
- (iii) NHIDCL letter no. NHIDCL/Manipur/NH-102A/UTT/2021/PKG-3/197122/2579 dated 20.12.2021.
- (iv) NHIDCL letter no. NHIDCL/Manipur/NH-102A/UTT/2021/PKG-3/197122/2688 dated 07.03.2022.

Sir,

Please refer to the subject cited above and letters under reference.

2. It is to inform that, LOA for the subject work was issued to M/s LG Chaudhary - Yogi Construction Co. (JV). on 22.10.2021 and L1 bidder, M/s LG Chaudhary - Yogi Construction Co. (JV). was requested to submit the Performance Security @ 3 % of the contract price i.e., Rs 5,43,76,800/- and Additional Performance Security @ 10 % of the contract price i.e., Rs 18,12,56,000/- within 45 days of receipt of LOA.

1/5

3. The L1 bidder, M/s L G Chaudhary-Yogi Construction Co. (JV) submitted a request letter cited under reference (ii) seeking for additional time for submission of Performance and Additional Performance Security up to 22.12.2021 citing reasons of non-availability of staff in the banks due to COVID effects and Diwali festival for the above project.

4. Based on the request of L1 bidder, vide NHIDCL HQ letter no. 2579 dated 20.12.2021, M/s L G Chaudhary-Yogi Construction Co. (JV) was allowed 07 days additional time for submission of Performance and Additional Performance Security along with Notice for intention to withdraw the LOA and debarment for a period of one year for participation in all future projects of NHIDCL, in case, if it fails to submit the Bank Guarantees within the given time line.


5. Then L1 bidder, M/s L G Chaudhary-Yogi Construction Co. (JV) vide letter No. Nil dated 20.12.2021 submitted an original copy of FDR, in the name of M/s Yogi Construction Co. in lien to MD, NHIDCL, New Delhi amounting to Rs 2,71,88,400/- from Punjab National Bank against 50% of the Performance Security and also mentioned that 50 % of the Additional Performance Security amounting to Rs 9,06,28,000/- will be submitted within a week and requested to consider their situation.

6. Subsequently, the L1 bidder M/s L G Chaudhary-Yogi Construction Co. (JV) forwarded through email on dated 30.12.2021 submitted the scanned copy of 50% of PBG amounting to Rs.2,71,88,400/- and 50% of APBG on 30.12.2021 amounting to Rs.9,06,28,000/- issued by CANARA BANK. However, the hard copy of the BG not submitted by the Contractor to NHIDCL. While scrutinizing the scanned copies of BGs, it was found that the BGs have been issued by a third party named **M/s Proactive Plast Pw 'Ltd**, on behalf of the bidder M/s L G Chaudhary-Yogi Construction Co. (JV) and who is not a party in entire bidding process of the subject work for which SFMS confirmation was also sought from the Canara Bank. In response to NHIDCL's letter, Canara Bank, vide its letter dated 04.02.2022 has informed the following:

- i. *Our branch is a recovery branch and is not authorized to issue Bank Guarantees.*
- ii. *M/s Proactive Plast PW Limited is not the customer of the branch, however the company by the name M/s Proactive Plast Pvt Limited, is an NPA account of the branch since long.*
- iii. *Subject bank guarantees have not been issued by our branch.*
- iv. *Authorized officer of the bank, whose signature is mentioned on the above bank guarantees, was not on the posted strength of the branch on the date of BG Issuance.*

*You are requested to provide us the Name, address and other relevant details of the person, who has submitted the said bank guarantees to your office."*

7. In the meantime, the L1 bidder, M/s L G Chaudhary-Yogi Construction Co. (JV) through email dated 03.02.2022 submitted the letter No. Nil dated 03.02.2022 stating that due to technical interpretation of the contents of BG issued by Canara Bank, they have submitted scanned copies of fresh Bank Guarantees issued by the Punjab National Bank, Mumbai against the first 50% of Performance and Additional Performance Security in lieu of the earlier BGs which could not be confirmed from the Canara bank and requested to release the FDR. Further, sought additional time up to 10.02.2022 to submit the balance 50% of the Performance and Additional Performance Security. The Contractor again reiterated the same vide their letter no. Nil dated 07.02.2022.

2/5 



8. The fresh Bank Guarantees from Punjab National Bank submitted by the bidder was examined and found that BG nos. of both the BGs were same, which was forwarded for SFMS confirmation to Canara Bank, Transport Bhawan, New Delhi in order to save time for the confirmation process anticipating that the Original BGs would be received as informed by the Contractor through speed-post. In response, the Canara Bank vide e-mail dated 08.02.2022 has stated that "SFMS NOT RECEIVED AT OUR END" pertaining to the BGs issued by the Punjab National Bank.

9. Further, Punjab National Bank, vide e-mail dated 28.02.2022 informed that Bank Guarantees bearing no PNB LGB00008458452374 and PNB LGB8458452374 are not issued by them and also stated that after going through the copy of bank guarantee attached with the mail, the said BG is not valid and these may have been created with an intention to defraud the bank/Beneficiary.

10. Whereas, vide NHIDCL HQ letter no. 2688 dated 07.03.2022, L1 bidder, M/s LG Chaudhary-Yogi Construction Co. (JV) was show caused to submit their reply within 07 days from the issuance of this letter on account of failure to submit valid Performance and Additional Performance Security against which SFMS confirmation through gateway of Canara Bank couldn't be obtained and non-confirmation of the BGs by the respective Banks. Necessary actions shall be initiated by NHIDCL under RFP Clause 2.6.3 and 4.1.

11. Whereas, the L1 Bidder, M/s LG Chaudhary-Yogi Construction Co. (JV), has caused the breach to the following provisions of the RFP:

**"Clause 2.6.3 of the RFP**

*In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of defect liability subsistence thereof, that one or more of the eligibility and /or qualification requirements have not been met by the Bidder, or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet appointed as the contractor either by issue of the LOA or entering into of the Agreement, and if the Selected Bidder has already been issued the LOA or has entered into the Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority to the Selected Bidder or the Contractor, as the case may be, without the Authority being liable in any manner whatsoever to the Selected Bidder or the Contractor. In such an event, the Authority shall be entitled forfeit and appropriate the Performance Security, as damages and/or to debar the Bidder/Selected Bidder/Contractor from participating in the future projects of NHIDCL, for a period of one year, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and / or the Agreement, or otherwise.*

**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 alia in any of the events specified in Clause 2.20.5 herein below. 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.*

3/5 

#### Clause 2.20.5 of the RFP

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) Deleted
- b) If a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section 4 of this RFP;
- 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;
  - ii. to furnish the Performance Security /Additional Performance Security (if any) as per Clause 2.21
  - iii. to sign the Agreement;

#### Clause 2.21.5 of the RFP

For avoidance of any doubt, in case of failure of submission of Performance Security and Additional Performance Security, if any, within the additional 60 days' time period, the award shall be deemed to be cancelled/ withdrawn and the Selected Bidder/Contractor, as the case may be, shall be liable for debarment from the future projects of NHIDCL for a period of one year. Thereupon all rights, privileges, claims and entitlements of the Contractor under or arising out of the Award shall be deemed to have been waived by, and to have ceased with the concurrence of the Contractor, and the Award shall be deemed to have been withdrawn by the Authority.

#### Clause 4.1 of the RFP

The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process and subsequent to the issue of the LOA and during the subsistence of the Agreement. Notwithstanding anything to the contrary contained herein, or in the LOA or the Agreement, the Authority may reject a BID, withdraw the LOA, or terminate the Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder, if it determines that the Bidder, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process. In such an event, the Authority shall be entitled to debar the Selected Bidder from participating in the future projects of NHIDCL for a period of One year and forfeit & appropriate the Performance Security, as damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Agreement, or otherwise."

4/5 



12. The L1 bidder, M/s LG Chaudhary-Yogi Construction Co. (JV) has accepted the terms and conditions vide letter comprising the technical bid (Appendix-IA) while submitting the bid, by bid due date 23.09.2021 and has failed to abide by the terms and conditions of bid documents and to submit the Performance and Additional Performance Security as per RFP. Hence, NHIDCL is constrained to take action against the Selected Bidder as per clause 2.6.3, 2.20.4, 2.20.5(b), (d) (ii) & (iii), 2.21.5 and 4.1 of the RFP.


13. All the earlier correspondences/Show Cause Notices etc., for defaulting in submitting the Performance and Additional Performance Security, may be read as part and parcel of this letter.

14. That the LOA dated 22.10.2021 issued in favour of M/s LG Chaudhary-Yogi Construction Co. (JV), has been withdrawn by the NHIDCL vide its letter No.2940 dated 21-04-2022.

15. In view of the aforesaid facts and circumstances, since the L1 Bidder has failed to submit the Performance and Additional Performance Security as per the provisions of the RFP as well as also submitted the forged Bank Guarantees thereby engaging itself in fraudulent practice, hence, M/s LG Chaudhary-Yogi Construction Co. (JV) (jointly and severally), is hereby debarred from participating in the future projects of NHIDCL for a period of One year in accordance with the provisions of Clause 2.6.3, 2.20.4, 2.20.5(b), (d) (ii) & (iii), 2.21.5 and 4.1 of the RFP.

16. This letter is 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.



(W Blah)

Executive Director (T)

**Copy to:**

1. The Director General (Road Development) and Special Secretary to Govt. of India, MoRT&H, Transport Bhawan, 1-Parliament Street, New Delhi- 110001- for kind information.
2. The Chairman, NHAI, G- 5 & 6, Sector-10, Dwarka, New Delhi - 110075- for kind information.
3. All Executive Directors, Regional Office, NHIDCL- for kind information.
4. All Executive Directors, NHIDCL, HQ- for kind information.
5. All General Managers at HQ and PMU, NHIDCL- for kind information.
6. IT Section of NHIDCL, HQ- with a request to get it hoisted on NHIDCL website.

5/5

