



सत्यमेव जयते

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

दूरभाष/Phone : 91-11-25074100 / 25074200



NHAI/J&K/Ramban-Banihal-Pkg- II/2021/EPC

Date: 11.10.2022

To,

Authorised Signatory
Ceigall India Limited
Patel Engineering Limited (JV)
A-898, Tagore Nagar
Ludhiana, Punjab-141001
Email: aman@ceigallindia.com/indiaceigall@gmail.com

Subject: Debarment of M/s Ceigall India Limited - Patel Engineering Limited (JV) from engagement on NHAI or Centrally sponsored Road Works projects for a period of Six Months (i.e. for the period 30.05.2022 to 29.11.2022) - Construction of Four Laning of part of Ramban to Banihal Section of NH-1A (Now NH-44), from Ch.158+675 to Ch.164+660 (North Bound) and Ch.160+282 to Ch.163+368 (South Bound connecting with Existing Tunnel-T4) excluding Ch.161+544 to Ch.164+100 (North Bound) including construction of Twin Tube Tunnel (Package-II) in the UT of Jammu & Kashmir on EPC Mode ("Project")

Ref:

- (i) EPC Agreement dated 08.10.2021
- (ii) Expert Committee Interim Report dated 24.05.2022 and Final Report dated 10.06.2022
- (iii) EPC Contractor letter dated 30.05.2022
- (iv) EPC Contractor letter dated 01.07.2022
- (v) EPC Contractor letter dated 31.08.2022
- (vi) NHAI letter dated 20.06.2022
- (vii) NHAI Order dated 24.06.2022
- (viii) Meeting/Personal hearing held on 26.08.2022
- (ix) AE letter dated 06.09.2022

Sir,

The EPC Agreement for the project "Construction of Four Laning of part of Ramban to Banihal Section of NH-1A (Now NH-44), from Ch.158+675 to Ch.164+660 (North Bound) and Ch.160+282 to Ch.163+368 (South Bound connecting with Existing Tunnel-T4) excluding Ch.161+544 to Ch.164+100 (North Bound) including construction of Twin Tube Tunnel (Package-II) in the UT of Jammu & Kashmir on EPC Mode" ("Project") was signed between National Highways Authority of India ("NHAI") and M/s Ceigall India Limited - Patel Engineering Limited (JV) ("EPC Contractor") on 08.10.2021. The Appointed Date for the Project was fixed as 01.02.2022.

2. During the night on 19.05.2022 around 10.30 to 11.00 PM, shooting stones started coming down during the execution of portal support installation work of Adit Tunnel at Khooni Nallah which led to the unfortunate demise of 10 workers of the Contractor. Subsequently, MoRTH constituted Expert Committee to investigate the reasons for slide/collapse leading loss of lives. The Expert Committee submitted their interim report on 24.05.2022 and final report on 10.06.2022 and pursuant to which a Show Cause Notice was issued to the EPC Contractor vide NHAI letter dated 20.06.2022 (cited at ref.vi).

3. In the meantime, EPC Contractor vide letter dated 30.05.2022 (cited at ref.iii) submitted their representation with a request not to initiate any punitive action against them. The Contractor vide same letter mentioned that as a self-imposed disciplinary measure, they shall not be participating in any bids of NHAI for a period of 1 (One) month i.e. from 30.05.2022 to 29.06.2022. The same was examined and as an interim measures, NHAI vide order dated 24.06.2022 agrees with Contractor's self-imposed disciplinary measure to refrain from participating in bids of NHAI/MORTH but for a period from 30.05.2022 to 29.08.2022 or final decision in the matter whichever is earlier.

4. The EPC Contractor vide letter dated 01.07.2022 submitted their reply on the report of the Expert Committee and requested to give opportunity for meeting and explaining in person in their defence. The personal hearing/ meeting took place on 26.08.2022. Thereafter, EPC Contractor vide letter no 145 dated 31.08.2022 submitted reply to the report of the Committee. The Authority Engineer vide letter dated 06.09.2022 provided their response on the submission made by the EPC Contractor vide letter dated 31.08.2022.

5. The submission of the Contractor and the response of the Authority Engineer have been examined and following is observed:

- *The choice of portal location was not proper as the same was planned close to the right most toe of hillock or rock deposit.*
- *As per experts of the GEODATA, the discontinuity orientation is 280/25 (DD/DIP) which is unfavourable as per IS code.17.1.2. This clearly established that geological assessment done by the EPC Contractor was faulty which was also inferred by the Expert Committee.*
- *The support system designed for the access tunnel portal slopes was based on geological conditions that were much better than those at the site and as a result, the support system was inadequate compared to the geology encountered at the site.*

Further, as a good engineering practice, EPC Contractor must have studied the area/location in detailed including the unpredictable aspects before the start of the work.

6. In the light of forgoing, it is evident that the EPC Contractor has failed to execute the works with proper investigations and discharge its obligation with regard to the safety measures as was required in accordance with the provision of EPC Agreement leading to loss of lives of the workers. Now, therefore, after considering all facts and circumstances, the Competent Authority at NHAI decided following:

- i. Rectification, if required at the proposed Adit Tunnel Location by the EPC Contractor at its own cost.
- ii. To debar the EPC Contractor firm i.e. M/s Ceigall India Limited - Patel Engineering Limited (JV) (jointly and individually) from engagement on NHAI or Centrally sponsored road works for a period of Six Months inclusive of period of self-restrain (i.e. for the period 30.05.2022 to 29.11.2022) either directly or indirectly.
- iii. Imposition of penalty of 1.0% of Contract Value of work amounting to Rs 8.46 Cr. on the EPC Contractor i.e. Ceigall India Limited Patel Engineering Limited (JV). EPC Contractor is required to deposit the penalty amount of Rs 8.46 Cr within 10 days from the issuance of present notice in NHAI Account under intimation to NHAI HQ.
- iv. Key personnel (head of the structures) of the EPC Contractor be removed from the project with immediate effect and be debarred for a period of 01 year in NH or centrally sponsored road works.



7. This is issued without prejudice to any rights and/or remedies available to Authority under the Agreement with M/s Ceigall India Limited - Patel Engineering Limited (JV) and / or Applicable Laws.

8. This is issued with the approval of the Competent Authority.

For and on behalf of the Authority,



(Nitesh Kumar Goyal)

Dy. General Manager (Tech) J&K/HP

Copy to:

- i. Sr. PPS to Secretary, Ministry of Roads Transport & Highways, New Delhi.
- ii. PS to Chairperson, National Highways Authority of India
- iii. PS to MD, NHIDCL, 3rd Floor, PTI Building 4 Parliament Street, New Delhi- 110001.
- iv. PS to Director General Border Roads, Seema Sadak Bhawan, Ring Road, Naraina, New Delhi.
- v. PPS to Member(P), NHAI, G-5&6, Sec-10, New Delhi - 110075.
- vi. CVO, All ROs/CGMs/GMs/PDs/DGMs/Mangers/Dy. Mangers NHAI (through web admin).
- vii. P&IS Division, NHAI-HQ, with request to host on NHAI portal & INFRACON
- viii. The RO-Jammu, NHAI.
- ix. Authority's Engineer, M/s Intercontinental Consultants and Technocrats Pvt. Ltd. In Association with Chaitanya Projects Consultancy Pvt. Ltd.
- x. Senior Technical Director, MoRTH (E-mail: mansoor@nic.in)-with request to upload on Ministry's website.
- xi. Web Admn, NHAI HQ - with a request to upload on NHAI website.