Transport Bhawan, 1, Parliament Street, New Delhi-110001

Dated, the 7th June, 2018

## То

- 1. The Principal Secretaries/ Secretaries of all States/ UTs Public Works Department dealing with National Highways, other Centrally Sponsored Schemes & State Schemes.
- 2. The Engineers-in-Chief and Chief Engineers of all States/ UTs Public Works Department dealing with National Highways, other Centrally Sponsored Schemes & State Schemes.
- 3. Director General (Border Roads), Seema Sadak Bhawan, Ring Road, New Delhi-110010
- 4. Chairman, National Highways Authority of India (NHAI), G-5&6, Sector-10, Dwarka, New Delhi-110 075.
- 5. Managing Director, National Highway Infrastructure Development Corporation Ltd., 3<sup>rd</sup> floor, PTI Building, Parliament Street, New Delhi-110 001
- Subject: Request for Proposal (RFP-Single stage two part bidding) for National Highways and centrally sponsored Road & Bridge Works to be implemented on Engineering, Procurement & Construction (EPC) mode - Amendment in RFP regarding Bid Capacity.

## **References:**

- (i) 'Request for Proposal' (RFP-Single stage two-part bidding) issued vide circular dated 16.01.17.
- (ii) Circular No. RW/NH-37010/4/2010/PIC-EAP (Printing) dated 17.04.2017.
- (iii) Circular No. RW/NH-37010/4/2010/PIC-EAP (Printing) dated 20.12.2017.

Sir,

Currently, the bid capacity of the bidders in EPC / Item rate modes is being considered based on the value of work in hand (which also includes all such projects wherein the LoAs have been issued) with the bidders. It has been observed that there remains considerable time gap between the issue of Letter of Award and the issue of "Appointed Date" in respect of almost all the road construction projects in view of the lag in completion of pre-construction activities to the minimum acceptable levels and fulfillment of obligations by the parties. The present method of calculation of bid capacity becomes restrictive in such circumstances. Accordingly, it has now been decided to modify this parameter to include the ongoing works (which does not take into account the works in respect of which Appointed Date has not been declared) for assessment of bid capacity. Accordingly, in continuation to the above mentioned circulars, Clause 2.2.2.1 of the RFP regarding Bid Capacity shall be read as under:

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## 2.2.2.1 BID Capacity

Bidders who interalia meet the minimum qualification criteria will be qualified only if their available BID capacity is more than the total BID value (value as per Clause 1.1.1). The available BID capacity will be calculated as per following, based on information mentioned at Annexure-VI of Appendix-IA:

Assessed Available BID capacity = (A\*N\*2.5 - B), Where

- N= Number of years prescribed for completion of work for which Bid is invited.
- A = Maximum value of civil engineering works in respect of EPC Projects executed in any one year during the last five years (updated to the price level of the year indicated in table below under note) taking into account the completed as well as works in progress. The EPC projects\_includes turnkey project/ Item rate contract/ Construction works.
- B = Value (updated to the price level of the year indicated in table below under note) of existing commitments, works <u>for which Appointed Date/</u><u>Commencement Date has been declared or on-going works</u> to be completed during the period of completion of the works for which BID is invited. For the sake of clarification, it is mentioned that works for which LOA has been issued but Appointed Date/ Commencement Date not declared as on Bid Due Date shall not be considered while calculating value of B.

Note: The Statement showing the value of all existing commitments, works for which <u>Appointed Date/ Commencement Date has been declared</u> and ongoing works as well as the stipulated period of completion remaining for each of the works listed should be countersigned by the Client or its Engineer-in-charge not below the rank of Executive Engineer or equivalent in respect of EPC Projects or Concessionaire/ Authorised Signatory of SPV in respect of BOT Projects and verified by Statutory Auditor. The factors for updation of the value of civil engineering works to the price level of the year are indicated as under:

Year	Year-1	Year-2	Year-3	Year-4	Year-5
Up-dation factor	1.00	1.05	1.10	1.15	1.20

- 2. Contents of this circular may be brought to the notice of all concerned for immediate compliance.
- 3. This issues with approval of Competent Authority.

Yours f (Khushal Chand)

Superintending Engineer (EAP)

Copy to:

- 1. All Technical Officers at the Headquarters
- 2. Secretary General, Indian Roads Congress
- 3. Director, IAHE, NOIDA
- 4. All ROs and ELOs of MoRT&H.

## Copy for information to:

1. PPS to Secretary (RT&H), PPS to DG(RD) & SS, PS to AS&FA, PPS to AS, PS to ADGs -I/II/III/IV/V.

2. NIC- with the request to upload in the Ministry's portal