

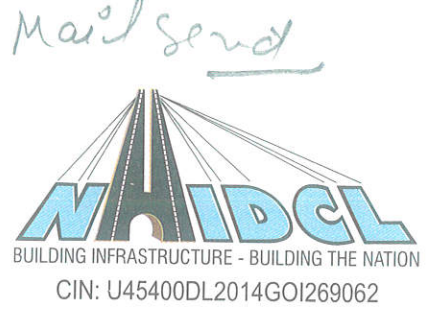
राष्ट्रीय राजमार्ग एवं अवसंरचना विकास निगम लिमिटेड

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)

Without Prejudice

NHIDCL/CZ-V/NON-PERF/2022-23/1495

Dated: 10.01.2023

To

**M/s Madhucon Projects Ltd**

Corp. Office: 'Madhucon House', 1129/A

Road No.-36, Jubilee Hills

Hyderabad-500033, Telangana, India

Email: [corporate@madhucon.com](mailto:corporate@madhucon.com)

**Sub:** Construction of two-lane with hard shoulders of **Chakabama-Zunheboto** Road on EPC basis from existing Km 100.345 to Km 122.250 [Design Km 95.000 to Km 115.534] (Design length – 20.534 Km) in the state of Nagaland under SARDP-NE, **(Package-V)-Declaring the EPC Contractor M/S Madhucon Projects Ltd. as Non-Performer – Reg.**

**Ref:**

- i. Letter reg. improper shuttering material being used at site, AGICL-MA/CZ/Con/2020-21/275 dated 30.08.2021.
- ii. Letter reg. Cure notice for improper shuttering material used at site, NHIDCL/PMU-PFU/CZ/AE/AGICL-MA/VOL-I/10 Dated: 02.09.2021.
- iii. Letter reg. Submission of daily RFI, NHIDCL/PMU-PFU/CZ-Road/Common/Vol-I/05 Dated 18.09.2021.
- iv. Letter reg. Implementation of safety precautions in project road, NHIDCL/PMU-PFU/CZ-Road/Common/Vol-I/06 Dated 18.09.2021.
- v. Letter reg.Chainage marking, NHIDCL/PMU-PFU/CZ-Road/Common/Vol-I/07 Dated 20.09.2021.
- vi. Letter reg. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/04 Dated 23.09.2021.
- vii. **Ministry letter No., Standard operating procedure to debar/penalize/declare the Contractor/Concessionaire as non-performer in National Highways and other centrally sponsored road projects-RW/NH-33044/76/2021 S&R (P&B), dated 06.10.2021.**
- viii. Minutes of meeting chaired by GM(P), NHIDCL Dated 18.10.2021.
- ix. Minutes of meeting of review meeting chaired by ED(P) NHIDCL On 18.11.2021.
- x. Minutes of meeting chaired by Manager(P), NHIDCL Dated 14.12.2021.

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- xi. Letter reg. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/20 Dated 20.12.2021.
- xii. Reply of cure notice for slow progress MPL/NL/NHIDCL/CZ-V/2020-21/81, dated 01.01.2022.
- xiii. Minutes of meeting chaired by Manager (P), NHIDCL Dated 07.01.2022.
- xiv. Observation on the reply of cure notice issue, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/22 Dated 08.01.2022.
- xv. Reply of Cure Notice for slow progress MPL/NL/NHIDCL/CZ-V/2020-21/82, dated 17.01.2022.
- xvi. Submission of details of work location and material for approval, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/26 Dated 07.02.2022.
- xvii. Letter reg. Rectification of civil construction work and slope protection work required in all package, AGICL-MA/CZ/Con/2022-23/376 dated 11.02.2022.
- xviii. Letter reg. Slow progress of work, AGICL-MA/CZ/Con/2022-23/377 dated 11.02.2022.
- xix. Letter reg. Deployment of adequate amount of manpower, AGICL-MA/CZ/Con/2022-23/378 dated 11.02.2022.
- xx. Letter reg. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/27 Dated 11.02.2022.
- xxi. Letter reg. Dust nuisance at project site, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/32 Dated 16.02.2022.
- xxii. Letter reg. Speed up various type of work in Zunheboto town area, AGICL-MA/CZ/Con/2022-23/388 dated 16.02.2022.
- xxiii. Letter reg. Action to be taken by EPC-Contractor to speed up the progress of the project, NHIDCL/PMU-PFU/CZ-Road/Common/VOL-I/26 Dated 21.02.2022.
- xxiv. Letter reg. Safety measures to be deployed in all package. AGICL-MA/CZ/Con/2022-23/395 dated 22.02.2022.
- xxv. Letter reg. Maintenance of existing road is required in all packages, AGICL-MA/CZ/Con/2022-23/396 dated 22.02.2022.
- xxvi. Letter reg. Slow progress of work, AGICL-MA/CZ/Con/2022-23/397 dated 22.02.2022.
- xxvii. Letter reg. Improper shuttering material are being used at site, AGICL-MA/CZ/Con/2022-23/400 dated 22.02.2022
- xxviii. Letter reg. Slope protection work in Assam rifle area, AGICL-MA/CZ/Con/2022-23/403 dated 23.02.2022.
- xxix. Minutes of meeting chaired by GM(P), NHIDCL Dated 23.02.2022.
- xxx. Letter reg. Safety arrangement of culvert @ 95+740, AGICL-MA/CZ/Con/2022-23/404 dated 24.02.2022.
- xxxi. Letter reg. Rectification of civil work required in all package, AGICL-MA/CZ/Con/2022-23/418 dated 02.03.2022.
- xxxii. RO Kohima letter for DBM target NHIDCL/RO-Kohima/MOM/MD-PR/Vol-I/2021-22/2380, dated 03.03.2022.
- xxxiii. Reply to cure notice issue, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/35 Dated 04.03.2022.

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- xxxiv. Letter reg. Poor work-man ship found during site visit, AGICL-MA/CZ/Con/2022-23/422 dated 04.03.2022.
- xxxv. Letter reg. Execution of work strictly as per instructions given in MoM, AGICL-MA/CZ/Con/2022-23/425 dated 04.03.2022.
- xxxvi. Letter reg. Rectification of deformities found in parapet wall, AGICL-MA/CZ/Con/2022-23/430 dated 05.03.2022.
- xxxvii. Cure notice for poor execution of DBM work at site, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/36 Dated 05.03.2022.
- xxxviii. Minutes of meeting of review meeting chaired by ED(P) NHIDCL On 08.03.2022.
- xxxix. Cure notice for shortage of laboratory equipment's, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/38 Dated 10.03.2022.
- xl. Letter reg. Maintaining sufficient buffer stock of essential materials on site, AGICL-MA/CZ/Con/2022-23/458 dated 16.03.2022.
- xli. Letter reg. Following standard procedure & tools while execution of project work, AGICL-MA/CZ/Con/2022-23/461 dated 17.03.2022.
- xl. Letter reg. Following standard specification at site, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/43 Dated 21.03.2022.
- xl. Letter reg. Progress meeting with ADC, Zunheboto with regards to ongoing road construction in town area and slow progress, NHIDCL/PMU-PFU/CZ-Road/Common/VOL-I/30 Dated 22.03.2022.
- xliv. Letter reg. Appointment of PM/DPM, AGICL-MA/CZ/Con/2022-23/470 dated 22.03.2022
- xl. Letter reg. For sub-standard quality of work, AGICL-MA/CZ/Con/2022-23/473 dated 23.03.2022
- xlvi. Letter reg. Appointment of new Project Manager & Deputy Project Manager on priority basis, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/44 Dated 23.03.2022.
- xl. Letter reg. Drain cover to be provided on priority basis, AGICL-MA/CZ/Con/2022-23/481 dated 25.03.2022
- xl. Letter reg. Pending drawing & design for various works as per S.O. for pkg-V, AGICL-MA/CZ/Con/2022-23/487 dated 28.03.2022
- xl. Letter reg. Start all type of protection work in Assam rifle area, AGICL-MA/CZ/Con/2022-23/488 dated 28.03.2022

1. Letter reg. Rectification required for breast wall at 113+430, AGICL-MA/CZ/Con/2022-23/494 dated 31.03.2022

- li. Letter reg. following standard procedure & tools while execution of construction work, AGICL-MA/CZ/Con/2022-23/498 dated 31.03.2022.
- lii. Minutes of meeting of review meeting chaired by ED(P) NHIDCL On 01.04.2022.
- liii. Cure notice for using un-approved cement, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/45 Dated 02.04.2022.
- liv. Letter reg. following standard specification at site, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/46 Dated 04.04.2022.

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- lv. Letter reg. producing monsoon action plan as cl 15.1.2, AGICL-MA/CZ/Con/2022-23/505 dated 04.04.2022.
- lvi. Letter reg. explaining reason why work is stopped in pkg-5, AGICL-MA/CZ/Con/2022-23/507 dated 05.04.2022.
- lvii. Minutes of meeting chaired by GM(P), NHIDCL Dated 09.04.2022.
- lviii. Letter reg. Not following standard procedure & tool while execution of construction work, AGICL-MA/CZ/Con/2022-23/535 dated 18.04.2022.
- lix. Letter reg. Submission of revised work program MPL/NL/AE/CZ-5/2022-23/254, dated 18.04.2022.
- lx. Letter reg. Poor workmanship during structure & highway work, AGICL-MA/CZ/Con/2022-23/539 dated 19.04.2022.
- lxi. Letter reg. Slow progress of work, AGICL-MA/CZ/Con/2022-23/556 dated 22.04.2022
- lxii. Letter reg. Rectification required of damaged DBM in pkg-5, AGICL-MA/CZ/Con/2022-23/562 dated 23.04.2022.
- lxiii. Letter reg. Non-submission of quarterly video recording of site, AGICL-MA/CZ/Con/2022-23/568 dated 26.04.2022.
- lxiv. Cure notice for non-achievement of DBM target, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-II/52 Dated 04.05.2022.
- lxv. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-II/53 Dated 04.05.2022.
- lxvi. Letter reg. starting seeding & mulching with jute net and hydro seeding work, AGICL-MA/CZ/Con/2022-23/593 dated 13.05.2022.
- lxvii. Reply of Cure Notice for slow progress MPL/NL/NHIDCL/CZ-5/2022-23/89, dated 16.05.2022.
- lxviii. Reply of Cure Notice for slow progress MPL/NL/NHIDCL/CZ-5/2022-23/90, dated 17.05.2022.
- lxix. Letter reg. Maintenance & safety of road, AGICL-MA/CZ/Con/2022-23/600 dated 18.05.2022.
- lxx. Letter reg. Producing & submission of monsoon action plan as per cl 15.1.2, AGICL-MA/CZ/Con/2022-23/608 dated 23.05.2022.
- lxxi. Suggestion for pre-monsoon maintenance of road during construction period of project, AGICL-MA/CZ/Con/2022-23/617 dated 31.05.2022.
- lxxii. Slow progress, AGICL-MA/CZ/Con/2022-23/618 dated 31.05.2022.
- lxxiii. Letter reg. DBM layer rectification requirement in Town area, AGICL-MA/CZ/Con/2022-23/620 dated 01.06.2022.
- lxxiv. Cure notice for slow progress of slope protection work in town area, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/58 Dated 03.06.2022.
- lxxv. Letter reg. Work stopped, AGICL-MA/CZ/Con/2022-23/627 dated 03.06.2022.
- lxxvi. Letter reg. To start and finish slope protection work. AGICL-MA/CZ/Con/2022-23/630 dated 04.06.2022.
- lxxvii. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/59 Dated 06.06.2022.
- lxxviii. Letter reg. Maintaining sufficient material and manpower on site, AGICL-MA/CZ/Con/2022-23/635 dated 08.06.2022.

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- lxxix. Letter reg.EOT for shifting of project milestones, AGICL-MA/CZ/Con/2022-23/637 dated 09.06.2022.
- lxxx. Letter reg.Poor workmanship in construction of RCC/PCC drain, AGICL-MA/CZ/Con/2022-23/639 dated 09.06.2022.
- lxxxi. Letter reg.Not using weep holes, AGICL-MA/CZ/Con/2022-23/642 dated 10.06.2022.
- lxxxii. Letter reg.explanation regarding idle of Plant, AGICL-MA/CZ/Con/2022-23/646 dated 13.06.2022.
- lxxxiii. Letter reg.Non-submission of quarterly video recording of site, AGICL-MA/CZ/Con/2022-23/653 dated 14.06.2022.
- lxxxiv. Letter reg.Start plantation in pkg-5, AGICL-MA/CZ/Con/2022-23/655 dated 14.06.2022.
- lxxxv. Letter reg.Advance action plan for flood/landslide etc. on road & emergency response, AGICL-MA/CZ/Con/2022-23/659 dated 15.06.2022.
- lxxxvi. Letter reg.Instruction for starting hydro-seeding, mulching with jute net, AGICL-MA/CZ/Con/2022-23/663 dated 18.06.2022.
- lxxxvii. Notice of slow progress of work, AGICL-MA/CZ/Con/2022-23/668 dated 18.06.2022.
- lxxxviii. Letter reg.Rectification required of damaged breast wall at Ch 108+440, AGICL-MA/CZ/Con/2022-23/680 dated 22.06.2022.
- lxxxix. Minutes of meeting of review meeting chaired by ED(P) NHIDCL On 22.06.2022.
- xc. Minutes of meeting at SO-Zunheboto Dated 23.06.2022.
- xci. Letter reg.Improper shuttering material being used at site, AGICL-MA/CZ/Con/2022-23/683 dated 23.06.2022.
- xcii. Maintenance of road for safety purpose, AGICL-MA/CZ/Con/2022-23/684 dated 23.06.2022.
- xciii. Letter reg.Keeping adequate stock of fuel, other construction materials and lagging in progress of work, AGICL-MA/CZ/Con/2022-23/686 dated 25.06.2022.
- xciv. Letter reg.completion the rectification required for damaged structure in landslide locations, AGICL-MA/CZ/Con/2022-23/691 dated 27.06.2022.
- xcv. Letter reg.Non-submission of quarterly video recording of site, AGICL-MA/CZ/Con/2022-23/707 dated 29.06.2022.
- xcvi. Letter reg.Rectification required of defective DBM at various locations, AGICL-MA/CZ/Con/2022-23/715 dated 01.07.2022.
- xcvii. Letter for starting hydro seeding & mulching work, AGICL-MA/CZ/Con/2022-23/719 dated 02.07.2022.
- xcviii. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-I/64 Dated 06.07.2022.
- xcix. Letter reg.Slow progress of work, AGICL-MA/CZ/Con/2022-23/ 737 dated 06.07.2022.
- c. Letter reg.Maintenance & safety report no.3 July, AGICL-MA/CZ/Con/2022-23/755 dated 11.07.2022.

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- ci. MoM of the meeting held on 08.08.2022 at AE office chaired by Team leader, AGICL-MA/CZ/Con/2022-23/761 dated 12.07.2022.
- cii. Letter for Keeping adequate stock of fuel, other construction materials and lagging in progress of work, AGICL-MA/CZ/Con/2022-23/776 dated 19.07.2022.
- ciiii. Letter reg. Slope protection in town area, AGICL-MA/CZ/Con/2022-23/781 dated 20.07.2022.
- civ. MoM of the meeting held on 14.07.2022 at AE office chaired by MD, Mangalam, AGICL-MA/CZ/Con/2022-23/785 dated 21.07.2022.
- cv. Minutes of meeting of review meeting chaired by MD(P) NHIDCL On 26.07.2022 through VC.
- cvi. Letter reg. Non-submission of quarterly video recording of site, AGICL-MA/CZ/Con/2022-23/796 dated 28.07.2022.
- cvii. Letter reg. Plantation, AGICL-MA/CZ/Con/2022-23/797 dated 28.07.2022.
- cviii. Letter reg. EOT submission, AGICL-MA/CZ/Con/2022-23/799 dated 29.07.2022.
- cix. Letter reg. Progress meeting with DC Zunheboto with regards to ongoing road construction in town area, NHIDCL/PMU-PFU/CZ-Road/Common/VOL-I/39 Dated 29.07.2022.
- cx. Letter reg. Maintaining sufficient buffer stock of essential material on site, AGICL-MA/CZ/Con/2022-23/811 dated 01.08.2022.
- cxi. Minutes of meeting of review meeting chaired by ED(P) NHIDCL On 03.08.2022.
- cxii. Cure notice for slow progress of work, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-II/67 Dated 04.08.2022.
- cxiii. MoM of the meeting held on 05.08.2022 at AE office Chaired by Team Leader, AGICL-MA/CZ/Con/2022-23/822 dated 08.08.2022.
- cxiv. Letter reg. Work stopped, AGICL-MA/CZ/Con/2022-23/831 dated 17.08.2022.
- cxv. Letter reg. EOT submission & levy penalty, AGICL-MA/CZ/Con/2022-23/832 dated 17.08.2022.
- cxvi. Letter reg. Rectification of damaged DBM surface, AGICL-MA/CZ/Con/2022-23/834 dated 17.08.2022.
- cxvii. Letter reg. Maintenance & safety report no.4-August, AGICL-MA/CZ/Con/2022-23/840 dated 20.08.2022.
- cxviii. Notice about slow progress of construction activities and the complete stoppage of work at your site in CZ Road Project, PKG-V, AGICL-MA/CZ/Con/2022-23/842 dated 22.08.2022.
- cxix. Letter reg. Non-compliance of 'Marking of Chainage throughout the Project Length' in spite of issuing several reminders, Pkg-V, AGICL-MA/CZ/Con/2022-23/847 dated 25.08.2022.
- cxx. Letter reg. Instruction regarding maintaining sufficient stock of diesel and other essential materials & manpower in PKG-V, AGICL-MA/CZ/Con/2022-23/849 dated 26.08.2022.





- cxxi. Reply of Extension of Time-II and revision of Milestone of the Project as per Clause 10.5.1 of the Contract Agreement. AGICL-MA/CZ/Con/2022-23/855 dated 31.08.2022.
- cxxii. Recommendation to declare the EPC Contractor as non-Performer due to failure in achievement of target, AGICL-MA/CZ/Gen/2022-23/1041 dated 31.08.2022.
- cxxiii. Submission of MR for August, AGICL-MA/CZ/Gen/2021-22/1046 dated 01.09.2022.
- cxxiv. Non-Submission of RFI as per Clause 11.11 of Contractor Agreement, AGICL-MA/CZ/Con/2022-23/858 dated 02.09.2022.
- cxxv. Non-Submission of Quarterly Video recordings of the project under CZ Road Project, AGICL-MA/CZ/Con/2022-23/859 dated 03.09.2022.
- cxxvi. GM(P), PMU Pfutsero letter reg. Notice to Declare the EPC Contractor as Non-Performer, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-II/77 Dated 22.09.2022.
- cxxvii. GM(P), PMU Pfutsero letter reg. Recommendation to Declare the EPC Contractor as Non-Performer, NHIDCL/PMU-PFU/CZ-V/MPL/VOL-II/84 Dated 20.10.2022

NHIDCL (National Highways & Infrastructure Development Construction Limited) and M/s Madhucon Projects Ltd. (Hereinafter referred to as “the EPC Contractor”) signed an EPC Agreement on the 11<sup>th</sup> May, 2018 for the work of **“Construction of two-lane with hard shoulders of Chakabama-Zunheboto Road on EPC basis from existing Km 100.345 to Km 122.250 [Design Km 95.000 to Km 115.534] (Design length – 20.534 Km) in the state of Nagaland under SARDP-NE, (Package-V)”** at the contract price of **Rs. 188,10,00,000/- (Rupees one Hundred Eighty-eight Crore Ten Lakhs Only)** including GST, with construction period of 36 (Thirty six) months commencing from the Appointed Date i.e., the 20<sup>th</sup> December, 2018 on the terms, conditions and covenants contained in the Contract Agreement.

2. **Whereas**, as per Clause 10.3.1 of EPC Contract Agreement, the EPC Contractor shall construct the Project Highway as specified in Schedule-B and Schedule-C, in conformity with the Specifications and Standards set forth in Schedule-D, within 1095 Days (One Thousand Ninety-Five Days) from the Appointed Date (i.e., 20<sup>th</sup> Dec. 2018) which is the 19<sup>th</sup> December, 2021. After the extension of time (EOT-I), the Project Milestones w.r.t, actual achievement of milestones & targeted financial progress (%) are as below: -

Sl. No.	Project Milestones	Stipulated Financial Progress as per	Milestone from Appointed Date as per CA (in days)	Stipulated Completion Date as per Contract	Date as per Revised Schedule or EOT	Actual date of Milestone achievement
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		Contract Agreement		Agreement		
i.	Milestone – I	10%	180	18.06.2019	25.09.2019	18.01.2020
ii.	Milestone – II	40 %	550	22.06.2020	27.11.2020	27.11.2020
iii.	Milestone – III	80 %	915	22.06.2021	16.02.2022	In progress (Fin. Progress. 72.76 %)
iv.	Scheduled Completion	100%	1095	19.12.2021	15.08.2022	-

3. Whereas, the EPC Contractor has achieved the Milestone – I after a delay of 115 days, Milestone-II on time & Milestone-III is still in progress despite the due date as per EoT-I being 16.02.2022. Further, for the last eight months, the EPC Contractor has failed to achieve required progress; for reasons solely attributable to them, due to insufficient funding to project site resulting in delay in procurement of construction materials, lack of meticulous planning, non-functioning of construction equipment/manpower etc. The Contractor has achieved **81.78 % Physical Progress** and **72.76% Financial Progress** as on Dec. 2022, which is far from the satisfaction of Authority and it is very clear that the EPC Contractor will not be able to achieve the desired completion of the project, even on the extended completion date i.e. 15.08.2022 and clearly attracts provisions in accordance with the MoRTH Circular no. RW/NH-33044/76/2021-S&R (P&B) dated 06.10.2021 para (2), table (1), Sl. (1) & (2) under “Failed to set up institutional mechanism and procedure as per Contract” and has “Failed to complete or has missed any milestone and progress not commensurate with contiguous unencumbered project length/ ROW available even after lapse of 6 months from respective project milestone/ Schedule Completion date”.

The month wise details of submitted work program (as per ScheduleJ/EOT-I) vis-à-vis the physical progress achieved by M/s Madhucon Projects Ltd. since the Appointed Date (i.e., 20<sup>th</sup> December, 2018) are tabulated as under;

Sl. No	Month	Physical Progress as per work program Cumulative (%)	Physical Progress as on ground (Cumulative) (%)
1	Dec-18	-	-
2	Jan-19	-	-
3	Feb-19	-	-
4	Mar-19	-	-
5	Apr-19	0.74	-
6	May-19	2.18	-

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7	Jun-19	2.45	2.57
8	Jul-19	2.45	2.57
9	Aug-19	2.45	2.79
10	Sep-19	5.69	6.49
11	Oct-19	11.11	9.19
12	Nov-19	15.95	11.24
13	Dec-19	21.32	12.76
14	Jan-20	26.90	15.12
15	Feb-20	32.11	17.21
16	Mar-20	38.44	20.4
17	Apr-20	44.76	20.75
18	May-20	51.36	21.55
19	Jun-20	53.80	24.86
20	Jul-20	55.50	26.88
21	Aug-20	55.61	30.87
22	Sep-20	56.30	34.25
23	Oct-20	58.05	37.07
24	Nov-20	64.01	42.27
25	Dec-20	69.32	43.64
26	Jan-21	74.27	48.00
27	Feb-21	78.84	51.45
28	Mar-21	84.42	55.95
29	Apr-21	89.10	57.91
30	May-21	93.78	59.02
31	Jun-21	97.77	60.21
32	Jul-21	98.51	63.38
33	Aug-21	98.88	65.01
34	Sep-21	99.26	65.56
35	Oct-21	99.42	68.45
36	Nov-21	99.57	69.26
37	Dec-21	100.00 (Schedule period ends)	69.98
38	Jan-22	72.44	70.37
39	Feb-22	74.88	72.14
40	Mar-22	77.88	74.68
41	Apr-22	80.42	75.41
42	May-22	88.94	75.89
43	Jun-22	95.30	76.18
44	Jul-22	99.28	76.26
45	Aug-22	100.00(EOT-I period ends)	76.51
46	Sep-22	-	76.57
47	Oct-22	-	76.57
48	Nov-22	-	79.04
49	Dec-22	-	81.78

4. **Whereas**, as per clause 11.10 of the Contract Agreement it is the obligation of Contractor to ensure that the Construction materials and workmanship are in accordance with the requirements specified in the Contract Agreement, specifications, standards and Good Industry Practice.

*Signature*



5. **Whereas,** Authority & Authority's Engineer have issued several Cure Notices/ Show Cause Notices for slow progress of work vide letter(s) cited at ref **vi, xi, xii, xiv, xv, xviii, xx, xxvi, xxxiii, lxi, lxv, lxvii, lxviii, lxxii, lxxiv, lxxvii, lxxxvii, xcvi, xcix, cxii, cxviii** for expediting the progress of work wherein the Contractor was advised to mobilize adequate manpower, machineries and ensure procurement of materials at site to achieve the Milestones targets. Despite repeated instructions issued in this regard, the EPC Contractor has failed to take remedial steps for expediting the progress of work and not complied with all issued notices and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".
6. **Whereas,** Authority's Engineer have issued several notices for explanation on stoppage of work and idling of Plant & Machineries at site vide at ref. **xl, lvi, lxxv, lxxxii, cxiv** but the Contractor has not complied with till date. Despite repeated instructions issued in this regard, the Contractor failed to give explanation and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (V) under "Failed to start the work or cause delay to maintenance & repair/overlay of the project".
7. **Whereas,** Authority's Engineer has issued several letters for maintaining sufficient buffer stock of construction materials & man-power vide letter at ref. **xix, xl, lxxviii, xciii, cii, cxx**. However, the EPC Contractor has failed to maintain the same. Despite repeated instructions issued in this regard, the Contractor failed to take corrective steps in this regard and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".
8. **Whereas,** Authority and Authority's Engineer have issued several notices for maintenance of existing road during construction period & safety measures at site vide the letter cited at ref. **iv, xxi, xxiv, xxv, xxx, lxix, xcii, c, cxvii** but the EPC Contractor has not complied with all the notices till date. Despite repeated instructions issued in this regard, the Contractor failed to take corrective steps in this regard and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (IV) under "Failed to fulfil its obligations to maintain a highway in a satisfactory condition in spite of two rectification notices issued in this regard.".
9. **Whereas,** Authority's Engineer have issued several letters for submission of quarterly video-recording as per the provisions of Contract Agreement vide the letter cited at ref. **lxiii, lxxxiii, xcvi, cxxv**. However, the EPC Contractor failed to submit the same at time. Despite repeated instructions issued in this regard, the Contractor failed to submit the same and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table

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(1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".

10. **Whereas**, Authority and Authority's Engineer have issued several letters for daily submission of RFI as per the provisions of Contract Agreement vide the letter cited at ref. **iii & cxxiv**. However, the EPC Contractor failed to submit the same at time. Despite repeated instructions issued in this regard, the Contractor failed to submit the same and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".

11. **Whereas**, Authority's Engineer have issued several letters to start plantation at project site as per the provisions of Contract Agreement vide the letter cited at ref. **lxxxiv & cvii**. However, the Contractor failed to execute the plantation work at site till date. Despite repeated instructions issued in this regard, the Contractor failed to start the work and attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (V) under "Failed to start the work or cause delay to maintenance & repair/overlay of the project".

12. **Whereas**, the Authority & Authority's Engineer has issued notices for improper shuttering at site, vide letter at ref. **i, ii, xxvii, xci**. However, the EPC Contractor has failed to comply at site. Despite repeated instructions issued in this regard, the Contractor failed to take corrective measures for the same and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".

13. **Whereas**, the Authority & Authority's Engineer has issued several letters for chainage marking to be completed at Project site, vide letter at ref. **v & cxix**. However, the EPC Contractor has failed to comply the same at site. Despite repeated instructions issued in this regard, the Contractor failed to comply the same and attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (V) under "Failed to start the work or cause delay to maintenance & repair/overlay of the project".

14. **Whereas**, the Authority & Authority's Engineer has issued letter for unavailability of technical staff i.e., Project Manager (PM), Deputy project Manager (DPM) for execution of work at site as per the **Scheduled-D provision of the Contract Agreement** vide letter at ref. **xix, xlvi, lxxviii, cxx**. However, the EPC Contractor has failed to deploy these staff till date. Despite repeated instructions issued in this regard, the Contractor failed to comply the same and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".

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15. **Whereas**, the Authority and Authority's Engineer has issued several notices to start slope protection work, vide letter at ref. **xvii, xxviii, xlix, lxxxvi, xcvi, ciii**. These notices have not been complied with till date by your firm. Despite repeated instructions issued in this regard, the Contractor failed to start the work and attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (V) under "Failed to start the work or cause delay to maintenance & repair/overlay of the project".
16. **Whereas**, the Authority and Authority's Engineer has issued several notices to rectify the damaged DBM, vide letter at ref. **xxxi, xxxvii, lxxiii, xcvi, cxvi**. Your firm has failed in fulfilling the obligations of the Contractor as per the Contract Agreement. These notices have not been complied with till date. The above defaults clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. [5 (b)] under "Fails to complete minor rectifications exceeding 3 instances in a project not completed as per time given in non-conformity reports (NCR) in design/completed works/maintenance".
17. **Whereas**, Authority and Authority's Engineer has issued several notices to follow standard specification at site vide letter at ref. **xxxv, xli, xlii, li, liv, lviii**. Your firm has failed in fulfilling the obligations of the Contractor as per the Contractor Agreement. This notice has not been complied with till date. Despite repeated instructions issued in this regard, the Contractor failed to comply the same and clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) under "Failed to set up institutional mechanism and procedure as per Contract".
18. **Whereas**, Authority's Engineer has issued several notices for rectification needed at structure work i.e., drain, parapet, breast wall and poor workmanship at site vide letter at ref. **xvii, xxxi, xxxvi, l, lxxx, lxxxviii, xciv**. This notice has not been complied with till date. The above defaults clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. [5 (b)] under "Fails to complete minor rectifications exceeding 3 instances in a project not completed as per time given in non-conformity reports (NCR) in design/completed works/maintenance".
19. **Whereas**, Authority and Authority's Engineer and Administration reviewed the progress during meeting held about the slow progress of work and speed up the work at site vide letter at ref. **viii, ix, x, xiii, xxix, xxxviii, lii, lvii, lxxxix, xc, ci, civ, cv, cix, cxiii**. This clearly attracts provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) & (2) under "Failed to set up institutional mechanism and procedure as per Contract" and has "Failed to complete or has missed any milestone and progress not commensurate with contiguous unencumbered project length/ ROW available"

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even after lapse of 6 months from respective project milestone/ Schedule Completion date”.

20. **Whereas**, the Competent Authority, RO-Kohima evaluation on progress of work, during review meeting and manifest on slow progress of work, vide letter at ref. **ix, xxxviii, lii, lxxxix, cv, cxi**. This clearly attracts provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (1) & (2) under “Failed to set up institutional mechanism and procedure as per Contract” and has “Failed to complete or has missed any milestone and progress not commensurate with contiguous unencumbered project length/ ROW available even after lapse of 6 months from respective project milestone/ Schedule Completion date”.

21. **Whereas**, the EPC Contractor has failed to achieve the desired progress as per the monthly work-program. The EPC Contractor has achieved merely **Physical Progress of 81.78% and financial progress of 72.76% as on 26.12.2022**. The defaults of the EPC Contractor clearly attract provisions in accordance with the ibid MoRTH circular para (2), table (1), Sl. (2) under “Failed to complete or has missed any milestone and progress not commensurate with contiguous unencumbered project length/ ROW available even after lapse of 6 months from respective project milestone/ Schedule Completion date”.

22. **Whereas**, the EPC Contractor has shown insufficient intention to execute the project work. There has been a lack of reliable and technically qualified people which is another factor contributing to slow progress and poor workmanship.

23. **Whereas**, the EPC Contractor has not followed good industry practices mentioned in the Contract Agreement to execute quality work.

24. **Whereas**, The Authority has provided all possible assistance to expedite the progress of the project work including the extension of time. But the EPC Contractor has shown insufficient intention to execute the project work.

25. In view of the foregoing, the EPC Contractor has caused breach of the following clauses of the *Ministry circular no RW/NH-33044/76/2021 S& R (P&B), dated 06.10.2021*.

- i. *Failed to set up institutional mechanism and procedure as per Contract.*
- ii. *Failed to complete or missed milestone-III and progress are not commensurate with contiguous unencumbered project length/ ROW available even after lapse of 6 months from respective project milestone/ Schedule Completion dated.*

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- iii. *Failed to complete minor rectifications exceeding 3 instances in a project as per time given in non-conformity reports (NCR) in design/ completed works/ maintenance.*
  - iv. *Failed to fulfil its obligations to maintain a highway in a satisfactory condition in spite of two rectification notices issued in this regard.*
  - v. *Failed to start the work or cause delay to maintenance & repair/overlay of the project.*
26. Whereas, Authority vide letter under ref. **cxxvi** has issued show cause notice to declare the EPC Contractor as non-performer with a request to justify the above defaults. Despite serving 3 reminders, the EPC Contractor has failed to submit any reply w.r.t the said notice.
27. However, in view of the aforesaid facts and circumstances, it is clearly evident that the EPC Contractor has failed to uphold its contractual obligations as per the Contract Agreement and has caused detrimental effect on the projects under it. In light of the aforesaid facts and circumstances, considering the non-professional attitude of M/s Madhucon Projects Limited and aforesaid contractual defaults, breaches, and willful non-performance in fulfillment of Contractor's obligations as per the provisions of the Contract Agreements and blaming the Authority for its own accountabilities, the National Highways & Infrastructure Development Corporation Limited is hereby declaring the EPC Contractor M/s Madhucon Projects Limited as Non- Performer till the Completion of the above Project.in National Highways and centrally sponsored road projects as per MoRT&H Circular No. RW/NH-33044/76/2021-S&R (P&B), dated 06.10.2021.
28. The Authority is declaring the EPC Contractor, M/s Madhucon Projects Limited as Non-Performer till the Completion of the above Project. & as per Para-8 of MoRTH Circular dated 06.10.2021. Upon Declaration of non-performer/ debarred, the EPC Contractor will not be able to participate in any bid with MoRTH or its executing agencies, till such time the EPC Contractor is removed from the list of non-performers or the debarment persists. The contractor shall include its JV partners, promoters etc whose credentials were considered while qualifying them for the project. Non-performer / debarment status of a bidder on the bid due date will be the criteria for eligibility of a bidder to participate in the said bid.
29. This order is issued without prejudice to any other right or remedy available with the Authority under the Contract Agreement and applicable law.
30. This issues with the approval of the Competent Authority.

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**(M. Riten Kumar Singh)**  
Executive Director (T)  
NHIDCL, HQ  
New Delhi

**Copy to:**

- i. PS to director(T), NHIDCL, HQ
- ii. ED(T/PS), NHIDCL
- iii. GM(P), Pfutsero.
- iv. GM(IT), HQ, NHIDCL.