

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/WestBengal/AE/Yongma/ 1583

Dated: 08.09.2022

To,

M/s Yongma Engineering Co Ltd in JV with
Redecon (India) Pvt Ltd and in Association with
CHO & Kim Engineering Pvt Ltd
301-302, Time Centre, Sector-54,
Gurugram-122003, Haryana.
Email: rohit.ranjan@ymeng.in

Sub: Declaring M/s Yongma Engineering Co Ltd in JV with Redecon (India) Pvt Ltd and in Association with CHO & Kim Engineering Pvt Ltd as Non-Performer in National Highways and centrally sponsored road projects

Sir,

National Highways & Infrastructure Development Corporation Limited (hereinafter referred as "NHIDCL or Authority") and M/s Yongma Engineering Co Ltd in JV with Redecon (India) Pvt Ltd and in Association with CHO & Kim Engineering Pvt Ltd (hereinafter referred as "Consultants") signed the Contract Agreement on the 28th day of May, 2019 for the work of "Consultancy Services for Authority's Engineer for the (i) Construction of alternative highway (Package-IVA) from Km. 0.00 to Km. 13.00 of Bagrakot-Kafer section of NH-717A on EPC mode in state of West Bengal (ii) Construction of alternative highway (Package-IVB) from Km. 13.00 to Km. 25.60 of Bagrakot-Kafer section of NH-717A on EPC mode in state of West Bengal (iii) Construction of alternative highway (Package-IVD) from Km. 26.10 to Km. 40.00 of Bagrakot-Kafer section of NH-717A on EPC mode in state of West Bengal (iv) Construction of alternative highway (Package-IVC) from Km. 25.60 to Km. 26.10 of Bagrakot-Kafer section of NH-717A on EPC mode in state of West Bengal (v) Construction of Mechi Bridge and Approaches on India-Nepal border linking Kakarvitta in Nepal and Panitanki in India under Engineering Procurement and Construction (EPC) Mode at the Contract price of 13,55,67,709/- (Rupees Thirteen Crore Fifty Five lacs Sixty Seven Thousand Seven Hundred and Nine only), with Construction period of 36 months & defect liability period of 60 months and the commencement from one month after signing of the Contract Agreement i.e., 28.05.2019, on the terms, condition and covenants contained in the Contract Agreement.

2. Whereas, the Authority's Engineer will discharge its obligations as per provision of the Contract Agreement and will ensure compliance of Clause 10.0 of TOR.

3. Whereas, Authority's Engineer has been found to be lacking in technical supervision of work at site, which has been pointed out by the Authority from time to time.

4. WHEREAS, as per Clause 2.3 of Special Conditions of Contract of the Contract Agreement, the firm shall begin carrying out the services within one month of signing of the

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Contract Agreement. Hence the Consultant was required to mobilize the team no case later than 27.06.2019. The Consultant failed to mobilize its team on site and the team was mobilized w.e.f. 01.08.2019, without Bridge Engineer and Resident Engineer. The Consultancy Firm's service functioned without a Team Leader for 9 months and a Resident Engineer for 14 months. As on date the Consultancy firm does not have Resident Engineer at the project site for last 07 month and Team Leader for last one month.

5. **WHEREAS**, as per Clause 4.2 of ToR the Consultant of the Contract Agreement, the Authority's Engineer shall review any revised drawings sent to it by the Contractor and furnish its comments within 10 (ten) days of receiving such drawings. The review of drawings should be authenticated by Authority's Engineer. The Consultant failed to review the design & drawings in stipulated time frame which caused to restart the approval process and huge delay in construction of ROB.

6. **WHEREAS**, as per Clause 3.2(d) and Clause 3.5 of ToR of the Contract Agreement, the Consultant failed to take prior approval of the Authority before approving Plan & Profiles with huge deviation from the Schedule-B of the EPC Contract Agreement of PKG-IVA which may create financial liabilities to the Authority, further the Consultant failed to aid and advice the Authority on Change of Scope under Article-13.

7. **WHEREAS**, The Consultant failed to discharge its duties in accordance with Clause 10 of ToR of the Contract Agreement which states that the Authority's Engineer shall be expected to fully comply with all the provisions of the 'Terms of Reference', and shall be fully responsible for supervising the designs, construction and maintenance and operation of the facility takes place in accordance with the provisions of the EPC Agreement and other schedules.

8. **WHEREAS**, the Consultant failed to discharge its obligations as per Clause 3.1, 4.9, 4.11 and 9.5 of ToR of the Contract Agreement due to negligence in performing duties and indulging in malpractices.

9. **WHEREAS**, the Consultant has permitted its Sub-Professionals to leave the station without the Authority's consent, in violation of Clause 3.6(b) of the Contract Agreement's General Conditions of Contract.

10. **NOW**, it is quite apparent and certain that, underneath the above-mentioned circumstances, the Consultant has failed to perform the duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice. The Authority's Engineer has caused the breach of the following clauses of GCC & ToR of the Consultancy Services Agreement as well as the duties and responsibilities for AE enshrined in the EPC Contract. The defaults are as follows: -

a) In accordance with **Clause 2.3 of SCC** of the Contract Agreement, the Consultants failed to mobilize its team within one month.

b) In accordance with **Clause 4.2 of ToR** of the Contract Agreement, the Consultants failed to review design and drawings of ROB within stipulated time.

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c) In accordance with Clause 3.2(d) of ToR of the Contract Agreement, the Consultants failed to perform.

d) In accordance with Clause 3.5 of ToR of the Contract Agreement, the Consultants Failure to aid the Authority on Change of Scope.

11. WHEREAS, the Consultant has been non-performing on the following reasons, as per MoRT&H Circular No. RW/NH-33044/76/2021-S&R (P&B), dated 07.10.2021: -

- i. 3.1(a) - Failure to detect design/quality deficiency in Non-Key Components.
- ii. 3.2(a) - Failure to detect design/quality deficiency in Key-Components not having substantial cost.
- iii. 3.2(c) - Failure to conduct/witness tests as prescribed in the Consultancy Contract Agreement.
- iv. 3.3(c) - Failure to detect deficiency/not reviewing design and construction of structural components of flyover/bridges/underpasses/overpasses/ROB/RUB etc.
- v. 3.3(e) - Improper/wrong interpretation of provision in Contract Agreement; or poor performance of services leading to cost.

12. THEREFORE, in view of the foregoing, it is clearly evident that the Consultancy Firm has failed to uphold its contractual obligations as per the provisions of the Contract Agreement and also failed in mobilizing the requisite resources for the services which has caused detrimental effect on the projects under its supervision.

13. Whereas, the Authority is declaring the Authority's Engineer, M/s Yongma Engineering Co Ltd in JV with Redecon (India) Pvt Ltd and in Association with CHO & Kim Engineering Pvt Ltd as non-performer. *"Upon Declaration of non-performer, the AE/IE/CSE/PMC will not be able to participate in any bid for National Highways projects with MoRT&H or any other executing agencies till such time the Non-Performer persists or the AE/IE/CSC/PMC is removed from the list of non-performers. The AE/IE/CSE/PMC shall include its JV partners, promoters etc. whose credentials were considered while qualifying them for the project".*

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

R. Kumar Singh

(M. Riten Kumar Singh)
Executive Director (T)

Copy for kind information:

1. The Director General (RD) & SS, MoRT&H.
2. The Director General (Border Roads), New Delhi.
3. The Chairman, NHAI, Delhi.

4. The Chief Secretaries (PWD/Roads) of all State Govt./UT with National Highways and Centrally Sponsored Schemes.
5. The Chief Engineers (PWD/Roads) of all State Govt./UT with National Highways and Centrally Sponsored Schemes.
6. The Director (Tech), NHIDCL, New Delhi.
7. All ED (T/P), NHIDCL.
8. P.S to MD, NHIDCL/Director (A&F), NHIDCL
9. Sr. Manager (IT), NHIDCL-HQ, New Delhi - with a request to put the notice on the website and give wide publicity.