



भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार)

National Highways Authority of India

(Ministry of Road Transport and Highways, Government of India)

जी-5 एवं 6, सेक्टर-10, द्वारका, नई दिल्ली - 110 075 • G-5 & 6, Sector-10, Dwarka, New Delhi-110075

टूरफ़ोन/Phone : 91-11-25074100 / 25074200



Debarment Notice

NHAI/PIU/A'nagar/NH-561-A/Pkg-I/e-file 230087

Date: 12.12.2024

To,

The Authorised Representative
M/s Monarch Surveyors and Engineering Consultants Pvt. Ltd.
Rujeta, 67, Panmala Sinhagad Road,
Pune 411030

Sub: Consultancy Services for Project Management Phase-I including preparation of detailed project report of selected stretches /corridors of National Highways/ State Roads (approved In principle for declaration of National Highways) for up-gradation to Two/ Four lane with paved shoulder configuration (From Km. 0/000 to Km150/000 of Ahmednagar - Mirajgaon - Karmala-Tembhurni NH-561A in the state of Maharashtra):

Issuance of Debarment Notice-Reg.

Ref:

1. Consultancy Agreement dated 02.09.2016
2. MoRT&H letter no. NH-12037/ 53/2016-MAH (P-6) dated 27.12.2016
3. NHAI HQ letter no. NHAI/DPR/MH/01/2016/93150 dated 29.12.2016
4. PIU-Solapur Letter NHAI/PIU/SLP/A'NAGAR-KAR-TEMBINH -516 A/2017/2764 dated 31.01.2017-Signing of Tripartite Supplementary Agreement.
5. PIU-Ahmednagar letter NHAI/PIU/Ahmednagar/NH-561A/Pkg- I /2022/2035 dated 25.07.2022-Show Cause Notice
6. M/s Monarch Consultants letter No.L-207 dated 11.08.2022.
7. PIU-Ahmednagar letter NHAI/PIU/Ahmednagar/NH 561A/Pkg-I& II/2023/1016 dated 21.04.2023.
8. MoRT&H Policy Guideline no. RW/NH-33044/76/2021 - S&R (P&B) dated 07.10.2021
9. NHAI HQ letter No. PROJ-27012/1/2024-PIU Ahmednagar dated 05.09.2024
10. M/s Monarch letter No. MSCL/Ahm-Nagar/Solapur PIU/L-257 dated 07.10.2024

Sir,

This is with reference to the Consultancy Agreement signed between the Maharashtra State Road Development Corporation (MSRDC) Ltd. ("MSRDCL") and M/s Monarch Surveyors and Engineering Consultants Pvt. Ltd. ("DPR Consultant") for the subject Project on 02.09.2016 ("Consultancy Agreement"). The DPR Consultant commenced the Project w.e.f. 08.09.2016, however, the Ministry of Road, Transport & Highways ("MoRT&H") vide letter dated 27.12.2016 (cited at ref.2) directed the National Highways Authority of India ("NHAI"/ "Authority") to take over the stretches having traffic more than 10,000 PCU from the PWD/ MSRDC, which also included the subject stretch. In pursuance to the same, a Tripartite Supplementary Agreement was signed between the NHAI, MSRDCL and DPR Consultant on 31.01.2017, transferring the subject Project from MSRDCL to NHAI ("Tripartite Agreement"). The Detailed Project Report ("DPR") of the subject stretch was submitted by the DPR Consultant to NHAI on

31.01.2017. Accordingly, based on the DPR prepared by the DPR Consultant, NHAI Invited bids for the civil construction of the Project and subsequently the Contract Agreement for the same was signed between NHAI and M/s Ahmednagar Ghogargaon Road Project Pvt. Ltd. (Concessionaire of Pkg-1) on 27.07.2021 and between NHAI and M/s Karmala Road Project Pvt. Ltd. ("Concessionaire of Pkg-2") on 26.07.2021 ("Concession Agreement").

2. However, during the execution of Project, certain discrepancies/ deficiencies between the technical schedules of the Concession Agreement (prepared basis the DPR) and the actual site conditions were observed. Hence, as a result of the same, major change of scope (CoS) amounting to Rs 9.61 Cr. has been submitted by the Concessionaire. It is to state that on account of such CoS, not only NHAI has incurred huge loss on account of the said additional financial liability but the same has also impacted the project completion schedule. The major discrepancies/ deficiencies in the DPR as compared to the actual site requirements, as already pointed out to the DPR Consultant vide letter cited at ref. 9, are again mentioned below:

Sr.	Location	DPR Report	Actual Site requirement and COS proposed
1.	Ch. 16+120	No provision	Box Culvert 3x3 dia. (New Construction)
2.	Ch. 9+ 023	No provision	HPC 2x1200 dia. (New Construction)
3.	Ch. 7+ 145	No provision	HPC 2x900 dia. (Widening)
4.	Ch. 7+365	No provision	HPC 2x1200 dia. (Widening)
5.	Ch. 6+956	HPC 2X900 dia. (Wide)	HPC 2x1200 dia. (Re-Widening)
6.	Water supply Drainage Utility	No provision	There are some underground drainage lines (Owned by AMC & MJP) which are not proposed in Schedule-B in CA. Relocation of these existing utility shifting is not considered in CA.
7.	Electrical utility	No Provision	Shifting of Electrical utilities (owned by MIC&S) & Shifting of existing DI pipeline (owned by MIC&S) is not proposed in Schedule - B of CA. Shifting of electrical substation at Ruichattisi is not proposed in Schedule-B.
8.	Ch 48+040, 74+253	HPC at Ch. 48+040, 74+253	As per Schedule - B there is provision of HPC at Km 48+040, Km 74+253 which is not adequate. The structure @ Km. 48+040 needs to be upgraded to MNB and MNB at Km. 42+661 needs to be upgraded to MJB.
9.	MNB 42+983, MNB 50+834, MNB 57+106, MNB 63+926, MNB 65+509, MNB 73+780,	The skew angle is not mentioned in Schedule - B, GAD of structure in Volume - III	The skew angle is not mentioned in Schedule - B Concessionaire claiming for additional length due to skew angle which is rejected by Authority. Concessionaire has referred matter to DRB and DRB has approved the claim of

	MNB 77+511		Concessionaire.
10.	KM. 70+733	No provision	There is a minor junction at Km. 70+733 and it is not mentioned in Schedule - B.
11.	Additional slip Road and RCC drain		There is discrepancy in slip road length mentioned in Schedule - B and plan and profile in Volume III. As per drawings of Volume-III, the transition/Taper length included in chainages given in Schedule - B. For this Concessionaire has submitted additional length cos claim and after rejection referred matter to DRB.

3. It is stated that the DPR Consultant in terms of Clause 3.1.1 of General Conditions of Contract (GCC) of the Consultancy Agreement was obligated to perform the Services and carry out its obligations with due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices. Further, Clause 7.1.1 of GCC to the Consultancy Agreement provides that it shall be responsible for all the details prepared by it as part of the services and it shall indemnify the Authority against any inaccuracy in the work which Authority might surface during the implementation of the project. The extracts of the above relevant provisions of the Consultancy Agreement are reproduced below:

"3. OBLIGATIONS OF THE CONSULTANTS

3. 1 General

3. 1 Standard of Performance

The Consultants shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Sub Consultants or Third Parties."

"7. Responsibility for Accuracy of Project Documents General

7. 1 General

7.1.1 The Consultant shall be responsible [or accuracy of the data collected, by him directly or procured from other agencies/ authorities, the design, drawings, estimates and all other details prepared by him as part of these services. He shall indemnify the Authority against any inaccuracy in the work which might surface during implementation of the project. The Consultant will also be responsible for correcting, at his own cost and risk, the drawings including any re-Survey /investigations and correcting layout, etc. is required during the execution of the Services."

4. In view of the above deficiencies in the DPR, the Authority vide its letter dated 05.09.2024 (cited at ref.9) issued a Show Cause Notice to the DPR Consultant seeking its stand on the above deficiencies observed in the DPR report prepared by it. In response to the same, the DPR Consultant vide its letter dated 07.10.2024 (cited at ref.10) furnished its response, which has been examined thoroughly and the pointwise submissions of the Authority in this regard are contained herein as Annexure -1.

5. At this juncture, it is also stated that in its response cited at ref. 10, the DPR Consultant has repeatedly contended that there was a proper explanation already provided to NHAI towards their show Cause Notice dated 9th April 2024 and for the same reason NHAI withdrew the same in the court and same was recorded by the High Court in their order dated 19.07.2024. In this regard, it is clarified that such contentions of the DPR Consultant are grossly false as the Hon'ble Court allowed the NHAI's request of withdrawal simply on the basis that NHAI shall mention the proposed actions in the fresh show cause notice. The Hon'ble Court did not anywhere deal with the merits of the matter. Hence, such pleas adopted by the DPR Consultant in its response cited at ref. 10 are baseless and factually incorrect. It is also wrongly contended in the DPR Consultant's response dt.07.10.2024 cited at ref. 10 that most of the submissions were accepted by MSRDC and NHAI under the Tripartite Agreement as the agreement itself contained a list of pending services including submission of draft DPR and final DPR. Further, ultimately in terms of the aforementioned provisions of the Consultancy Agreement, it is the DPR Consultant which alone shall be responsible for deficiencies in its services, which are the subject matter of the present notice. Further, the contents of the said response of the DPR Consultant are without any substance as can be seen from the Authority's observations as contained in Annexure - 1.

6. Hence after reviewing the failures of the DPR Consultant to perform its duties as per the terms and conditions of the Consultancy Agreement, the competent Authority of NHAI has concluded that such major discrepancies in DPR data have led to additional work and COS causing additional financial burden upon the NHAI during execution of said project, which entitles the NHAI to take appropriate actions under the Consultancy Agreement. Clause 7.4.2 of GCC of the Consultancy Agreement further entitles the NHAI to take penal action including debarment of the DPR Consultant in the case of major deficiencies in the Detailed Project Report involving time and cost overrun and adverse effect on reputation of NHAI.

7. Thus, in view of the grave non-performance on the part of the DPR Consultant in the preparation of DPR, causing time and cost overrun and also adversely affecting the reputation of NHAI, the Authority hereby debars the DPR Consultant for a period of 1 year from participating in any bid for National Highways projects with NHAI & MoRTH or any other of their executing agencies, under Clause 7.4.2 of GCC of the Consultancy Agreement read with the Tripartite Agreement from the date of issue of this order. Further, penalty/damages amounting to Rs.32,43,650/- (i.e. 10% of Contract amount) is also hereby imposed upon the DPR Consultant in terms of Clause 7.3.1 read with Clause 7.3.3 of the GCC of the Consultancy Agreement.

8. This notice is being issued without prejudice to the Authority's other rights/remedies available now or in future under the Consultancy Agreement read with the Tripartite Agreement and the applicable laws of India. Thus, by issuance of this notice NHAI should not be deemed to have varied, waived, surrendered or abrogated any of its legal and contractual rights in any manner whatsoever.

This is issued with the approval of the Competent Authority.

Yours Sincerely,

Signed by
Rajneesh Kapoor

(Rajneesh Kapoor)
CGM (T)-MH

Copy to:

Date: 16-12-2024 17:38:23

- i. RO Mumbai
- ii. PIU - Ahmednagar

Copy for information to:-

- i. PS to DG(RD) Ft SS, MoRT&H
- ii. PS to Chairman, NHAI
- iii. PS to MD, NHIDCL
- iv. PPS to Member (P), NHAI
- v. Web Admin for circulation to All NHAI
- vi. Infracon - for further necessary action