

NHIDCL/RO Imphal/I-J/Road Signage/Manipur/2020-21 / 1342

19.01.2021

To

M/s S Hungyo
Marcy Lane. Mantripukhri
Imphal East District, Manipur

Sub: Installation of Road Signages along i) Imphal-Jiribam road on NH-37(Km 3.00 to Km 221.138) Total Length – 218.138 km] in the state of Manipur in the year 2020- 2021. ii) Koubrulekha to Tendongyan section of Imphal Mao section on NH-39 (New NH-02) (Km -287.50 to Km 304.00) [Total Length = 16.500 km] in the state of Manipur in the year 2020-2021. iii) Churachandpur to Tipaimukh road from Km 0.00 to Km185.00 on NH-150 in the state of Manipur in the year 2020-2021-Termination of Contract- Reg.

Ref: (i) NHIDCL/RO Imphal/I-J/Road Signage/Manipur/2020-21/1133 dated 18.12.2020 (copy enclosed)

(ii) NHIDCL/RO Imphal/I-J/Road Signage/Manipur/2020-21/994 dated 23.11.2020 (copy enclosed)

(iii) NHIDCL/RO Imphal/I-J/Road Signage/Manipur/2020-21/953 dated 10.11.2020 (copy enclosed)

Sir,

WHEREAS, Letter of Award (LOA) for the work of “Installation of Road Signages along (i) Imphal-Jiribam road on NH-37(Km 3.00 to Km 221.138) [Total Length – 218.138 km] in the state of Manipur in the year 2020-2021 (ii)Koubrulekha to Tendongyan section of Imphal Mao section on NH-39 (New NH-02) (Km 287.50 to Km 304.00) [Total Length = 16.500 km] in the state of Manipur in the year 2020-2021 and (iii) Churachandpur to Tipaimukh road from Km 0.00 to Km 185.00 on NH-150 in the state of Manipur in the year 2020- 2021” was issued to M/s S Hungyo (hereinafter referred as the “Contractor”) on 18.08.2020 by National Highways & Infrastructure Development Corporation Limited (NHIDCL) (hereinafter referred as the “Authority”);

2. **WHEREAS**, the Contract Agreement was signed between M/s S Hungyo (Contractor) and the National Highways & Infrastructure Development Corporation Limited (NHIDCL) (Authority) on 12.10.2020.

3. **WHEREAS**, as per the Contract Agreement, the work was to be completed within three months, however, in complete disregard to the completion period, even after lapse of 03 months after signing of the Contract Agreement, the work has not been commenced at site. Moreover, the Contractor has failed to mobilize its manpower and machineries at the site.



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4. **WHEREAS**, the number of times, the Authority requested the Contractor to start the work and mobilize required man-power and machineries at site at the earliest. However, despite repetitive requests, the Contractor has not started the work yet and has abysmally failed to maintain the standard of service required for the subject work as per the terms & conditions of the Contract Agreement.

5. **WHEREAS**, this office vide letter under ref no.(ii) and (iii) issued show Cause Notices to the Contractor for such inordin.ate delay in the subject work, and the Contractor was requested to submit its reply to the Show Cause Notice within 07 days, however, the contractor has even not bothered to submit the reply to the Show Cause Notices. This establishes the casual approach of the Contractor in executing the subject work, when time is the essence of the Contract.


6. **WHEREAS**, the contractor has failed to execute the subject work and failed to reply to the Show Cause Notices issued by the Authority, hence, the Authority was left with no other option except to issue the termination notice, thus, vide letter under ref (i) NHIDCL/Authority issued the Termination Notice to the Contractor and directed the Contractor to submit its reply. In response, the Contractor, vide its letter dated 22.12.2020 (copy enclosed) submitted its reply, Accordingly, this Office has examined the reply dated 22.12.2020 received from the Contractor and found it to be unjust and unreasonable.

7. **WHEREAS**, the Contractor has breached the terms and conditions of the Contractor Agreement as well as RFP provision and forced the NHIDCL/Authority to take action under clause 53.2 (h) of Section V of RFP, which reads as under:

"The Employer may terminate the Contract if the Contractor causes a fundamental breach of the Contract. Fundamental breaches of Contract include, but not limited to the following: If the Contractor has not completed at least thirty percent of the value of Work required to be completed after half of the completion period has elapsed"

8. In the light of the aforesaid facts and circumstances, the non-exhaustive fundamental breaches and in view of the Contractor's persistent & sustained gross default in complying the contractual obligations, the Authority is hereby terminating the Contract Agreement dated 12.10.2020 signed with M/s S. Hungyo, in terms of Clause 53.2(h) of Section V of RFP. This termination is issued at the risks and costs of the Contractor and the Authority reserves its right to claim damages from the contractor.

9. This termination is issued without prejudice to any other right or remedy available with the Authority under the Contract Agreement and / or applicable law.


(Rajeev Sood)
Executive Director (P)

Copy to:

- (i) PS to Director (Tech), NHIDCL
- (ii) PS to ED (V) NHIDCL HQ
- (iii) DGM (T), Manipur Division, NHIDCL HQ
- (iv) DGM (P), PMU Senapati
- (v) DGM (P), PMU Ukhrul
- (vi) DGM (P), PMU Ccipur
- (vii) DGM (IT) NHIDCL HQ