

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
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(भारत सरकार का उद्यम)

(A Government of India Enterprise)

WITHOUT PREJUDICE

No. NHIDCL/Civil Work/A.P/ Taksing to Ghora /2021/2517

Dated 29.07.2021

To,

M/s Shreehari Associates Pvt. Ltd.
Plot no 36, Gut No 41,
Golwadi, Paithan- Waluj Link Road,
Aurangabad, 431005
Email:- tender@sapl.biz

(Kind Attention : Mr. Chandrashekhar S. Shelar, Authorized Signatory)

Subject: Construction of High Altitude Hill road from Taksing to Ghora from KM 0.000 to KM 7.090 in Upper Subansiri District of the state of Arunachal Pradesh on EPC Mode- **Order of Debarment- reg.**

Sir,

WHEREAS, NHIDCL invited the bid for the work of "Construction of High Altitude Hill road from Taksing to Ghora from KM 0.000 to KM 7.090 in Upper Subansiri District of the state of Arunachal Pradesh on EPC Mode".

2. **WHEREAS**, M/s Shreehari Associates Pvt. Ltd., submitted its bid on 22.02.2021 for the project in question.

3. **WHEREAS**, NHIDCL vide its letter dated 15.03.2021 issued the LoA in favour of M/s Shreehari Associates Pvt. Ltd. (hereinafter referred as Selected Bidder) at the Contract Price of Rs. 50,42,98,200 /- (Rupees Fifty Crore Forty Two Lakh Ninety Eight Thousand Two Hundred only) (Excluding GST). Vide the said letter, it was informed to M/s Shreehari Associates Pvt. Ltd., to furnish Performance Security for an amount of Rs. 1,51,28,946 /- and Additional Performance Security of Rs. 10,08,59,640/- within 30 days of receipt LoA as per Clause 2.21 of the RFP. It was also made clear to M/s Shreehari Associates Pvt. Ltd, that in case of failure of submission of Performance Security, Additional Performance Security as per Clause 2.21 of RFP and Security against Damages (if any) within the additional 60 (sixty) days time period, the Award shall be deemed to be cancelled and/or M/s Shreehari Associates Pvt. Ltd, will be debarred from participating in the future projects of NHIDCL for a period of one year.

4. **WHEREAS**, the Selected Bidder had not submitted the required Bank Guarantee towards Performance Security and Additional Performance Security within 30 days. The Selected Bidder vide its emails dated 13.04.2021 and 15.04.2021 had requested for 15 working days time extension to submit PBG and APBG in accordance with clause 2.21 of the RFP. The request of

MA 29/7

the Selected Bidder was considered and NHIDCL vide letter dated 19.04.2021, informed to the Selected Bidder that in the interest of work, the Competent Authority as an exception, permitted M/s Shreehari Associates Pvt. Ltd, to submit the Performance Security and Additional Performance Security not later than 26.04.2021 by paying damages as per Clause 2.21.4 of the RFP at the rate of 0.01% of the bid price offered for each day of delay till 26.04.2021, failing which action as per clause 2.21.5 of RFP will be taken against the Selected Bidder.

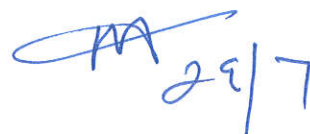
5. **WHEREAS**, NHIDCL vide office order no. NHIDCL/HR/Atmanirbhar Bharat/2021/185330/253 dated 17.05.2021 have given relaxation by giving extension of time for submission of Performance Bank Guarantee and Additional Performance Bank Guarantee due to second wave of Covid-19. Same was communicated to M/s Shreehari Associates Pvt. Ltd vide email dated 25.05.2021, informing that M/s Shreehari Associates Pvt. Ltd have to submit at least 50% of Performance Bank Guarantee and 50 % of Additional Performance Bank Guarantee by 31.05.2021.

6. **WHEREAS**, as per Clause 2.21.1(a) of the RFP, within 30 (thirty) days of receipt of Letter of Acceptance, the selected Bidder shall furnish to the Authority an irrevocable and unconditional guarantee.

7. **WHEREAS**, as per Clause 2.21.3 of the RFP, the Selected Bidder had the option to provide 50% of the Performance Security and 50% of the Additional Performance Security, if any, within 30 (thirty) days of receipt of Letter of Acceptance, in any case before signing of the Contract Agreement and the remaining Performance Security and Additional Performance Security, if any, shall be submitted within 30 days of signing of the agreement.

8. **WHEREAS**, as per Clause 2.21.4 of the RFP, in the event the Selected Bidder fails to provide the remaining Performance Security and Additional Performance Security, if any, as prescribed herein, it may seek extension of time for a further period upto 60 days by paying the Damages upfront along with the request letter seeking the extension. The Damages shall be the sum calculated at the rate of 0.01% (zero point zero one per cent) of the Bid Price offered by the Selected Bidder for each day until the Performance Security and Additional Performance Security, if any, is provided in full as prescribed herein. The damages at full rate as given above shall be applicable even if a part of the Performance Security and the Additional Performance Security is provided.

9. **WHEREAS**, as per 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.



10. **WHEREAS**, as per 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) xxxxxx

(b) xxxxxx

(c) xxxxxxxx

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

i. xxxxxx

ii. to furnish the Performance Security /Additional Performance Security (if any) as per Clause 2.21; or

iii. to sign the Agreement;

11. **WHEREAS**, the Selected Bidder has submitted the Bid Securing Declaration that if the Selected Bidder fails to submit the Performance Security before the deadline defined in Clause 2.21 of the RFP then M/s Shreehari Associates Pvt. Ltd, 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.

12. **WHEREAS**, the Selected Bidder has failed to follow the relevant clauses of the RFP towards submission of Performance Bank Guarantee and Addl. Performance Bank Guarantee as well as also failed to abide by the direction/notices of Authority regarding submission of PBG and Additional PBG within the stipulated time despite being given ample opportunity for the same. Hence, NHIDCL vide its letter No. NHIDCL/Civil Work/A.P./Taksing to Ghora/2021/2438 dated 01.06.2021 has withdrawn the Letter of Award issued in favour of M/s Shreehari Associates Pvt. Ltd.

13. **WHEREAS**, NHIDCL vide letter no. NHIDCL/Civil Work/A.P/ Taksing to Ghora/2021/2452 dated 15.06.2021 issued the Show Cause Notice for debarment to M/s Shreehari Associates Pvt. Ltd, under clause 2.20.5 and 2.21.5 of the RFP and requested to explain in writing within a period of 15 days, that as to why M/s Shreehari Associates Pvt. Ltd, 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 Shreehari Associates Pvt. Ltd, fails to submit its reply within the stipulated period, it shall be presumed that M/s Shreehari Associates Pvt. Ltd., has nothing to explain and further action will be taken in accordance with the provisions of the RFP.

14. **WHEREAS**, M/s Shreehari Associates Pvt. Ltd, vide letter no. SAPL/NHIDCL/Taksing-Ghora/2021-22 dated 30.06.2021 submitted the reply to the Show Cause Notice for Debarment. Vide the reply, M/s Shreehari Associates Pvt. Ltd. submitted that they are trying their best to submit the performance Bank Guarantee on due date but due to second wave of COVID-19, lockdown in Maharashtra they are finding it difficult to obtain the guarantee from the bank. Their Bankers are unable to meet up the requirement for the issuance of Bank Guarantee as only 15% staffs are allowed to work and that also 3 days in a week. M/s Shreehari Associates Pvt.

AA 29/7

Ltd, has again requested the NHIDCL to grant another 01 month's extension to submit the Performance Bank Guarantee.

15. The reply dated 30.06.2021 received from M/s Shreehari Associates Pvt. Ltd, has been perused, examined and is being rejected on the ground that the Letter of Award was issued in its favour on 15.03.2021 i.e. well before the surge of the COVID-19 and it was supposed to submit the Performance Bank Guarantee and Addl. Performance Bank Guarantee within 30 days of receipt of the LOA. M/s Shreehari Associates Pvt. Ltd., vide its emails dated 13.04.2021 and 15.04.2021 had requested for 15 working days time extension to submit Performance Bank Guarantee and Addl. Performance Bank Guarantee in accordance with clause 2.21 of the RFP. The request of the Selected Bidder was considered and M/s Shreehari Associates Pvt. Ltd, was informed that, in the interest of work, the Competent Authority as an exception, permitted to the Selected Bidder to submit the Performance Security and Additional Performance Security not later than 26.04.2021. Further, NHIDCL vide office order no. NHIDCL/HR/Atmanirbhar Bharat/2021/185330/253 dated 17.05.2021 has also granted the relaxation by giving extension of time for submission of Performance Bank Guarantee and Additional Performance Bank Guarantee due to second wave of Covid-19. The same was communicated to the Selected Bidder vide email dated 25.05.2021, informing that M/s Shreehari Associates Pvt. Ltd., has to submit at least 50% of Performance Bank Guarantee and 50% of Additional Performance Bank Guarantee by 31.05.2021. However, M/s Shreehari Associates Pvt. Ltd., has failed to submit the Performance Bank Guarantee and Additional Performance Bank Guarantee, within the time period as allowed by the Authority.

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

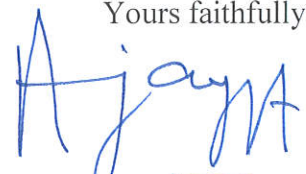
17. Due to failure of the M/s Shreehari Associates Pvt. Ltd., in furnishing the Performance Bank Guarantee and 50% of Additional Performance Bank Guarantee, it has caused loss of time and effort of the Authority.

18. In view of the aforesaid facts and circumstances, M/s Shreehari Associates Pvt. Ltd., is hereby debarred for a period of one year from participating in the future projects of NHIDCL in accordance with Clause 2.20.5 & 2.21.5 of the RFP.

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

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

Yours faithfully,




(Ajay Ahluwalia)

Executive Director (T)

29 July 2021

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. 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


29/7