No.RW/NH-37010/4/2010-PIC-Printing/Vol.-V Government of India Ministry of Road Transport & Highways (EAP Zone)

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

Dated the 08th August, 2018

To

- 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. The Chairman, National Highways Authority of India (NHAI), G-5&6, Sector-10, Dwarka, New Delhi-110 075.
- 5. The Managing Director, National Highway Infrastructure Development Corporation Ltd., 3rd floor, PTI Building, Parliament Street, New Delhi-110 001

Subject: Standard EPC Agreement for National Highways and centrally sponsored Road & Bridge Works to be implemented on Engineering, Procurement & Construction (EPC) mode- Amendment in EPC Agreement.

Ref: Standard EPC Agreement issued vide circular dated 17.01.2017.

Sir,

As per the Clause 19.20 of the existing Standard EPC Agreement, in the event that Project Completion Date occurs prior to the Scheduled Completion Date, the contractor shall be entitled to receive a payment of bonus. As per Article 28 of Standard EPC Agreement, the Project Completion Date means the date on which the Provisional Certificate is issued and in the event no Provisional Certificate, the date on which the Completion Certificate is issued.

2. From the past experience, it has been observed that though the Provisional Certificate is issued before the Scheduled Completion Date, however, the contractor completes the balance work (including punch list items) after the Scheduled Completion Date. In this case, the payment for bonus is to be made only when each work is completed within the Scheduled Completion Date or any extension of time, if granted by the Authority. In such cases, payment of bonus defeats the very purpose of intention of early completion of the project.

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3. To avoid such type of situations, the definition of the Project Completion Date as per Article 28 of the Standard EPC Agreement is amended as under:

"Project Completion Date" means the date on which the completion certificate is issued.

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

(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, PS to Coordinators I/II/III/IV/V.
- 2. NIC- with the request to upload in the Ministry's portal