

Government of India  
Ministry of Road Transport & Highways  
(EAP Zone)

NH-24035/4/2008-P&M/PIC -EAP

dated 13.06.2014

To

1. The Chief Secretaries of all State Governments / U.Ts
2. The Principal Secretaries/Secretaries of all States / UTs Public Works Department dealing with National Highways, other Centrally Sponsored Schemes & State Schemes.
3. The Engineers-in-Chief and Chief Engineers of Public Works Departments of States / UTs dealing with National Highways, other Centrally Sponsored Schemes & State Schemes.
4. The Chairman, National Highways Authority of India (NHAI), G-5&6, Sector-10, Dwarka, New Delhi – 110 075.
5. Director General (Border Roads), Seema Sadak Bhawan, Ring Road, New Delhi-10.

**Sub. : Clarification in respect to clause 47, 48 and 51 of Conditions of Contract of Standard Bidding Document (SBD) for National Highways and centrally sponsored road works**

Sir,

In continuation to this Ministry's circular no. RW/NH-24020/2/99-PIC dated 4.09.2000, 4.10.2000 and 21.12.2000 regarding Standard Bidding Document (SBD) for procurement of Civil works costing more than Rs. 5.00 crores, further clarifications/modifications are being issued herewith to facilitate execution of the National Highways and centrally sponsored road works.

- 2.1 With a reference to item no 26 of Contract Data against Clause 47 of Conditions of Contract regarding Wholesale Price Index (WPI) for appropriate commodity for payment of price adjustment, due to change of base year of WPI from 1993-94 to 2004-05, it is observed that, the commodity 'Steel and rod', 'Cement', 'Heavy Machinery and parts' included in the list of WPI 1993-94 series are not mentioned as such in the WPI 2004-05 series. Therefore the following items in the WPI 2004-05 series shall be considered corresponding to items in WPI 1993-94 series and indicated in SBD:

Sl.No.	Item in WPI 1993-94 series	Item in WPI 2004-05 series
1.	Cement	Grey Cement
2.	Bars & rods	Rebars
3.	Heavy Machinery & Parts	Construction Machinery

- 2.2 Under item no 26 of 'Contract Data' against Clause 47 of Conditions of Contract, if any of the commodities like Cement, Steel or Bitumen are not found applicable in a work, the weight component of that commodity {i.e. 'Cement' ( $P_c$ ), 'Steel' ( $P_s$ ) or Bitumen ( $P_b$ ) as indicated on page 68 of SBD for the purpose of price adjustment}, shall be clubbed with the weight component of 'Other material' ( $P_m$ ), such that the gross percentage weight of the components shall remain as 100%. Necessary correction in Item No. 26 of Contract Data against Clause No. 47 of Conditions of Contract shall be made before issue of RFP.

3. Clause 48.3 of Conditions of Contract shall be replaced with the following:

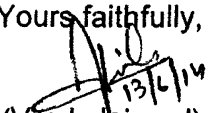
*"In case, Contractor requests for refund of the Retention Money deducted by the Employer under the provision of this Clause, Employer shall consider the said request of the Contractor provided that the refund hereunder shall be made in tranches of not less than 1% (one per cent) of the Contract Price and Contractor furnishes an irrevocable and unconditional bank guarantee for an equal amount substantially in the format of bank guarantee for performance guarantee enclosed with SBD and valid upto 28 days beyond the scheduled / extended Defects Liability Period. On completion of the whole works, the Contractor has however an option to submit a fresh irrevocable and unconditional bank guarantee for an amount equal to 2.5% of the total value of work executed substantially in the format of bank guarantee for performance guarantee enclosed with SBD and valid upto 28 days beyond the beyond the Defects Liability Period and get refund the Retention Money and bank guarantees submitted for refund of Retention Money."*

Necessary correction in Item Clause 48.3 of Conditions of Contract shall be made before issue of RFP.

4. With reference to Item No. 33 of Contract Data for Clause 51.3 of Conditions of Contract, it has been brought to the notice of Ministry that in some cases repayment of mobilization and equipment advances are being made by way of deductions at the rate of 20% of IPC separately for mobilization advance and equipment advance. It is hereby clarified that the said deductions from IPC shall be done at the rate of 20% collectively for both mobilization advance and equipment advance.

The content of this letter shall be brought to the notice of all concerned for compliance.

Yours faithfully,

  
(Vivek Jaiswal)

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For Director General (RD) & Special Secretary  
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Copy to :

1. PPS to Secretary (RT&H) – for kind information
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