

Cancellation Note

A.

Name of the Project	TBRCE for Slope Protection and Landslide Mitigation at 8 Vulnerable Locations (km 3.75 - 3.90, 8.21 - 8.36, 11.35-11.628, 33.35 - 33.70, 38.95- 39.220, 44.903 -45.078, 48.490 - 48.560 & 49.310 - 49.570) on NH-10 (Job No.010/WB/2022-23/520).
Date of sanction	31.03.2023
Original Cost	Rs. 100.30 Crore
Amount put to tender	Rs. 89.02 Crore
L1 bid offer price	Rs. 121.07 Crore (36% above)
Proposed revised TBRCE	Rs 134.50 Crore

B.

Name of the Project	TBRCE for Slope Protection and Landslide Mitigation at 5 Vulnerable Locations (km 6.20 - 6.95 (Hill and Valley side), 7.10 - 7.25, 21.40 - 21.65 & 22.20 -22.300) on NH-10 (Job No.010/WB/2022-23/519)
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Date of sanction	29.03.2023
Original Cost	Rs. 73.32 Crore
Amount put to tender	Rs. 65.08 Crore
L ₁ bid offer price	Rs. 88.50 Crore (36% above)
Proposed revised TBRCE	Rs 98.32 Crore

3.1 Apropos of the aforesaid two slope protection project, CE-RO made a brief presentation on the projects. He mentioned that high tender premium is mainly for (i) Specialized nature of work, (ii) risk factor involved due to unprecedented rain fall in the unstable hill region (iii) Less working seasons (about 6 months). He also mentioned that a suo-moto petition has been filed in Sikkim High Court on the conditions of NH-10 & as per direction of High Court a NH monitoring committee has been formed to monitor the progress of the work on NH 10. Further Hon'ble Sikkim high Court has directed that permanent solutions to landslide prone zones must be implemented along the NH-10 between Sevoke and Rangpoo. Hence TBRCE needs to be sanctioned/awarded at the early to avoid chance of further damaged during monsoon.

3.2. The Joint Director, DoE enquired whether all the components of the landslide works have been covered in the scope. CE-RO confirmed the same. The Joint Director, DoE asked to explore the project cost based on the updated SOR and compare the costs thereof.

3.3. CE-RO mentioned that the sanctioned provisions are of specialized in nature and major part of the provisions are non NH SOR items. Out of total cost put to tender for 5 spots (Rs. 65.08 Crore), cost of SOR items is Rs. 18.92 Cr (34%) and Non-SOR items is Rs. 36.22 Cr (66%). SOR items are based on NH SOR w.e.f 01.06.2019 and Non-SOR items are based on market rates assessed by the proof consultant THDC. The NH SOR 2019 is still effective in the State of West Bengal. However, there has been 25.43% enhancement of the WPI from June 2019 to August 2023. Applying the enhancement factor of WPI on the SOR items, the value of civil works comes to Rs. 70.81 Cr. Lowest quoted price (Rs. 88.51 Crore) is still 25% above the updated cost.

Similarly for 8 spots, out of total cost put to tender (Rs. 89.02 Crore), cost of SOR items is Rs. 28.75 Cr (38%) and Non-SOR items is Rs. 46.69 Cr (68%). SOR items are based on NH SOR w.e.f 01.06.2019 and Non-SOR items are based on market rates assessed by the proof consultant THDC. The NH SOR 2019 is still effective in the State of West Bengal. However, there has been 25.43% enhancement of the WPI from June 2019 to August 2023. Applying the enhancement factor of WPI on the SOR items, the value of civil works comes to Rs. 97.65 Cr. Lowest quoted price (Rs. 121.07 Crore) is still 24% above the updated cost.

3.4. AS&FA pointed out that +36% tender premium is too high and not acceptable. He advised to go for fresh sanction based on the reasons as specified in Para-3.3. CE-RO apprised that there is no methodology to assess the risk factor in terms of cost. However, after detail deliberation it was

decided that the components of SOR items will be updated and fresh sanction will be sought from the competent Authority for both the projects.

Sd/-
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