

NHIDCL/A&N/Nh-4/Package-IV/2017/Vol-(I)/208972/235

Date: 10.03.2026

TERMINATION NOTICE (WITHOUT PREJUDICE)

To,

Authorized Signatory

M/s Vasishta Construction Pvt. Ltd.

Plot no. 23, Rao & Raju Colony,

Road no.2, Banjara Hills,

Hyderabad-500034

Email: subbaraju.msk@gmail.com , info@vasishta.in

Subject: Rehabilitation and Up-gradation of section from Km 206.00 to Km 239.445 (Nimbutala to Austin Creek) of NH-04 (Old NH-223) to 2-Lane with hard shoulder in the Union Territory of Andaman & Nicobar Islands. (Package-IV): Notice for "Termination" of EPC Contract on account of EPC Contractor's Default under clause 23.1.2 of Contract Agreement.

References:

- i. LOA letter no. NHIDCL/A&N/NH-4/Package-IV/2017/397 dated 27.03.2018.
- ii. RO letter no. NHIDCL/R.O/A&N/206-239.445/N22/2020/356 dated 05/10/2021.
- iii. T/O letter no. NHIDCL/BO/A&N/Package-IV/N10/2018/1716A dated 27.11.2021.
- iv. RO letter no. NHIDCL/RO/A&N/206-239.445/N22/2020/483A dated 29.11.2021.
- v. HQ letter no. NHIDCL/A&N/NH-04/Package-IV/BoD/2022/(e-215722) dated 23.01.2023.
- vi. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/523 dated 10.10.2024.
- vii. AE letter no. YM-LMA/AE/A&N/2024/834 dated 07.02.2024.
- viii. AE letter no. Yongma/AE/A&N/TL office/2024/1033 dated 19.06.2024.
- ix. AE letter no. Yongma/AE/A&N/TL office/2024/1256 dated 21.10.2024.
- x. AE letter no. Yongma/AE/A&N/TL office/2024/1334, Dated-26.11.2024.
- xi. RO letter no. NHIDCL/RO/A&N/General/N9/2022/344 dated 17.10.2024.
- xii. PMU- Baratang letter no. NHIDCL/PMU-Baratang/A&N/MoM/N26/2024/180 dated 25.10.2024.
- xiii. RO letter no. NHIDCL/A&N/206-239.445 (Package-IV)/N22/2020/166 dated 12.07.2024.
- xiv. EPCC letter no. Vasishta Construction/NHIDCL/2024-25/PB-89 dated 25.07.2024.
- xv. AE letter no. Yongma/AE/A&N/TL office/2024/1129 dated 12.08.2024.
- xvi. AE letter no. Yongma/AE/A&N/TL office/2024/1119 dated 05.08.2024.
- xvii. AE letter no. Yongma/AE/A&N/TL office/2024/1126 dated 10.08.2024.
- xviii. T/O letter no. NHIDCL/BO/A&N/Package-IV/N10/2018/567 dated 27.11.2024.
- xix. T/O letter no. NHIDCL/BO/A&N/Package-IV/N10/2018/585 dated 12.12.2024.
- xx. AE Letter No. Yongma/AE/A&N/TL office/2025/08, dated 02.01.2025.
- xxi. HQ Letter No. NHIDCL/A&N/NH-4/MoM/VC/General/e-173121/2023/100 dated 03.01.2025.
- xxii. AE letter no. Yongma/AE/A&N/TL office/2025/27 dated 15.01.2025.
- xxiii. RO letter no. NHIDCL/R.O/A&N/206-239.445 (Package-IV)/N22/2020/508 dated 17.01.2025.
- xxiv. NHIDCL/A&N/NH-4/MoM/VC/General/2019/173121/122, Dated-17.02.2025.

- xxv. HQ OM No. NHIDCL/Andaman & Nicobar/Hon'ble Minister, RTH Meeting/2024/247768/125 dated 25.02.2025.
- xxvi. AE Letter No. Yongma/AE/A&N/TL office/2025/178 dated 09.04.2025.
- xxvii. T/O Letter No. NHIDCL/B.O/A&N/Package-IV/N10/2018/112 dated 21.04.2024.
- xxviii. AE Email dated 23.04.2025 @ 04:46 PM.
- xxix. RO, Sri Vijaya Puram Letter No NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/49, Dated-25.04.2025.-Issue of Cure period notice under clause 23.1.1 of CA.
- xxx. AE letter no. Yongma/AE/A&N/TL Office/2025/194, dated 26.04.2025.
- xxxi. RO, Sri Vijaya Puram Letter No NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/84, Dated-08.05.2025.- Notice for Intension to Terminate the EPC Contractor Default under clauses 23.1.2 of CA.
- xxxii. RO, Sri Vijaya Puram Letter No NHIDCL/RO/A&N/General PMUs/N-289/2025/96, Dated-16.05.2025-
- xxxiii. Letter received from M/s Vaisishta Construction Pvt. Ltd. on dated-20.05.2025.
- xxxiv. AE letter no. Yongma/AE/A&N/TL office/2025/278, Dated-12.06.2025.
- xxxv. AE letter no. Yongma/AE/A&N/TL office/2025/316, Dated-03.07.2025.
- xxxvi. AE letter no. Yongma/AE/A&N/TL office/2025/331, Dated-11.07.2025.
- xxxvii. AE letter no. Yongma/AE/A&N/TL office/2025/347, Dated-24.07.2025.
- xxxviii. AE letter no. Yongma/AE/A&N/TL office/2025/380, Dated-21.08.2025.
- xxxix. AE letter no. Yongma/AE/A&N/TL office/2025/383, Dated-23.08.2025.
- xl. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/315, Dated-16.09.2025.-07 days Cure period Notice under clause 23.1.1.
- xli. AE letter no. Yongma/AE/A&N/TL office/2025/435, Dated-03.10.2025.
- xl.ii. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/349, Dated-09.10.2025.
- xl.iii. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/364, Dated-15.10.2025.
- xl.iv. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/391, Dated-10.11.2025.
- xl.v. T/O letter no. NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/525, Dated-14.11.2025
- xlvi. RO, Sri Vijaya Puram Letter No NHIDCL/RO/A&N/206-239.445(Package-IV)/N22/2020/533, Dated-15.11.2025-Notice of intension to declare No-Performer.
- xlvii. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/414, Dated-24.11.2025.
- xlviii. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/419, Dated-25.11.2025.
- xl.lix. RO, Sri Vijaya Puram Letter No.629, Dated-18.12.2025- Submission of Weekly Status Report.
- l. AE letter no. Yongma/AE/A&N/TL office/2025/547, Dated-20.12.2025- informed EPC Contractor for submission Weekly Status Report.
- li. RO, Sri Vijaya Puram Letter No NHIDCL/RO/A&N/Package-IV/N27/2025/651, Dated-31.12.2025-Notice for Intension to Terminate.
- lii. EPCC letter no. VCPL/Package-IV/2025-2026/PB-120, Dated-14.01.2026.-Compliance Submitted by EPC Contractor regarding Intension to terminations Notice.
- liii. AE letter no. Yongma/AE/A&N/TL office/2026/031, Dated-07.01.2026-Deficiencies observed in on-going rectification work Non-compliance with Approved Methodology.
- liv. AE letter no. Yongma/AE/A&N/TL office/2026/046, Dated-27.01.2026.
- lv. Project Review Meeting Held on dated-30.01.2026 under the chairmanship of Director (T).
- lvi. T/O letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/89 Dated-27.01.2026.
- lvii. AE letter no. Yongma/AE/A&N/TL office/2026/052, Dated-31.01.2026.

1. **Whereas**, LOA for the work of "Rehabilitation and up-gradation of section from Km 206.000 to Km 239.425 (Total length: 33.405 km) of NH-4 (Old NH-223) (Nimbutala to Austin Creek) of NH-4 (Old NH-223) to 2-lane with hard shoulder in the Union Territory of Andaman & Nicobar Islands (Package-IV)" was issued to M/s Vasishta Construction Pvt Ltd on 27.03.2018.
2. **Whereas**, the Contract Agreement for executing the subject work was signed on 10.04.2018 between Authority & the Contractor.
3. **Whereas**, the Appointed date for the project was fixed as 04.09.2018 and the Contractor was obliged to complete the work within 24 months from the appointed date i.e. on or before 03.09.2020, keeping in view the fact that time is the essence for the contract.
4. **Whereas**, the original date of Milestone-I, Milestone-II, Milestone-III and schedule completion date was fixed as 02.01.2019, 31.07.2019, 26.02.2020 and 03.09.2020 respectively according to Schedule-J of Contract Agreement.
5. **Whereas**, the Milestones were revised through 4 No's of extension of time granted by Authority and new dates of achievement of Milestones are as follows:

Milestone	% Achievement	Appointed date	Duration (in days)	Falling Date	Achieved Date	EOT-I	EOT-II	EOT-III	EOT-IV
Milestone -I	10%	04.09.2018	120	02.01.2019	02.03.2020	...	...	...	...
Milestone -II	35%		330	31.07.2019	25.03.2021	...	...	...	...
Milestone -III	60%		540	26.02.2020	24.02.2022	20.10.2021	24.12.2021	...	...
Milestone -IV	100%		730	03.09.2020	Still to be achieved	31.12.2021	19.03.2022	19.11.2022	31.12.2024

- a. During 3rd conciliation meeting under clause 26.2 of the contract agreement held on dated-06.09.2021 at NHIDCL, HQ, between MD, NHIDCL and the President, Sh.Sita Ramaraju, along with Director, Sh. M.K. Chaitanya of M/s Vasishta Construction Pvt. Ltd., was directed to ensure the completion of the project by 31.12.2021 and was also requested to de-scope the Two Minor Bridge. On the basis of 3rd conciliation minutes of meeting, the Authority has given the Extension of Time-I (EOT-I) on dated-05.10.2021 vide above cited ref (ii) by providing the extension of 485 days to complete the project upto 31.12.2021. But the EPC contractor has failed to complete the project on the stipulated time frame and failed to achieve milestones i.e. Milestone-III & Milestone-IV.
- b. The EOT-II was given to contractor for 78 days vide Authority Letter as cited above in ref (iii) & iv) for completing the project up to 19.03.2022 on the basis of previous delay events submitted during the EOT-I. Despite of further relaxation again contractor failed to achieved the Milestone-IV.
- c. The EOT-III was granted on the basis of following delay events as given below:
 - As per the record, the allotment of quarry was done in Dec 2019 with a validity period of 21-12-2019 to 23-12-2020, later extended up to 03 months, i.e. up to 08.02.2021.
 - New allotment of quarry was 10.03.2022, but TP was issued on 06.06.2022.
 - EOT-03 was granted to contractor for 246 days i.e upto 19.11.2022 vide letter under ref (v).

But the contractor again failed to complete the Project on the extended time line.



- d. Once again competent Authority granted the EOT-IV upto 31.12.2024 vide Letter under ref (vi). The EOT -IV was approved in 115th Executive Committee meeting which was held on dated-11.09.2024 and 12.09.2024, wherein “The Executive committee deliberated the agenda and approved the extension of schedule completion date by 1580 days up to 31.12.2024 (1374 days up to 09.06.2024 without LD and 206 days from 10.06.2024 to 31.12.2024 with LD due to reasons solely attributed to the contractor). For granting the same, events upto 31.07.2024 have been taken into consideration. Further, it was directed to contractor to expedite the balance work and ensure completion of the remaining work within the extended timeline.
6. **Whereas**, despite being granted EOT-IV up to December 31, 2024, the EPC Contractor has not demonstrated significant productive work at the site. Over the last financial year (2024-25), the total progress achieved is only 4.10%. Thereafter, EPC Contractor has executed merely 0.94% of progress, with a cumulative physical progress of 83.09% and financial progress of 79.69%. In the current financial year 2025-26, the EPC Contractor has executed only 0.94% of the work, which is significantly lower than required to complete the project, even after lapses of an extended time period, and it is evident from the site situation and mobilization that the EPC contractor has no intention to complete the project. Furthermore, the work executed by the Contractor has been damaged at several locations during the last monsoon season, underscoring concern about the quality and durability of the work. The Authority has found that EPC Contractor will not be able to complete the project due to various reasons of default and breaches on the part of the contractor under clauses 23.1.1 of the contract agreement.
7. **Whereas**, Minutes of Meeting were circulated vide the above-cited reference (xxxii) by RO Sri Vijaya Puram, NHIDCL, pertaining to the meeting held on 15.05.2025, in NHIDCL, HQ under the chairmanship of the Executive Director (T) for quantification of the balance works and finalization of the timeline for completion of Package-IV. As per the said Minutes, the EPC Contractor was required to complete the road works by 30.06.2025 and all remaining works by 31.07.2025; however, the stipulated timelines have elapsed, and no productive work has been observed at site.
8. All previously issued show cause notices, notice for declaration as non-performer and cure period notices to the contractor are listed hereunder: -

Sl. No.	Package	Letter No.	Remarks
1	Package IV	NHIDCL/RO/A&N/206to239.445/N22/2020/ 483 dated 25.09.2020	Cure Period Notice Issued by RO Office to EPC Contractor
2	Package IV	NHIDCL/A&N/NH-4/Package-IV/2018/751 dated 25.02.2021	Show cause notice for placing the EPC Contractor in the Negative List Issued by HQ NHIDCL to EPC Contractor
3	Package IV	NHIDCL/RO/A&N/206to239.445 /N22/2020/ 217 dated 06.08.2021	Recommendation to Terminate the Contract under clause 23.1.2 of CA Issued by RO Office to NHIDCL HQ
4	Package IV	NHIDCL/RO/A&N/206to239.445 (Package-IV)/N22/2020/ 307 dated 14.09.2021	Cure Period Notice Issued by RO Office to EPC Contractor
5	Package IV	NHIDCL/RO/A&N/206to239.445 (Package-IV)/N22/2020/ 352 dated 05.09.2022	Notice to declare the EPC Contractor as “non-performer” recommended by RO Office to NHIDCL HQ

6	Package IV	NHIDCL/RO/A&N/206to239.445 (Package-IV)/N22/2020/ 457 dated 08.10.2022	Reminder: Notice to declare the EPC Contractor as "Non-Performer" recommended by RO Office to NHIDCL HQ
7	Package IV	NHIDCL/RO/A&N/206to239.445/N22/2020/ 576 dated 10.11.2022	Cure Period Notice Issued by RO Office to EPC Contractor
8	Package IV	NHIDCL/RO/A&N/206-239.445(Package-IV)/N22/2020/508 dated 17.01.2025	Show cause Notice Issued by RO Office to EPC Contractor
9	Package IV	NHIDCL/RO/A&N/206-239.445(Package-IV)/N22/2020/49, dated 25.04.2025.	Cure Period Notice Issued by RO Office to EPC Contractor
10	Package IV	NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/84, Dated-08.05.2025	Intention to Termination notice Issued by RO office to EPC Contractor
11	Package-IV	NHIDCL/B.O/A&N/Package-IV/N10/2018/315, Dated-16.09.2025	07 days Cure period Notice under clause 23.1.1.
12	Package-IV	NHIDCL/RO/A&N/206-239.445(Package-IV)/N22/2020/533, Dated-15.11.2025	Notice of intension to declare No-Performer.
13	Package-IV	NHIDCL/RO/A&N/Package-V/N27/2025/651, Dated-31.12.2025-	Notice for Intention to Terminate

9. Additionally, the following other slow progress notices and requirement of maintenance work notice have been given by NHIDCL and Authority Engineer of the subject project:

Sr. No.	Letter No.	Issued by
1	NHIDCL/A&N/206-239.445 (Package-IV)/N22/2020/166 dated 12.07.2024	ED(P), RO-Port Blair
2	Yongma/AE/A&N/TL office/2024/1062 dated 05.07.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
3	Yongma/AE/A&N/TL office/2024/1047 dated 29.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
4	Yongma/AE/A&N/TL office/2024/1040 dated 25.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
5	Yongma/AE/A&N/TL office/2024/1009 dated 07.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
6	Yongma/AE/A&N/TL office/2024/1004 dated 05.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
7	Yongma/AE/A&N/TL office/2024/986 dated 28.05.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
8	Yongma/AE/A&N/TL office/2024/1033 dated 24.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
9	NHIDCL/RO/A&N/203-239.445/N22/2020/132 dated 24.06.2024	ED(P), RO-Port Blair

10	NHIDCL/B.O/A&N/Package-IV/N10/2018/758 dated 23.03.2024	DGM(P), PMU Mayabunder
11	NHIDCL/B.O/A&N/Package-IV/N10/2018/758 dated 23.03.2024	DGM(P), PMU Mayabunder
12	NHIDCL/B.O/A&N/Package-IV/N10/2018/740 dated 14.03.2024	DGM(P), PMU Mayabunder
13	NHIDCL/RO/A&N/203-239.445/N22/2020/740 dated 14.03.2024	ED(P), RO-Port Blair
14	NHIDCL/B.O/A&N/242-298/N6/20218/88 dated 20.02.2024	DGM(P), PMU Mayabunder
15	NHIDCL/PMU/A&N/PG/N233/2023/71 dated 14.02.2024	DGM(P), PMU Mayabunder
16	NHIDCL/B.O/A&N/Package-IV/N10/2018/36 dated 24.01.2024	DGM(P), PMU Mayabunder
17	NHIDCL/B.O/A&N/Package-IV/N10/2018/865 dated 25.08.2023	DGM(P), PMU Mayabunder
18	NHIDCL/B.O/A&N/Package-IV/N10/2018/941 dated 27.09.2023	DGM(P), PMU Mayabunder
19	YM-LMA/AE/A&N/2023/692 DATED 25.10.2023	TL, Authority's Engineer, M/s Yongma Engineering Co. L
20	NHIDCL/B.O/A&N/Package-IV/N10/2018/953 dated 04.10.2023	DGM(P), PMU Mayabunder
21	NHIDCL/B.O/A&N/Package-IV/N10/2018/1146 dated 14.12.2023	DGM(P), PMU Mayabunder
22	NHIDCL/B.O/A&N/Package-IV/N10/2018/02 dated 02.01.2024	DGM(P), PMU Mayabunder
23	Yongma/AE/A&N/TL Office/2024/1047 dated 29.06.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
24	NHIDCL/B.O/A&N/Package-IV/N10/2018/394 dated 02.07.2024	DGM(P), PMU Mayabunder
25	NHIDCL/B.O/A&N/Package-IV/N10/2018/401 dated 05.07.2024	DGM(P), PMU Mayabunder
26	NHIDCL/RO/A&N/203-239.445 (Package-IV)/N22/2020/166 dated 12.07.2024	ED(P), RO-Port Blair
27	NHIDCL/RO/A&N/203-239.445 (Package-IV)/N22/2020/188 dated 19.07.2024	ED(P), RO-Port Blair
28	Yongma/AE/A&N/TL Office/2024/1129 dated 12.08.2024	TL, Authority's Engineer, M/s Yongma Engineering Co. L
29	NHIDCL/RO/A&N/203-239.445 (Package-IV)/N22/2020/252 dated 23.08.2024	ED(P), RO-Port Blair
30	NHIDCL/B.O/A&N/Package-IV/N10/2018/490 dated 11.09.2024	DGM(P), PMU Mayabunder
31	Yongma/AE/A&N/TL Office/2025/27 dated 15.01.2025	TL, Authority's Engineer, M/s Yongma Engineering Co.L

32	Yongma/AE/A&N/TL Office/2025/194, dated 26.04.2025	TL, Authority's Engineer, M/s Yongma Engineering Co.L
33	Yongma/AE/A&N/TL office/2025/278, Dated-12.06.2025.	TL, Authority's Engineer, M/s Yongma Engineering Co.L
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36	Yongma/AE/A&N/TL office/2025/380, Dated-21.08.2025.	TL, Authority's Engineer, M/s Yongma Engineering Co.L
37	Yongma/AE/A&N/TL office/2025/383, Dated-23.08.2025-	TL, Authority's Engineer, M/s Yongma Engineering Co.L
38	Yongma/AE/A&N/TL office/2025/435, Dated-03.10.2025.	TL, Authority's Engineer, M/s Yongma Engineering Co.L
39	NHIDCL/B.O/A&N/Package-IV/N10/2018/349, Dated-09.10.2025.	GM(P), PMU Mayabunder
40	NHIDCL/B.O/A&N/Package-IV/N10/2018/364, Dated-15.10.2025.	GM(P), PMU Mayabunder
41	NHIDCL/B.O/A&N/Package-IV/N10/2018/391, Dated-10.11.2025.	GM(P), PMU Mayabunder
42	NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/525, Dated-14.11.2025	ED(P), RO-Port Blair
43	NHIDCL/B.O/A&N/Package-IV/N10/2018/414, Dated-24.11.2025.	GM(P), PMU Mayabunder
44	NHIDCL/B.O/A&N/Package-IV/N10/2018/419, Dated-25.11.2025	GM(P), PMU Mayabunder
45	NHIDCL/RO/A&N/General PMU's/N-289/2025.629, Dated-18.12.2025-Submission of Weekly Status Report.	RO, NHIDCL Sri Vijaya Puram
46	Yongma/AE/A&N/TL office/2026/031, Dated-07.01.2026-Deficiencies observed in on-going rectification work Non-compliance with Approved Methodology.	TL, Authority's Engineer, M/s Yongma Engineering Co.L
47	Yongma/AE/A&N/TL office/2026/046, Dated-27.01.2026-Submission of Status Project	TL, Authority's Engineer, M/s Yongma Engineering Co.L

10. However, in complete disregards to the aforesaid stipulation, the EPC contractor had failed to undertake the construction work at the requisite pace, inter alia, due to inadequate deployment of machinery, plant, material and manpower. The EPC Contractor has achieved till date the Physical Progress of 83.09% and Financial Progress of 79.69%

- from the appointed date and only 0.09 % progress have been achieved in the last six months.
11. **Whereas**, the EPC contractor has always been informed from time to time regarding the slow progress from the Authority and Authority Engineer, but after all the efforts, the EPC contractor has not responded to the directive and till date, the work is in progress at slow pace.
 12. **Whereas**, the Authority Engineer, vide the above-cited reference (viii), submitted the past one-year assessment of the EPC Contractor's performance for the period from July 2023 to June 2024 to the Authority. The EPC Contractor achieved only 0.45% physical progress during the period from July 2023 to December 2023 (rainy season) and only 3.40% physical progress from January 2024 to June 2024 (dry season). Further, from July 2024 till date, the EPC Contractor has achieved only 2.83% physical progress, and the cumulative physical progress stands at 83.09%. It is also noted that from August 2025 till date, no substantial progress has been observed at the site. From the above, it is evident that the Contractor has no intention to complete the project and is adopting a casual approach towards execution of the works.
 13. **Whereas**, the EPC contractor also failed to maintain the project Highway during the construction period as per clause 10.4.1 of Contract agreement. Therefore, Authority has no other option and invoked clause 10.4.2 of contract agreement to get the maintenance work done from third party contractor to keep the road motorable during the monsoon season.
 14. **Whereas**, a meeting was held under the Chairmanship of Hon'ble Minister (RT&H) with the Hon'ble Lieutenant Governor of Andaman and Nicobar Islands on 27.12.2024 at Raj Niwas, Sri Vijay Puram to review the NH Projects vide ref xxv), wherein EPC Contractor informed that they are facing the financial difficulty and also requested to release the withheld payment so that the balance work can be completed by 31.03.2025. However, Hon'ble Minister advised NHIDCL Officials to examine the request of EPC Contractor and asked to release the payment within the contract norms.
 15. Subsequently after Hon'ble Minister meeting on 27.12.2024, a meeting was held on 28th Decemeber'2024 under the chairmanship of Director (T) at Regional Office, Sri Vijaya Puram cited in above reference (xxi), wherein EPC Contractor raised the issue of financial crunch in the project and requested to release the work done amount of Rs. 3.00 Cr and withheld amount of Rs. 1.32 Cr against the SPS/IPC. Further, Director (T) directed Authority's Engineer to verify the submission of Contractor and submit their recommendation and also directed to not to deduct any amount from the instant bill against LD to maintain cash flow. Moreover, the Authority's Engineer was directed to consider the PBGs submitted by the Contractor, withheld amount and also the balance work to be done while calculating the recovery of LD amount from the Contractor, so the reasonable amount can be utilized in the project.
 16. Thereafter, the amount of Rs 1.05 crore was released to EPC contractor in compliance of directions of Director (T) meeting dated 28.12.2024 and within contractual provisions. In addition to above, an amount of Rs 7.77 crore was also released in the Joint Account for Pkg-II for utilizing some amount in pkg-4. However, no significant progress has been made to complete the project.
 17. Again, a project review meeting was held on 12th February' 2025 (through VC) under the chairmanship of Director (T) cited in above reference (xxiv) wherein, the EPC Contractor committed to completing the Bituminous work by March 31, 2025, and the balance work by May 31, 2025 in all respect. However, the EPC Contractor has again failed to complete the BC work by March 31, 2025 and there is no significant mobilization for completing the balance works by 31.05.2025.

18. **Whereas**, earlier keeping view of the slow progress the competent Authority has issued a notice of non-performance vide above cited ref xiii) and contractor has replied to notice vide above cited ref xiv), which was reviewed by Authority Engineer and not found satisfactory. Therefore, Authority Engineer submitted his opinion vide above cited ref xv) that EPC Contractor may be declared as non-performance due to their intentionally negligence in completing the project and maintaining the road in good condition.
19. **Whereas**, earlier keeping view of the Slow progress Authority has issued a notice of non-performance vide above cited ref xiii) and contractor has replied to notice vide above cited ref xiv), which was reviewed by Authority Engineer and not found satisfactory. Therefore, Authority Engineer submitted his opinion vide above cited ref xv) that EPC Contractor may be declared as non-performance due to their intentional negligence in completing the project and maintaining the road in good condition.
20. Although EOT-IV was approved by the Competent Authority until December 31, 2024, the EPC Contractor failed to complete the project within the stipulated timeframe. Following the expiration of the extension, the Authority Engineer issued a letter informing the EPC Contractor and suggested a revised extension of time proposal (EOT-V), vide above cited reference (xx). Although the EPC Contractor submitted the EOT-V proposal, which was reviewed by the Authority Engineer and raised certain observations and returned it to the Contractor. Subsequently, EPC Contractor has submitted the EOT-V, which was reviewed by Authority Engineer and recommended for approval to Authority. Further, Authority Engineer issued another letter (reference xxvi) requesting the submission of a work program for the balance work. Unfortunately, the Contractor has not submitted the required work program till date.
21. **Whereas**, despite repeated notices from Authority/Authority's Engineer, the performance of the EPC Contractor was extremely poor and was not found satisfactory to the requirements of the project and having no other option left, earlier Authority issued Cure Notice to the EPC Contractor in accordance with the Clause 23.1.1 of the Contract Agreement vide RO letter no. NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/49, Dated-25.04.2025, (Reference- xxix) and to rectify all the defaults of the Contract Agreement in a time bound manner within 60 (Sixty) days from the date of notice i.e., 25.04.2025. Despite of this notice, no significant progress has been observed.
22. **Whereas**, considering the safety of road users due to the slow progress and upcoming monsoon period, the Authority Engineer issued a notice on April 26, 2025 (Ref-xxx), as per Clause 11.13.1(c), citing non-maintenance and slow progress of work. Given that the project award has already been delayed by over 4 years, further extensions would result in unnecessary wastage of time and resources.
23. In view of the above, the Authority, vide the above-cited reference (xxxii), has issued a **notice of intention to terminate** the contract as per Clause 23.1.2. However, in the Minutes of Meeting circulated by the Authority, vide the above-cited reference (xxxii), held on May 15, 2025, under the chairmanship of Executive Director (T), the EPC Contractor committed to completing the project by July 31, 2025. Despite this commitment, the deadline has lapsed, and not much productive work has been observed at the site. The slow pace of work will further delay the project's completion.
24. The slow progress of work, site situation and mobilization efforts suggest that the EPC Contractor lacks the intention to complete the project. Furthermore, the work executed by the Contractor has been damaged at several locations during the last and current monsoon seasons, raising concerns about the quality and durability of the work and many public grievances was received by questioning the quality of work and due to which the Authority/Authority engineer is also losing goodwill and reputation of the people of Andaman and Nicobar islands. Based on these observations, the Authority has concluded



that the EPC Contractor will not be able to complete the project due to various defaults and breaches under Clause 23.1.1 of the Contract Agreement.

25. The Competent Authority has conducted regular review meetings to monitor the project's progress. However, in each meeting, the EPC Contractor has provided a new completion date. As per the minutes of review meeting held on May 15, 2025, under the chairmanship of Executive Director (T), the EPC Contractor was directed to expedite the work and complete actual balance work which decided after conducting the joint survey with Authority and Authority Engineer by July 2025. Further directed to, rectify the damaged stretches and procure materials in advance to avoid delay. Despite these directives, the EPC Contractor failed to complete the project within the given timeframe and still project is under progress.
26. Following the Minutes of Meeting held on May 15, 2025, the Authority Engineer, vide the above-cited references (xxxiv) to (xxxix), issued letters to the EPC Contractor regarding slow progress and non-maintenance of the project highway. Despite these instructions, the EPC Contractor has not demonstrated significant progress and has failed to maintain the project highway in a motorable condition. Consequently, numerous public grievances have been received from the local administration and Authority, resulting in a loss of goodwill and reputation in the eyes of the public.
27. Whereas, in view of no improvement in progress despite the directions issued by the Executive Director (T) in the Minutes of Meeting held on 15.05.2025, the Authority issued a 07-day cure period notice vide the above-cited reference (xl); however, despite all efforts, no significant improvement has been observed at site. It has been observed that the EPC Contractor has failed to meet the commitments made during the VC meeting held on May 15, 2025, under the chairmanship of Executive Director (T). The progress of work achieved by the contractor over the past indicates a slow rate of progress, as detailed below:

Physical and Financial Progress				
Month	Physical Progress	Cumulative Physical Progress	Financial Progress	Cumulative Financial Progress
Cum progress up to October-2024	-	82.02 %	-	78.99 %
Nov-2024	0.02 %	82.04%	0.00 %	78.99%
December-2024	0.01 %	82.05%	0.00 %	78.99 %
January-2025	0.00 %	82.05%	0.00 %	78.99 %
February 2025	0.05 %	82.10%	0.70 %	79.69 %
March-2025	0.05 %	82.15%	0 %	79.69 %
April-2025	0.70 %	82.85%	0 %	79.69 %
May-2025	0.08 %	82.93%	0 %	79.69 %
June-2025	0.07%	83.00%	0%	79.69 %
July-2025	0.08%	83.08%	0%	79.69 %
August-2025	0.01%	83.09%	0%	79.69 %
September-2025	0%	83.09%	0%	79.69 %
October-2025	0%	83.09%	0%	79.69 %
November-2025	0%	83.09%	0%	79.69 %
December-2025	0%	83.09%	0%	79.69 %

January-2026(Till 31.01.2026)	0%	83.09%	0%	79.69
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28. **Whereas,** In view of the above, it is concluded that no productive work has been commenced at site by the EPC Contractor since September 2025, and such negligence in execution is likely to further delay the completion of the project.
29. **Whereas,** the Authority has extended its full cooperation, all facilities and relaxations for retention money, secured advance given for all material, secured advance given on PBG, Relaxation of non-deduction of LD against PBG, EOT etc. to the EPC Contractor, keeping in view the interest of the completion of project. But despite of all above, the contractor has not shown his good efforts towards the completion of project.
30. **Whereas,** notwithstanding with the above failure on the part of the Contractor, it seems that Contractor has shown complete disregard for public importance of the project and have also shown total disregard to the strategic importance of the project. The public of North and middle Andaman is waiting for good road from last 7-8 years but EPC contractor is less bothered about pain and grief of the public. Several claims have been received in this office regarding non-payment of salaries, dues of ration shops, local contractors etc., by the EPC contractor.
31. **Whereas,** The Contractor's act is totally unethical, habitual of wrong commitments and shows a total disregard to its commitment made during the Review Meetings as well as to its own undertakings. Moreover, the Contractor has also proved that he is not at all bothered about the public discomfort that is being faced by the people of Andaman & Nicobar Islands because of slow execution of the project in question.
32. **Whereas,** Authority has been receiving numerous RTI's/ Public Grievances/twitter posts regarding poor maintenance & non-traffic worthiness of NH during monsoon, which is contrary to the Clause 10.4.1 of the Contract Agreement, leading to NHIDCL losing reputation and credibility in Andaman and Nicobar Islands.
33. **Whereas,** providing safety measures as per clause 14.4 of the Contract Agreement is one of the prime responsibilities of EPC Contractor, but failure to provide adequate safety measures as per Good Industry Practice/ IRC: SP:55-2014 in the working zone, has resulted in inconvenience to the public and vehicular traffic movement.
34. That be the case, it is clear and certain that in the above above-mentioned circumstances:
- EPC Contractor has fails to achieve Milestone timely.
 - EPC Contractor failed to complete the work with the extended completion date- 31.12.2024.
 - Current pace of work leads to failure of EPC Contractor to achieve the committed date of completion i.e. 31.07.2025.
 - EPC Contractor has failed to achieve targets/interim targets duly communicated by the competent Authority.
 - EPC Contractor has failed to mobilize machinery/ manpower as per the direction of the Authority or its officers.
 - EPC Contractor has shown total lack of ability to execute projects of such size.
 - EPC Contractor has failed to abide by any lawful directions of the Authority.
 - EPC Contractor not improved the performance in spite of numerous letters/notices as well as review meetings with the Authority.
 - EPC Contractor has violated the Contract Agreement signed between you and the Authority.

- j. EPC Contractor not followed the Good Industry Practice which is inherent in the Contract Agreement.
 - k. ~~The EPC Contractor failed to uphold its commitment made after the issuance of the notice of intention to terminate and, to date, has not completed the project by July 31, 2025, as committed in the Minutes of Meeting held on May 15, 2025, under the chairmanship of Executive Director (T).~~
35. The above acts of omission and commission of EPC Contractor have resulted in:
- Immense Public suffering because the said project on which you are working and which has been delayed, is crucial and has strategic importance.
 - The Authority is losing goodwill of the people of Andaman & Nicobar Islands.
 - The Authority is losing reputation and credibility in the eyes of its stakeholders.
36. Whereas, all the earlier letters/correspondences/notices issued by the Authority to the EPC Contractor for improving its performance may be read as part of this Cure Notice.
37. Whereas, it has become evident that the Contractor is not in a position to execute the Contract within the provisions of the Contract Agreement and continues to be in default of most of the obligations as brought out in the 'Cure Notices' leading to a major Material Adverse Effect on the Contract. Further, the contractor has breached the contract Agreement, inter-alia, with the following defaults in terms of the clause 23.1.1 of Article 23 of the contract Agreement.
- a. **Sub Clause 23.1.1 (c):** The contractor does not achieve the latest outstanding project milestone due in accordance with the provisions of Schedule J, subject to any Time extension, and continues to be in default for 45 (forty-five) days,
 - b. **Sub Clause 23.1.1 (d):** The contractors abandons or manifests intention to abandon the construction or maintenance of the project highway without the prior written consent of the Authority,
 - c. **Sub Clause 23.1.1 (e):** The Contractors fails to proceed with the works in accordance with provisions of clause 10.1 or stops works and/or the maintenance for 30 (thirty) days without reflecting the same in the current Programme and such stoppage has not been authorized by the Authority's Engineer.
 - d. **Sub Clause 23.1.1 (h):** The Contractor fails to rectify any defects, the non- rectification of which shall have a material adverse effect on the project, within the time specified in this agreement or as directed by the Authority's Engineer.
 - e. **Sub Clause 23.1.1 (q):** The Contractor has failed to fulfil any obligation, for which failure termination has been specified in this Agreement;
 - f. **Sub Clause 23.1.1 (r):** The Contractor commits a default in comply with any other provision of this agreement if such a default causes a Material Adverse Effect on the project or on the Authority.

The Details of Contractor Violation as per Contract Agreement is tabulated below:

Sr. No.	Clause 23.1.1	Description	Contractor Violation of CA

1	Sub Clause 23.1.1 (c)	The contractor does not achieve the latest outstanding project milestone due in accordance with the provisions of Schedule J, subject to any Time extension, and continues to be in default for 45 (forty-five) days.	The contractor could not meet the outstanding project milestone even after providing 4-times EOTs. The latest one was upto 31.12.2024 as required under the terms of the project's Schedule J as per CA.
2	Sub Clause 23.1.1 (d)	The contractors abandons or manifests intention to abandon the construction or maintenance of the project highway without the prior written consent of the Authority.	Contractor has achieved almost negligible work progress during current FY and work has halted and left abandoned and ceases all maintenance activities without obtaining the necessary written consent from the Authority.
3	Sub Clause 23.1.1 (e)	The Contractors fails to proceed with the works in accordance with the provisions of clause 10.1 or stops works and/or the maintenance for 30 (thirty) days without reflecting the same in the current Programme, and such stoppage has not been authorized by the Authority's Engineer.	The contractor stops or delays the work without proper justification or authorization.
4	Sub Clause 23.1.1 (h)	The Contractor fails to rectify any defects, the non-rectification of which shall have a material adverse effect on the project, within the time specified in this agreement or as directed by the Authority's Engineer.	The EPC contractor also failed to maintain the project Highway during the construction period as per clause 10.4.1 of Contract agreement and Authority had to invoke clause 10.4.2 of contract agreement to get the maintenance work done from third party contractor to keep the road motorable during monsoon season.
5	Sub Clause 23.1.1 (q)	The Contractor has failed to fulfill any obligation for which failure termination has been specified in this Agreement.	The Contractor has failed to fulfill the various obligations as listed above under Para 22.
6	Sub Clause 23.1.1 (r)	The Contractor commits a default in comply with any other provision of this agreement if such a default causes a Material Adverse Effect on the project or on the Authority.	The Contractor is habitual of wrong commitments and shows a total disregard to its commitment made during the Review Meetings as well as to its own undertaking.

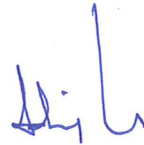
38. **Whereas**, the Authority, in the interest of the project and since Public Money is involved, is no more in a position to remain as a silent observer on this. However, it is plainly apparent at this stage that the EPC Contractor is not at all serious and has shown no intent to execute the project which is causing Immense public suffering in Middle & North Andaman and due to this, ***the Authority is losing reputation and credibility in the eyes of its stakeholder and goodwill of the people of Andaman & Nicobar Islands.***
39. **Whereas**, earlier the Regional Office, SVP, Vide Letter No. NHIDCL/A&N/206-239.445(Package-IV)/N22/2020/49, Dated-25.04.2025, has already issued 60 days cure period notice to the EPC Contractor, M/s Vasishta Construction Pvt. Ltd, for the subject project under Clause 23.1.1 (c,d,e,h,q,r) and other applicable clauses of the Contract Agreement. The EPC Contractor was directed to cure all defaults within cure period of 60

days; otherwise, action including termination will be taken as per the provision of the Contract Agreement. However, despite of above cure period notices, EPC Contractor has failed to cure all the defaults within the stipulated timeframe given by the Competent Authority.

40. **Whereas**, Regional Office, SVP, vide letter no. NHIDCL/B.O/A&N/Package-IV/N10/2018/315, Dated-16.09.2025.-has issued a 07 days Cure period Notice under clause 23.1.1 to the EPC Contractor. Despite the issuance of this notice, no tangible action has been initiated by the Contractor at the project site.
41. Further, the continuous delay and non-performance are leading to a loss of credibility and reputation for the Authority among its stakeholders and are eroding the goodwill of the people of the Andaman & Nicobar Islands.
42. **Whereas**, NHIDCL has appointed IIT Bombay and Shriram Institute for Industrial Research to undertake the site visit, determine the reason for failure of the road stretch, and submit their recommendation for short and long-term measures to keep the road on motorable condition. Accordingly, the team visited the site from 25.11.2025 to 27.11.2025. The Preliminary Site Inspection observations of IIT Bombay are as under:
 - a. The premature failure is primarily attributable to serious execution deficiencies during construction. The subgrade was not compacted to the specified 97% in several locations, and the 330 mm stabilized base was executed with excessive clay content (up to ~70% soil/existing material), inconsistent mix proportions, and without durability assessment despite the high rainfall region
 - b. The stabilized layer exhibited low and unrealistic MDD values, inadequate compaction (below required 98%), improper UCS sampling (cores trimmed instead of testing full depth), and loose, non-uniform stabilization, indicating poor execution of work at site.
 - c. The bituminous layer execution was also deficient, with unreliable quality control, insufficient bitumen content (~5.4% instead of ~6% required for durability), high air voids, improper density calculations, and evidence of delamination and ravelling on site.
 - d. Additionally, improper camber and absence/inconsistency of SAMI at locations led to water stagnation and ingress, accelerating deterioration
 - e. Overall, weak quality control, inadequate compaction, absence of durability checks, improper mix design implementation, and poor construction sequencing collectively reflect significant lapses in execution, directly contributing to the structural and functional failure of the pavement.
43. **Whereas**, in view of the continuous default by the EPC Contractor under Clause 23.1.1 of Article 23 of the EPC Contract Agreement, the Authority issued a Notice of Intention to Terminate vide the above-cited reference (li) and granted a period of fifteen (15) days, as per Clause 23.1.2, for submission of representation against the proposed termination. Subsequently, the EPC Contractor, vide the above-cited reference (lii), submitted its compliance/representation in response to the said Notice of Intention to Terminate. However, the submissions made by the EPC Contractor are not justifiable in view of the prolonged delay till date. Further, the Authority has already granted four (04) extensions of time for hindrances not attributable to the EPC Contractor. Despite providing all possible support and contractual relaxations, the EPC Contractor has failed to complete the project.
44. **Whereas**, The EPC Contractor was directed by the Authority, vide the above-cited reference (xlx), to resume the work as per the IIT-recommended methodology, as the

- working season commenced from November 2025, and to submit weekly status reports. However, the same was not complied with by the EPC Contractor. Further, the maintenance work executed by the EPC Contractor was found to be deficient, and the same was communicated by the Authority Engineer vide the above-cited reference (liii).
45. **Whereas**, The Authority Engineer, vide the above-cited reference (liv), informed that the EPC Contractor has not resumed any scope of work at site even after issuance of the Notice of Intention to Terminate, and that the progress of work during the current month is zero.
 46. **Whereas**, In the recent Project Review Meeting held on 30.01.2026 under the chairmanship of the Director (Technical), it was observed that there has been continuous delay in completion of the project by the EPC Contractor, M/s Vasishta Construction Pvt. Ltd., due to irresponsible conduct and negligence towards execution of the work. Further, it was noted that no productive work has been carried out at site since September 2025. In view of the above, the Director (Technical) directed that necessary action be initiated for termination of the Contract Agreement as per the relevant provisions.
 47. In light of the above facts, the Authority has left with no other option but to terminate the contract with M/s Vasishta Construction Pvt. Ltd forthwith in accordance with Clause 23.1 of the Contract Agreement with immediate effect.
 48. Considering the aforesaid facts and circumstances, a non-exhaustive fundamental breach, in view of the Contractor's persistent, blatant negligence and sustained gross default in fulfilling contractual obligations, leading to a material adverse effect on the project. Although the EPC Contractor has been given and extended sufficient time to cure the defaults and that all possible support has been extended to the EPC Contractor in accordance with the Condition of Contract. It is observed that there is no improvement in the approach of the EPC Contractor, there is no option other than to proceed for termination of the contract in the wider interest of road users. As a result, the losses, damages, and expenditures incurred by the Authority due to the Contractor's failure to rectify defects, works carried out or to be carried out under maintenance during construction, or any additional expenses arising from the termination of the contract due to the Contractor's default, shall be recovered from the EPC Contractor.
 49. As per Clause 23.1.2 of Contract Agreement, ***"Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a Contractor Default, the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Contractor; provided that before Issuing the Termination Notice, the Authority shall by a notice inform the Contractor of its intention to issue such Termination Notice and grant 15 (fifteen) days to the Contractor to make a representation, and may after the expiry of such 15 (fifteen) days, whether or not it is in receipt of such representation, issue the Termination Notice"***.
 50. It may be acknowledged that the EPC Contractor's has not taken any concrete steps to address the issues being raised by Authority & Authority's Engineer through various Notices, Show Cause Notices, Cure Notice and even Intention to Terminate, issued on 31.12.2025, which make unequivocally clear that M/s Vasishta Construction Pvt. Ltd. has failed to meet its obligations under the Contract Agreement
 51. Upon Termination of this Contract for Contractor Default in accordance with the terms of Article 23, the provisions of Article 23 shall henceforth apply.
 52. The Authority hereby reserves its right to recover the losses or damages and expenditures which shall be borne by the Authority on account of maintenance of the existing Project Highway or any other expenditure which the Authority will incur due to termination of the contract on the contractor's default.

53. The contractor shall vacate the site within 15 days and handover all related documents and records to the Authority in accordance to Clause 23.4 of the Contract Agreement.
54. The EPC Contractor is hereby directed to restrain any person claiming through or under agreement from entering upon the site or any part of the project except for taking possession of materials, stores, or construction plants with the prior permission of the Authority.
55. In conjunction with this Contract Termination, M/s Vasishta Construction Pvt. Ltd, shall not perform further services other than those reasonably, necessary to close out this contract.
56. This Termination order is issued without prejudice to any other right or remedy available with the Authority under the Contract Agreement and/ or applicable law.
57. This issues with the approval of Competent Authority.



(Adil Singh)

Executive Director-VI (Technical)

Copy for information to:

- i. PPS to MD, NHIDCL
- ii. PS to Director (T)-I, II & III, NHIDCL
- iii. ED(T/P) s, NHIDCL
- iv. GM(IT), NHIDCL HQ (to upload the notice on the website)