

NHIDCL/AE/Sikkim/NH-510/2020/188210/ **3361**

27.02.2026

DEBARMENT NOTICE

Subject: Debarment of M/s Altinok Consultant Engineering Inc. In Joint Venture with M/s EDMAC Engineering Consultant (I) Pvt. Ltd. and in association with M/s DSD Infratech Management Pvt. Ltd., from participating in the pre-qualification for bidding for all future projects to be undertaken by NHIDCL/NHAI/MoRTH for a period of 02 years.

Consultancy Services for Authority's Engineer for Supervision of "Construction and Up-gradation of existing road on NH-510 between Rabongla to Gyalshing to 2-Lane paved shoulder configuration in the state of Sikkim under SARDP-NE Phase 'A' on EPC mode for

- (i). Km 32+500 to Km 33+600 (Package-III),
- (ii). Km 33+600 to Km 58+840 (Package-IV),
- (iii). Km 58+840 to Km 75+000 (Package-V),
- (iv). Km 75+000 to Km 90+210 (Package-VI)

Ref.:

- i. HQ-NHIDCL letter no. NHIDCL/AE/NH-510/Rabangla-Gyalshing/2020-21/719, dated 09.02.2021 "Letter of Award"
- ii. Contract Agreement dated 18.03.2021.
- iii. HQ-NHIDCL letter no. NHIDCL/AE/Sikkim/2019-2020/1311, dated 12.03.2021 "Letter to Proceed"
- iv. MoRT&H Circular No. RW/NH-33044/76/2021-S&R(P&B) dated 07.10.2021 "SOP to debar/penalize/declare as Non-Performer the Authority's Engineer/Independent Engineer/Construction Supervision Consultant/Project Management Consultant in National Highways and centrally sponsored road projects."
- v. MoRT&H Circular No. RW/ NH-33044/76/2021-S&R(P&B) dated 04.01.2022 "SOP to debar/penalize/declare as Non-Performer the Authority's Engineer/Independent Engineer/Construction Supervision Consultant/Project Management Consultant in National Highways and centrally sponsored road projects."
- vi. HQ, NHIDCL SOP No. NHIDCL/Legal/Orders & Circulars/2022/459 dated 05.09.2023

- vii. NHIDCL/PMU-Gyalshing/AE/Ravangla-Legship-Gyalshing/2025-26/53, dated 06.05.2025. **“Notice for intention to place Authority’s Engineer in debarment list of NHIDCL as per MoRTH Circular dated 07.10.2021”**
- viii. NHIDCL/PMU-Gyalshing/AE/Ravangla-Legship-Gyalshing/2025-26/91, dated 21.05.2025. **“Final Notice Non-Submission of Reply to Debarment Letter”**
- ix. Authority’s Engineer, letter no. SIKKIM/NHIDCL/NH-510/AE/2025-26/147, dated 27.05.2025. **“Notice for intention to place Authority’s Engineer in debarment list of NHIDCL as per MoRTH Circular dated 07.10.2021”**
- x. NHIDCL letter no. NHIDCL/RO-Gangtok/NH-510/AE/2025-26/461, dated 08.07.2025 **“Notice for Termination”**
- xi. RO-Gangtok NHIDCL letter no. NHIDCL/RO-Gangtok/AE/2025-26/500 dated 09.07.2025 **“Notice for Personal Hearing scheduled on 17.07.2025 for Non-Performer/debarment”**
- xii. Authority’s Engineers letter no. SIKKIM/NHIDCL/NH-510/AE/2025-26/241 dated 17.07.2025 **“AE inability to participate in Personal Hearing Scheduled on 17.07.2025 for Non- Performer/debarment”**
- xiii. Authority’s Engineers letter no. SIKKIM/NHIDCL/NH-510/AE/2025-26/281 dated 07.08.2025 **“Reply of “Notice of termination as per clause 2.9.1 of GCC of Consultancy Contract Agreement”**
- xiv. NHIDCL/AE/SIKKIM/NH-510/2020/188210/3360, dated 27.02.2026 **“Termination Order”**

Whereas, the work of Consultancy for Providing Consultancy Service for Authority’s Engineer for “ Construction and Up-gradation of existing road on NH-510 between Rabongla to Gyalshing to 2-Lane paved shoulder configuration in the state of Sikkim under SARDP-NE Phase ‘A’ on EPC mode for (i). Km 32+500 to Km 33+600 (Package-III), (ii). Km 33+600 to Km 58+840 (Package-IV), (iii). Km 58+840 to Km 75+000 (Package-V), (iv). Km 75+000 to Km 90+210 (Package-VI)” (hereinafter referred as “Project”), was awarded to M/s Altinok Consultant Engineering Inc. In Joint Venture with M/s EDMAC Engineering Consultant (I) Pvt. Ltd. and in association with M/s DSD Infratech Management Pvt. Ltd. (hereinafter referred to as the “Consultant” or “Authority’s Engineer”) by National Highways & Infrastructure Development Corporation Limited (NHIDCL) (hereinafter referred as “Authority”) on 09.02.2021.

2. Whereas, the Contract Agreement was signed between the Authority and the Consultant on 18.03.2021. Letter to proceed w.e.f. 22.03.2021 was issued to the Consultant vide ref (iii) above.

3. Whereas, the Authority’s Engineer has failed to perform and deliver its duties and responsibilities in the absence of the Key Personnel on the project site in accordance with the agreement as mentioned in the letter under reference (vii) & (x) above.

4. **Whereas**, the Authority's Engineer has time and again failed to remedy the failure in performance of their obligations as specified under various clauses of the contract:

GCC Cl. 3.1.1: *"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 Consultants 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 dealing with Sub-consultants or Third Parties"* . However, AE did not abide by the same.

GCC Cl. 2.9.1 (d): *"If the Consultant submit to the Client a statement which has a material effect on the rights, obligation or interests of the Client and which the Consultant know to be false"*. However, AE recommended SPS-14 (PKG-IV), SPS-25 (PKG-IV), SPS-29 (PKG-IV) without proper scrutiny.

TOR Cl. 3.1: *"The Authority's Engineer shall discharge its duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice."* However, AE did not abide by the same.

TOR Clause 5.1: *"During the construction period, the Authority's Engineers shall review and approve the drawing furnished by the contractor along with supporting data, including the geo-technical and hydrological investigation, characteristics materials from borrow areas and quarry sites, topographical surveys, and the recommendation of the safety Consultant in the accordance of the provisions of Clause 10.1.6 of EPC agreement. The Authority Engineer shall complete such review and approve and sent its observation to the authority and to the contractor within 15(fifteen) days of receipt if such drawings; provide, however that in case of major bridge and structure, the aforesaid period of 15 days may be extended upto 30 (Thirty) days. In particular, such comments shall specify the conformity of otherwise of such with the scope of the project and specification and standard"*. However, several lapses observed in the approved drawings by the Authority's Engineer.

TOR Cl. 5.2: *"The Authority's Engineer shall review and approve any revised Drawings sent to it by the Contractor and furnish its comments within 10 (ten) days of receiving such Drawings. The review/approval of drawing should be authenticated by Authority's Engineer."* However, several lapses observed in the approved drawings by the Authority's Engineer.

TOR Cl. 5.6: *"On a daily basis, the concerned key personnel of Authority Engineer shall inspect the Construction Works....."*. However, the absence of key personnel resulted in non-adherence of the same.

TOR Cl.11: *"Authority's Engineers 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.....". However, AE failed to abide by the same.

5. **Whereas**, in light of non-exhaustive fundamental breach of contract, unprofessional conduct, and gross defaults attributable solely to the Authority's Engineer, including non-compliance with multiple notices and instructions requiring the Authority's Engineer to act diligently and proactively. In the absence of any remedial or corrective action taken by the Authority's Engineer, Authority vide letter dated 08.07.2025 at ref (x) above issued Termination Notice to the Authority's Engineer in accordance with clause 2.9.1 (d) of General Condition of Contract Agreement.
6. **Whereas**, Clause 2.9.7 of GCC as per Addendum-I dated 16.12.2020 states that, "*As a natural consequences of termination, due to the Consultant's failure, the Consultant shall be deemed to have been debarred for a period of 2 years and shall not be eligible to bid for any contract of the Authority either singularly or in a JV or its Related Parties. (Explanation: Such debarment shall be natural consequence of termination. No separate Show Cause/ proceeding shall be initiated for place such contractor under debarment).*"
7. **Whereas**, a formal Termination Order was issued by the Authority vide letter dated 27.02.2026 under reference (xiv) above.
8. **Whereas**, the Authority vide letter dated 06.05.2025 under reference (vii), has earlier issued a Notice to the Authority's Engineer as per the extant guidelines of MoRT&H & NHIDCL at ref (iv), (v) and (vi), as to why M/s Altinok Consultant Engineering Inc. In Joint Venture with M/s EDMAC Engineering Consultant (I) Pvt. Ltd. and in association with M/s DSD Infratech Management Pvt. Ltd. should not be debarred from participating in future works of the Ministry of Road Transport and Highways (MoRT&H) and its implementing agencies (NHIDCL, NHAI, BRO and other centrally sponsored projects), for the non-exhaustive fundamental breaches of Contract, unprofessional approach and in view of the deficiencies/lapses in the services of Authority's Engineer, which are solely attributable to the Authority's Engineer as well as non-compliance of various notices and instructions issued by the Authority with respect to the various defaults/deficiencies mentioned in the letter under reference (vii).
9. **Whereas**, the Authority issued reminder vide letter dated 21.05.2025 under reference (viii) above thereby granted opportunity to submit written reply within 7 days from the date of issue of the letter.
10. **Whereas**, the Authority's Engineer vide letter dated 27.05.2025 under reference (ix) submitted their representation on the Notice of Intention to Debarment issued to the Consultant. Further, vide letter dated 07.08.2025 under reference (xiii), the AE submitted their reply to the notice of termination wherein the AE again protested the debarment. The same have been examined and observed that the deficiencies/lapses mentioned in para 3 of the show cause notice under reference (vii) and in para 8 & 10 of notice of termination under reference (x) remains valid and the response/comments submitted by Authority's Engineer are found not tenable as they fail to justify the recurring deficiencies in supervision, delays in design/drawing

approvals, lack of timely quality control, and poor coordination with the contractor. The continuous non-availability and unauthorized absence of key personnel have adversely affected progress, despite repeated directions from the Authority. AE's attempt to attribute these lapses to external constraints is not acceptable, as ensuring effective supervision and deployment of staff is its contractual obligation. Further, the denial of accountability regarding misrepresentation and forgery is not supported by credible evidence. Thus, the response/reply furnished by the AE is found unsatisfactory.

11. **Whereas**, the relevant lapses and the deficiencies observed in the performance of the Authority's Engineer in line with the MoRT&H Circular No. RW/NH-33044/76/2021-S&R(P&B) dated 07.10.2021 are as under: -

Sl. No. (as per MoRTH Circular dt. 07.10.2021)	Type of Deficiency
1 (a)	Failure to detect design/quality deficiency in non-key components
2 (a)	Failure to detect design/quality deficiency in Key Component** not having substantial cost (below 1% of civil work (cost) and /or time implication (below 5% of project completion period)
2 (d)	Delay in processing EOT/COS proposals, inaccurate assessment of COS proposals, not issuing NCRs, delays/improper review Programme or of designs/drawings/work failure to submit Completion/Provisional Completion Certification as prescribed in contract.
3 (d)	Failure to propose action (like cure period notice, levy of damages, etc.) on contractor/concessionaire as per contract agreement for their default/poor progress having material adverse effect on the project implementation in terms of cost (1% of civil work cost or more) and/ time (5% of project completion period of more).
3 (e)	Improper/wrong interpretation of provision in contract agreement; or Wrong certification of payment/COS value/cost & time claims; or poor performance of services leading to cost (1% of civil work cost) and/or time (5% of project completion period) claims against MoRTH or its executing agencies awarded by DRB/CCIE/Arbitration/Court.

12. **Whereas**, it is to be mentioned that the aforesaid notice to debar and notice of termination were issued in compliance with the provisions of CA, extant guidelines of MoRT&H & HQ NHIDCL and is based on a thorough assessment of facts, performance records, and contractual obligations.

13. **Whereas**, a personal hearing concerning the proposed debarment/termination of the Authority's Engineer was scheduled on 17.07.2025 before the Executive Director (P). The notice for the same was issued vide letter dated 09.07.2025 under reference (xi) above. However, the AE didn't turned up and not attended the hearing as per schedule rather vide letter dated 17.07.2025 i.e, on the very day submitted that there is no existence of this "Notice for intention to place Authority's Engineer in debarment list of NHIDCL," and it is already null and void because the authority has undertaken AE's satisfactory performance and accordingly extended his service, but again this "Notice for Termination" is not only a clear violation of Contract

(Handwritten signature)

agreement but also violates principles of natural justice (Audi alteram partem—right to a fair hearing) and the doctrine of legitimate expectation (since the AE was retained based on performance). So, in light of the events and circumstances explained above we hereby request you kindly allow us for personal hearing after 30 days of Notice of “Termination of contract under clause 2.9.1 of GCC of Consultancy Agreement”.

14. **Whereas**, the Authority's Engineer filed a writ petition (WP (C) 16070 of 2025) before the Hon'ble High Court of Delhi, and the same was listed on 17.10.2025. In the said petition, the AE prayed before the court for quashing of Notice for Termination dated 08.07.2025, Notice for Non Performance /Debarment dated 06.05.2025, and publication of a fresh NIT dated 28.08.2025. The Hon'ble High Court vide order dated 17.10.2025 directed that "*the notice dated 06.05.2025 (Annexure-P5) is duly decided after affording an opportunity of hearing to the petitioner and till the issue of termination is also finally determined, in terms of relevant contractual clauses and in accordance with law, the respondents shall not issue the LOA to any third party, pursuant to NIT dated 28.08.2025*".

15. **Whereas**, in compliance with the order dated 17.10.2025, the Authority called for a personal hearing of AE on 03.11.2025, and the same was attended by the representative of AE. In the hearing, it was decided that all updated issues and deficiencies observed in the services of the Authority's Engineer, which have not been brought to the Consultant's notice earlier, shall be formally communicated to the Consultant for their written response. The Consultant shall furnish point-wise comments or replies within 03 (Three) weeks from the date of communication. Thereafter, a second conciliation meeting shall be convened to further deliberate on the matter.

16. **Whereas**, pursuant to above, NHIDCL PMU-Gyalshing vide letter dated 02.12.2025, notified the deficiencies in the services of the Authority's Engineer, which have not been mentioned to the Authority's Engineer in the earlier notice. The additional deficiencies notified are as follows:

(i) Non-compliance with Clause 5.6 of the TOR of the Contract Agreement, which requires daily reporting on the inspection of construction works.

(ii) Non-compliance with Clause 5.19 of the TOR of the Contract Agreement, which requires the AE to carry out or cause to be carried out all tests specified in Schedule-K. The AE failed to conduct the road sign and road marking tests prior to recommending issuance of the Completion Certificate for Package-III of NH-510.

(iii) Failure to sign the majority of RFIs, as highlighted by SPM, Shri R.K. Dhiman.

(iv) Overpayment of Rs. 27,42,741/- (excluding GST) in Package-V and Package-VI of NH-510, as per the inspection by the independent expert.

(v) Forgery in the submission of biometric attendance. The AE submitted incorrect biometric attendance with their invoice for the month of July 2025 on 20.08.2025, i.e., after issuance of the termination notice dated 08.07.2025.

41

17. **Whereas**, the Authority's Engineer submitted its reply to NHIDCL's letter dated 02.12.2025 on 07.01.2026 i.e. subsequent to its demobilization from the project site and beyond the stipulated period of 03 (Three) weeks granted for submission of the response. Further, the reply/clarifications furnished by the Authority's Engineer have been examined and found to be unsatisfactory, lacking substantive justification, and deficient in factual support. The submissions are vague, inconsistent, and unprofessional in nature, and are therefore found acceptable to the Authority.

18. **Whereas**, the Authority has already placed on record the gross defaults solely attributable to the Authority's Engineer, including persistent non-compliance with multiple notices and directives duly issued. Despite being advised to act more diligently and proactively in the interest of the project, the Authority's Engineer failed to demonstrate any genuine intent or undertake meaningful corrective action.

19. In light of the above, M/s Altinok Consultant Engineering Inc. In Joint Venture with M/s EDMAC Engineering Consultant (I) Pvt. Ltd. and in association with M/s DSD Infratech Management Pvt. Ltd., is hereby debarred from participating in any National Highway projects with MoRT&H or its executing agencies either directly or indirectly, from the date of issuance of this notice for a period of 02 years in accordance with Clause 2.9.7 of GCC as per Addendum-I dated 16.12.2020 & Clause 1(a), 2(a), 2(d), 3(d) and 3(e) of MoRT&H circular dated 07.10.2021 and MoRT&H circular dated 04.01.2022.

20. This is issued without prejudice to any other rights or remedies available to the Authority under the Contract Agreement and/or applicable law.

21. This issues with the approval of the Competent Authority, NHIDCL.

Yours faithfully,



(Adil Singh)

Executive Director (Tech.)-VI

To:

- i. PSS to DG (RD) & SS, MoRT&H
- ii. PS to DGBR, Seema Sadak Bhawan
- iii. PS to Chairman, NHAI
- iv. PS to MD, NHIDCL
- v. PS to Director (A&F)
- vi. PS to Director (T) - I & II

- vii. ED (T/P)s, NHIDCL
- viii. GM/DGM (T/P)s, NHIDCL
- ix. GM (IT), NHIDCL, HQ (to upload the notice on the website)
- x. Consultant i.e. M/s Altinok Consultant Engineering Inc. In Joint Venture with M/s EDMAC Engineering Consultant (I) Pvt. Ltd. and in association with M/s DSD Infratech Management Pvt. Ltd.

