

TERMINATION Order (without prejudice)

NHIDCL/ Ar.Pr./MJB/28+200/193687/5172

Dated: 01.07.2026

To,
Authorised Signatory
M/s North East Engineering & Construction Agency
A - Sector, Naharlagun,
District -Papum Pare
Arunachal Pradesh - 791110

[Kind Attn.: Mr. Manuj Hazarika, Authorized Signatory]

Sub.: Construction of Major Bridge at Design Ch. 28+200 of Hunli-Anini Package-I (NH-313) in the State of Arunachal Pradesh on EPC Mode Under SARDP-NE.
Termination order as per Clause 23.1 of the Contract Agreement- Reg.

Ref:

- i. RO Itanagar Letter No. NHIDCL/RO-ITA/02/GC-W/HA-PKG-I/MJB/2025-26/12574; dated 27.03.2026 (Intention to Terminate Notice).
- ii. HQ, NHIDCL Letter No. NHIDCL/Ar/Pr./MoM/2026/211549/4908; dated 06.03.2026 (Minutes of Meeting).
- iii. RO Itanagar Letter No. NHIDCL/RO-ITA/02/GC-W/HA-PKG-I/MJB/2025-26/12260; dated 07.02.2026 (1st Cure Notice).
- iv. HQ, NHIDCL Letter No. NHIDCL/Ar/Pr./MoM/2025/211549/4879; dated 03.02.2026 (Minutes of Meeting).
- v. PMU-Roing Letter No. NHIDCL/HA/MJB-28.200/PMU-Roing/2023-24/Vol-I/7859; dated 24.12.2025 (Notice for Slow Progress).
- vi. PMU-Roing Letter No. NHIDCL/HA/MJB-28.200/PMU-Roing/2023-24/Vol-I/7583; dated 28.05.2025 (Notice for Slow Progress).
- vii. Authority's Engineer Letter No. DCSL-AIPPL/AE-NHIDCL/Hunli-Anini/AP/2024-25/N-E/600; dated: 24.04.2025.
- viii. PMU-Roing Letter No. NHIDCL/HA/MJB-28.200/PMU-Roing/2023-24/Vol-I/7366; dated 23.12.2024.
- ix. RO Itanagar Letter No. NHIDCL/RO-ITA/02/GC-W/MJB/H-A (PKG-I)/2024-25/9527; dated 29.11.2024 (Appointed date).
- x. Contract Agreement signed between NHIDCL and M/s North East Engineering & Construction Agency dated 18th October 2024.

- xi. HQ NHIDCL letter no. NHIDCL/Ar.Pr./Civil Work/Major Bridge/193687/2024/3945; dated 08.08.2024 (LoA).

Sir,

Whereas, Letter of Acceptance (LOA) for the subject works of "Construction of Major Bridge at Design Ch. 28+200 of Hunli-Anini Package-I (NH-313) in the State of Arunachal Pradesh on EPC Mode Under SARDP-NE issued to M/s North East Engineering & Construction Agency vide HQ NHIDCL letter no. NHIDCL/Ar.Pr./Civil Work/Major Bridge/193687/2024/3945, dated 08th August 2024.

2) Whereas, the Contract Agreement between NHIDCL and the EPC Contractor, M/s North East Engineering & Construction Agency was signed on dated 18th October 2024 for at a contract price of Rs. 28,00,00,000/- (excluding GST) for the work of **"Construction of Major Bridge at Design Ch. 28+200 of Hunli-Anini Package-I (NH-313) in the State of Arunachal Pradesh on EPC Mode Under SARDP-NE.**

3) Whereas, pursuant to the signing of 'Handover Memorandum', Appointed Date of the subject works was declared as 18.11.2024 vide RO Itanagar Letter No. NHIDCL/RO-ITA/02/GC-W/MJB/H-A (PKG-I)/2024-25/9527; dated 29.11.2024.

4) **WHEREAS**, in fulfilment of its obligations, the Authority has handed over 100% ROW to the EPC Contractor as per Clause 8.2 of Contract Agreement.

5) **WHEREAS**, Clause 4.1(i) as per Contract Agreement states that **"Subject to and on the terms and conditions of this Agreement, the Contractor shall undertake the survey, investigation, design, engineering, procurement, construction, and maintenance of the Project Highway and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder"**. More so, it was intimated by the undersigned during Monthly Review Meeting to establish camp-site at the earliest as per Schedule-C but till date no appropriate arrangement have been made at site for supervision and monitoring of the project.

6) **WHEREAS**, as per clause 10.1(i) (c) of CA 'Within twenty days of the appointed date ,the contractor shall undertake and perform all such acts, deeds and things as may be necessary or required before commencement of Works under and in accordance with this Agreement, the Applicable Laws and Applicable Permits.

7) **WHEREAS**, as per clause 10.1(i) (d) of CA, Within 20 (twenty) days of the Appointed Date, the Contractor shall make its own arrangements for quarrying of materials needed for the Project Highway under and in accordance with the Applicable Laws and Applicable Permits.

8) **WHEREAS**, Clause 10.1 (iii) (A) of CA states that **"Within 30 (thirty) days of the Appointed Date, the Contractor shall submit to the Authority and the**



Authority's Engineer a work programme (the "Programme") for organizing and carrying out whole of the Works, developed using computerized Critical Path Method (CPM) networking techniques, using the Precedence Diagramming Method (PDM) and shall be present in bar chart and time-scaled network diagram format to a weekly or monthly time scale for review and consent of the Engineer". However, after an inordinate delay of approximately eight (08) months, the EPC Contractor submitted a work programme limited only upto foundation and substructure works. The work programme and detailed drawings for the superstructure are still awaited. At present, only excavation for two (02) piers is in progress, WHEREAS, as per the approved programme, the entire foundation works of 02 nos. pier and 02 nos. Abutments should have been completed by this stage. This shows gross negligence on the part of EPC Contractor for non-compliance of Contractual obligations.

9) **WHEREAS, Clause 10.2 (i) of the Contract Agreement states that (i)Design and Drawings shall be developed in conformity with the Specifications and Standards set forth in Schedule-D. In the event, the Contractor requires any relaxation in design standards due to restricted Right of Way in any section, the alternative design criteria for such section shall be provided for review and approval of the Authority's Engineer but the plan & profile and structural drawing has not been submitted by EPC contractor yet as per clause 10.2 of CA**

10 **WHEREAS, Clause 10.2 (iv) (a) of the Contract Agreement states that "The Contractor shall prepare and submit, with reasonable promptness and in such sequence as is consistent with the Project Completion Schedule, three (3) copies each of the design and Drawings, duly certified by the Proof Consultant, to the Authority's Engineer for its approval". The Contractor shall ensure that all the designs and drawings shall be approved from the Authority's Engineer within 90 days (ninety) from the Appointed Date. Despite lapse of 14-15 months, the EPC Contractor has failed to submit the certified superstructure designs and drawings for approval.**

11) **WHEREAS, Clause 10.3 (ii) of the Contract Agreement states that "The Contractor shall construct the Project Highway in accordance with the Project Completion Schedule set forth in Schedule-J. In the event that the Contractor fails to achieve any Project Milestone or the Scheduled Completion Date within a period of 30 (thirty) days from the date set forth in Schedule-J, unless such failure has occurred due to Force Majeure or for reasons solely attributable to the Authority, it shall pay Damages to the Authority of a sum calculated at the rate of 0.05% (zero point zero five percent) of the Contract Price for delay of each day reckoned from the date specified in Schedule -J and until such Project Milestone is achieved or the Project Highway is completed. The details of**



achievement of project Milestone vis-à-vis Schedule-J of Contract Agreement is tabulated as below:

Particulars	Milestone I	Milestone II	Milestone III	Scheduled Completion Date
Date as per Schedule J of CA	04.10.2025	20.05.2026	18.11.2026	20.05.2027
Financial Progress %	10%	35%	70%	100%
Achieved on	Not achieved	Not achieved	Not achieved	Not achieved

12) WHEREAS, Clause 11.2 of the Contract Agreement states that ***"The Contractor shall establish a quality control mechanism to ensure compliance with the provisions of this Agreement (the "Quality Assurance Plan" or "QAP"). The Contractor shall, within 30 (thirty) days of the Appointed Date, submit to the Authority's Engineer its Quality Assurance Plan.*** 14-15 Months have elapsed from the Appointed Date but EPC Contractor has not submitted the Quality Assurance Plan for its approval.

13) WHEREAS, the EPC contractor has failed to submit the methodology at least 15 days prior to commencement of the construction work, by giving details of equipment to be deployed, traffic management and measures for ensuring safety during construction/execution pf project as per clause 11.3 of CA.

14) WHEREAS, project facilities as per schedule -C of CA has not been fully setup at site for proper monitoring and supervision of the project.

15) WHEREAS, Quality Control laboratory not yet established by the EPC Contractor which is a primary requirement before staring the civil works. Source approval for reinforcement/structural steel, cement, coarse & fine aggregate, water and admixtures have not been taken by the EPC Contractor yet.

16) WHEREAS, EPC contractor has failed to mobilize adequate manpower and machinery for smooth execution of the instant project.

17) WHEREAS, no activities are being carried out or planned by EPC contractor at project site. At present, the site is completely abandoned, no project Managers or other technical staff available. Also, no resources (manpower & machinery) are mobilized to carry out any type of work except negligible earthwork at project site. Thus, contractor has failed to meet the Bonafide contractual obligations.

18) WHEREAS, as per Article 6 of the Contract Agreement, Clause 6.1 (i), ***"The Contractor acknowledges that prior to the execution of this Agreement, the Contractor has, after a complete and careful examination, made an independent evaluation of the Request for Proposal, Scope of the Project, Specifications and Standards of design, construction and maintenance, Site, local conditions, physical qualities of ground, subsoil and geology, traffic***



volumes, suitability and availability of access routes to the Site and all information provided by the Authority or obtained, procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations hereunder”.

19) **WHEREAS**, as per Schedule - F of the Contract Agreement, EPC Contractor shall obtain all Applicable Permits under the Applicable Laws from State Govt. /Appropriate Authority prior to commencement of the project. However, after a lapse Sixteen (16) Months since the declaration of Appointed Date, EPC Contractor has not submitted the Applicable Permits as per Schedule - F of Contract Agreement, which shows gross negligence on the part of EPC Contractor in execution of the project.

20) **WHEREAS** , as per Schedule-J, Milestone-I requiring 10% financial progress was to be achieved by 04.10.2025. However, the physical progress as on date is only 0.30%, which is grossly inadequate and unacceptable.

21) **WHEREAS**, Authority reviewed the project progress through Video Conference on 27.01.2026 and conveyed serious dissatisfaction regarding the slow progress and improper construction approach adopted by the EPC Contractor. He also expressed dissatisfaction over the non-presence of an Authorized representative of M/s NEECA and directed that a physical review meeting be convened at RO/PMU level with the MD/CEO of the EPC Contractor.

22) **WHEREAS**, in compliance thereof, a physical meeting was held on 30.01.2026; however, the MD/CEO of M/s NEECA did not attend, and only the Project Coordinator was present. Clear directions were issued by ED (P) and GM (P) to expedite the works and improve the construction methodology. Despite this, no visible improvement or corrective action has been observed at site. Further, another review meeting was held on 03.03.2026 at NHIDCL, RO-Itanagar to assess the project progress; however, once again, the MD/CEO of M/s NEECA did not attend, and only the Project Coordinator was present. This repeated absence from both physical and virtual review meetings is a matter of serious concern. Despite the above, no positive intent or commitment has been demonstrated towards timely completion of the project.

23) **WHEREAS**, by sighted continuous defaults made by the EPC Contractor, RO-Itanagar issued 1st Cure Notice vide letter dated 07.02.2026 to your firm for not adhering the Contractual Provisions and very poor performance of work in the last 1 year or so. The EPC Contractor was asked to Cure the Defaults within 60 (sixty)



days. However, no action was taken by the EPC Contractor to cure the defects/ defaults during such specified period.

24) **WHEREAS**, the continued lack of mobilization of adequate manpower, machinery, and resources has resulted in failure to achieve project milestones, thereby constituting material default under the Contract Agreement.

25) **WHEREAS**, the EPC Contractor is fully aware that the Project is of national importance, where time is the essence of the Contract, and that delays are solely attributable to the EPC Contractor despite all facilitation and support extended by the Authority.

26) **WHEREAS**, EPC Contractor has not followed the proper channel to submit any correspondence relating to the subject work. This shows poor Management of the EPC Contractor for proper coordination with the Authority Engineer and Authority. This shows the complete inefficiency of the Management of the EPC Contractor to handle such critical/ strategically important project in Hilly Areas.

27) **WHEREAS**, notwithstanding the foregoing, EPC Contractor was directed to execute following activities within the Cure Period as under:

- a. Foundation works at both A-1 & A-2 locations and P-1 & P-2 locations to progress simultaneously. P-1 and P-2 foundation works to be completed by 15.03.2026 and A-1 and A-2 foundation work to be completed within 60 days from the date of issue of this CPN i.e., 09.04.2026. However, despite the above, no visible improvement or corrective action has been observed at the site.
- b. Sub-structure construction activities to commence at P-1 & P-2 by 09.04.2026. However, notwithstanding the above, there has been no discernible improvement or implementation of corrective measures at the site.
- c. Fabrication drawing be approved and procurement of structural steel & fabrication works at yard to commence by 09.04.2026. However, notwithstanding the above, there has been no discernible improvement or implementation of corrective measures at the site.
- d. Programme for Commencement of super-structural work to be submitted by the EPC Contractor for achieving MS-III by 18.11.2026 & SCD by 25.05.2027. The EPC Contractor has not yet submitted the work programme for the superstructure works.

28) **WHEREAS**, despite of Slow Progress Notices issued by GM (P), PMU-Roing letter dated 28.05.2025 & 24.12.2025 and Slow Progress Notices issued by Authority's Engineer dated 06.11.2025, it is noticed that the EPC Contractor has considerably delayed the execution/commencement of the project since the beginning of the project due to various-defaults on the part of EPC Contractor as per Contract



Agreement (under applicable Clauses). The Authority/Authority's Engineer has intimated the EPC Contractor for mobilization of their resources viz. Materials, Manpower, Machineries etc. to expedite the work. However, the EPC Contractor has not obliged with the instructions issued by the Authority/Authority's Engineer and delayed the project inordinately without providing any genuine reasons for not expediting the adequate progress as per the Work Programme submitted by the EPC Contractor.

29) **WHEREAS**, as of now, no activities are being carried out or planned by EPC Contractor at project site. As on date, the site is completely abandoned, no project Managers or other Technical Staff available. Also, no resources are mobilized to carryout any type of works at project site.

30) **WHEREAS**, your acts of Omission and Commission have resulted in: -

- a. Immense Public suffering, because the said project on which you are working is an important lifeline of the border State of Arunachal Pradesh.
- b. Compromising National Security, as the road is of immense strategic importance.
- c. The Authority is losing goodwill of the people and also incurring the wrath of the State Govt. of Arunachal Pradesh.
- d. The Authority is losing market reputation and credibility in the eyes of its stakeholders.

31) **WHEREAS**, the progress of the project is being monitored regularly by the Authority and Authority's Engineer and High-Level Meetings/ Monthly Review Meeting by the Authority wherein even after assurances, commitment fixed by the EPC Contractor was not fulfilled. EPC Contractor has miserably failed to mobilize sufficient resources at site, thereby resulting in the slow progress of the work. Furthermore, the EPC Contractor has failed time and again to achieve the targets assigned by MD, NHIDCL in the review meetings.

32) **WHEREAS**, EPC Contractor is fully aware that the project is of National Importance and has already been delayed for the reasons totally attributable to the EPC Contractor. Further, inordinate delays in the construction of Major Bridge by the EPC Contractor will tarnish the image of the NHIDCL, as the construction of Bridges are the main activity for completion of Hunli-Anini (PKG-I).

33) **WHEREAS**, as per Contract Agreement Clause 23.1 (i), reiterated as *"Save as otherwise provided in this agreement, in the event that any of the defaults specified below shall have occurred, and the Contractor fails to cure the default within the cure period set forth below or where no cure period is specified, then within Cure Period of 60 (Sixty) days, the contractor shall be*



deemed to be in default of this Agreement (The "Contractor Default" unless the default occurred solely as a result of any breach of this agreement by the Authority or due to Force Majeure". The defaults referred to herein shall include:

- a. 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 the 45 (forty-five) days;
- b. The Contractor abandons or manifests intention to abandon the construction or Maintenance of the Project Highway without the prior written consent of the Authority.
- c. The Contractor 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"

34) **WHEREAS**, Cure Notice served to the EPC Contractor vide RO Itanagar letter No. NHIDCL/RO-ITA/02/GC-W/H-APKG-I/MJB/2025-26/12260; dated 07.02.2026 as per Article 23.1 of the Contract Agreement for curing all the deficiencies of the EPC Contractor within **45 days** failing which action as deemed fit within the provisions of the Contract Agreement would be invoked against the EPC Contractor. EPC Contractor completely failed in curing their deficiencies in the given time period. EPC Contractor even failed to mobilize their Manpower and Machineries to the site and thereby failed to complete the works.

35) **WHEREAS**, a meeting was held at NHIDCL,HQ through VC on 27.02.2026; wherein, it was directed to issue a "Intention to Terminate Notice" to the EPC Contract due to poor performance and various defaults under Clause 23.1. (i) 'The Contractor's Default'.

36) **WHEREAS**, Intention to Terminate Notice served to the EPC Contractor vide RO Itanagar letter No. NHIDCL/RO-ITA/02/GC-W/HA-PKG-I/MJB/2025-26/12574; dated 27.03.2026 in accordance with the Clause 23.1 (ii) of the Contract Agreement and grants 15 days to the EPC Contractor to make a representation, if any. It is made clear that in the event of noncompliance and failure to rectify the defaults and irrespective of the receipt of any representation, the Authority reserves its right and would be at liberty to take further steps for Termination of the Contract. EPC Contractor completely failed in curing their deficiencies in the given time period. EPC Contractor even failed to mobilize their Manpower and Machineries to the site and thereby failed to complete the works.

37) **WHEREAS**, the current issues at hand concerning your poor performance include: -

(i) Your performances are extremely less or imperative to say nothing than the expected performance of an experienced Contractor, and against the Contract:



Based on the current performance, the project may take years to be functional/operational. Hence, pursuant to Clause 10.3, you have failed to carry out the works within the period of the Contract or completely failed to discharge the obligations of the Contract Agreement. As the gaps between planned and executed is continuously becoming wider to the level of lack of confidence and unwillingness of your firm, you have caused a serious breach of Contract indicating an unwillingness or inability to perform a Contract in accordance with the Terms and Conditions or in accordance with the Specifications, or a record of unsatisfactory performance of the contract in accordance with the terms and conditions thereof, or in accordance with its specifications.

(ii) You were unable to stick with your commitments made from your side. Immediate actions were not taken for our instructions, letters, repeated discussions on meetings which affect the project progress negatively.

(iii) It is also observed that no attention is given on the progress of the project especially from the MD of the EPC Contractor firm. This shows your lackadaisical approach to handle such Defence Strategically Important project.

38) **WHEREAS**, EPC Contractor was issued 'Intention to Termination' Notice as per Clause 23.1 (ii) of Contract Agreement without prejudice to any other rights/connection or remedy available to the Authority under the Contract Agreement and/or applicable law in order to correct /speed up this work failing which appropriate penal provision as per Article 23 or any other relevant clause of Contract Agreement would be invoked. However, your performance was not found in consonance within the provisions of Contract Agreement or as per site condition/progress made during such cure period. Also, no intention was reflected at site towards expedite and completion of the project.

39) **WHEREAS**, after careful examinations of series of events and circumstances, it is found that Authority had met all their obligations as per Article-3 of the Contract Agreement but you have miserably failed to meet any of your obligations to progress and complete the project in time. Hence, Authority is constrained to Terminate the project being Defence Strategically Important project due to (The Contractor's Default) under Clause 23.1 (i).

40) **WHEREAS**, in the light of Aforesaid facts and circumstances, non -exhaustive fundamental breach, in view of the EPC contractor's persistent & sustained gross default in fulfilling contractual obligations, leading to a material adverse effect on the project, the authority has now after giving sufficient time to cure the defaults and extending all possible support to the contractor and after observing no improvement in the non -professional attitude of the EPC contractor, the Authority has left with no other option but to terminate the contract with the EPC contractor forthwith in accordance with clause 23.1 of the contract agreement with immediate effect. **The contract is hereby terminated with immediate effect.**



- 41) Upon Termination of this agreement in accordance with the terms of Article 23, the provisions of Article 23 shall henceforth apply.
- 42) The Authority hereby reserves its right to recover the losses or damages and expenditures which shall be borne by authority on account of maintenance of the existing project or any other expenditure which the authority will incur due to termination of the contract on EPC contractor's default.
- 43) 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 material, stores, construction plant and equipment, which do not vest in the authority as per the CA with the prior permission of the Authority.
- 44) In conjunction with this contract termination, EPC contractor shall not perform further services other than those reasonably, necessary to close out this contract.
- 45) This termination order proposed to be issued without prejudice to any rights, claims, remedies, or entitlements available to the authority under clause 23.1 of the EPC agreement has been pursue.
- 46) These issues with the approval of the competent Authority.



(Trivendra Kumar)
Executive Director (T)

Encl.: As stated above

Copy to: -

1. PS to MD NHIDCL
2. PS to Dir(A&F)/Dir(T-I)/Dir(T-2)/Dir(T-3), NHIDCL
3. The Executive Director (T/P), NHIDCL
4. The Executive Director (P), RO- Itanagar: - for kind information please.
5. The GM (P), PMU-Roing, NHIDCL- for kind information please.
6. The Authority's Engineer- for kind information please.
7. GM(IT), NHIDCL, HQ -for uploading on NHIDCL's website