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119, Hotel Janpath, Janpath, New Delhi

DO # 14013/3/2003/ NRRDA

Dated the 04-08-2003

**Subject: Standard Bidding Document for Construction and Maintenance of PMGSY –  
Errata No. 1**

Please refer to DO letter No.14013/3/2003-NRRDA Dated 27<sup>th</sup> March, 2003 from Joint Secretary (RC). The Standard Bidding Document was enclosed with this letter. Section-2, Instructions to Bidders (ITB) Clause 4.2 (k) may please be seen. Subcontracting component mentioned as 20 percent may be read as 25 percent.

The correction may kindly be brought to the notice of all concerned.

**(Prabha Kant Katare)**  
Joint Director (P-I)

All State Secretaries

No.14013/3/2003/ NRRDA  
**National Rural Roads Development Agency**  
**Ministry of Rural Development**  
**Government of India**

5<sup>th</sup> Floor, 15-NBCC Tower,  
Bhikaji Cama Place, New Delhi - 66

Dated the 31<sup>st</sup> January, 2005

**AMENDMENT No. – 1 to Standard Bidding Document for PMGSY**

The Standard Bidding Document (SBD) for PMGSY was prescribed through DO letter No.14013/3/2003-NRRDA Dated 27<sup>th</sup> March, 2003 from Joint Secretary (RC) addressed to the State Secretaries. The following amendments are hereby made to the Standard Bidding Document for Pradhan Mantri Gram Sadak Yojana.

**1. Amendments in Section 2 Instruction to Bidder (ITB)**

- 1.1. Sub-clause III, IV, V and VI of Clause 12.1 Part I of ITB will be renumbered as IV, V, VI and VII respectively.

The following Sub-clause III will be added to Clause 12.1 Part I of ITB:

Authorized address and contact details of the Bidder having the following information:

Address of communication:

Telephone No.(s): Office:

Mobile No.:

Facsimile (FAX) No.:

Electronic Mail Identification (E-mail ID):

**2. Amendments in Section 4 General Conditions of Contract (GCC)**

- 2.1. **Communication:** Clause 6 of GCC Shall be modified as:

*All certificates, notices or instructions to be given to the Contractor by Employer/ Engineer shall be sent on the address or contact details given by the Contractor in Section 6 - Form of Bid. The address and contact details for communication with the Employer/ Engineer shall be as per the details given in Contract Data to GCC. Communications between parties that are referred to in the conditions shall be in writing. The Notice sent by facsimile (fax) or other electronic means shall be effective on confirmation of the transmission. The Notice sent by Registered post or Speed post shall be effective on delivery or at the expiry of the normal delivery period as undertaken by the postal service.*

- 2.2. The following Clause 16.2 shall be added to the General Conditions of Contract:

*Clause 16.2 – The contractor shall construct the works with intermediate technology, i.e., by manual means with medium input of machinery required to ensure the quality of works as per specifications. The contractor shall deploy the equipment and machinery as given in Contract Data.*

- 2.3. The clause 21.1 of GCC shall be modified as

*The Employer shall handover complete or part possession of the site to the Contractor 7 days in advance of construction programme. At the start of the work, the employer shall handover the possession of at-least 75% of the site.*

2.4. *Clause 26.2, 26.3 and 26.4 of GCC will be renumbered as Clause 26.3, 26.4 and 26.5 respectively.*

2.5. *The following Clause 26.2 will be added to GCC:*

**26.2** *The Contractor shall submit the list of equipment and machinery being brought to site, the list of key personnel being deployed, the list of machinery/ equipments being placed in field laboratory and the location of field laboratory along with the Programme. The Engineer shall cause these details to be verified at each appropriate stage of the programme.*

2.6. In Clause 31.1 of GCC, the following sentence shall be added before existing sentence:

*For carrying out mandatory tests as prescribed in the specifications, the contractor shall establish field laboratory at the location decided by Engineer. The field laboratory will have minimum equipments as specified in the Contract Data.*

2.7. The word “Rural Roads Manual” used in Clause 31.1a of GCC shall be replaced by the word “Specifications”.

2.8. The word “length” used in clause 32.1.2 of GCC shall be replaced by “duration”.

2.9. Clause 43 of GCC Shall be replaced by the following:

**43. Security Deposit/ Retention and Release of Performance Security and Security Deposit/ Retention.**

**43.1** *The Employer shall retain security deposit of 5% of the amount from each payment due to the Contractor until completion of the whole of the construction Work. No security deposit/ retention shall be retained from the payments for Routine Maintenance of works.*

**43.2** *On the completion of the whole of the construction Work half the total amount retained as Security Deposit is repaid to the contractor and half when the defect liability period has passed and the Engineer has certified that all defects notified by the Engineer to the contractor before the end of this period have been corrected.*

**43.3** *The additional performance security for unbalanced bids as detailed in Clause 51 of Conditions of Contract is repaid to the contractor when the construction work is complete.*

**43.4** *The performance security equal to the five percent of the contract price and additional performance security for Routine Maintenance as detailed in Clause 51 of Conditions of Contract is repaid to the contractor when the period of five years fixed for Routine Maintenance is over and the Engineer has certified that the contractor has satisfactorily carried out the Routine Maintenance of the works.*

*If the Routine Maintenance part of the contract is not carried out by the Contractor as per this contract, the employer will be free to carry out Routine Maintenance work and the amount required for this work will be recovered from the amount of Performance Security available with the employer and/ or from any amounts of the Contractor whatever is due.*

**43.5** *If the contractor so desires then the Security Deposit can be converted into any interest bearing security of scheduled commercial bank in the name of the Employer or National Saving Certificates duly pledged in favour of the Employer for Defect Liability Period.*

2.10. Clause 38(g), 48, 49 and 50 of GCC shall be replaced by the following:

**38(g)** *The payment of final bill shall be governed by the provisions of clause 50 of GCC.*

#### **48. Completion of Construction and Maintenance**

**48.1** *The Contractor shall request the Engineer to issue a certificate of completion of the construction of the works, and the Engineer will do so upon deciding that the works is completed.*

**48.2** *The Contractor shall request the Engineer to issue the certificate of completion of the Routine Maintenance and the Engineer will do so upon deciding that the Routine Maintenance is completed.*

#### **49. Taking Over**

**49.1** *The Employer shall take over the works within seven days of the Engineer issuing a certificate of completion of works. The Contractor shall continue to remain responsible for its routine maintenance during the maintenance period.*

**49.2** *The employer shall take over the maintained road with in 7 days of the Engineer issuing a certificate of completion of the Routine Maintenance.*

#### **50. Final Account**

**50.1** *The Contractor shall supply the Engineer with a detailed account of the total amount that the Contractor considers payable for works under the contract within 21 days of issue of certificate of completion of construction of works. The Engineer shall issue a defect liability certificate and certify any payment that is due to the Contractor for works within 42 days of receiving the Contractor's account if it is correct and complete. If the account is not correct or complete, the Engineer shall issue within 42 days a schedule that states the scope of the corrections or additions that are necessary. If the Account is still unsatisfactory after it has been resubmitted, the Engineer shall decide on the amount payable to the Contractor and issue a payment certificate within 28 days of receiving the Contractor's revised account. The payment of final bill for construction of works will be made within 14 days thereafter.*

**50.2** *In case the account is not received within 21 days of issue of Certificate of Completion as provided in clause 50.1 above, the Engineer shall proceed to finalise the account and issue a payment certificate within 28 days. The payment of final bill for construction of works will be made within 14 days thereafter.*

**50.3** *The Contractor shall supply the Engineer with a detailed account of the total amount that the Contractor considers payable under the contract 21 days before the end of the Routine Maintenance Period. The Engineer shall issue a Routine Maintenance Completion Certificate and certify any final payment that is due to the Contractor within 42 days of receiving the Contractor's account if it is correct and complete. If it is not, the Engineer shall issue within 42 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Engineer shall decide on the amount payable to the Contractor and issue a payment certificate within 28 days of receiving the Contractor's revised account. The payment of final bills for routine maintenance will be made within 14 days thereafter.*

**50.4** *In case the account is not received within 21 days of issue of Certificate of Completion as provided in clause 50.3 above, the Engineer shall proceed to finalise the account and issue a payment certificate within 28 days. The payment of final bill for routine maintenance will be made within 14 days thereafter.*

2.11. *Sub-clause k) is added in clause 52 of the GCC.*

*k) if the Contractor fails to deploy machinery and equipment or personnel as specified in the Contract Data at the appropriate time.*

### **3. Amendment in Section 4 Contract Data**

3.1. *Add the following below the word address in each of the items 1 and 2 of the Contract Data to GCC:*

Telephone No.(s): Office: .....

Mobile No.: .....

Facsimile (FAX) No.: .....

Electronic Mail Identification (E-mail ID): .....

3.2. Item No. 4(vi) of Contract Data to GCC shall be replaced by the following:

The periodicity of routine maintenance activities shall be as follows:

S. No.	Name of Item/ Activity	Frequency of operation in one year
1	Restoration of rain cuts and dressing of berms as per clause 1902 of the Specifications.	Once generally after rains (In case of areas having rainfall more than 1500 mm per year, as and when required).
2	Making up of shoulders as per clause 1903 of the Specifications	As and when required.
3	Maintenance of Bituminous surface road and/ or gravel road and/or WBM road including filling pot holes and patch repairs etc as per clause 1904, 1905 and 1906 of the Specifications.	As and when required.
4	Maintenance of drains as per clause 1907 of the Specifications	Twice (In case of hill roads as and when required).
5	Maintenance of culverts and cause ways as per clause 1908 and 1909 of the Specifications	Twice (In case of hill roads as and when required).
6	Maintenance of road signs as per clause 1910 of the Specifications	Maintenance as and when required. Repainting once in every two years.
7	Maintenance of guard rails and parapet rails as per clause 1911 of the Specifications	Maintenance as and when required. Repainting once in a year.
8	Maintenance of 200 m and Kilo Meter stones as per clause 1912 of the Specifications	Maintenance as and when required. Repainting once in a year.
9	White washing guard stones	Twice
10	Re-fixing displaced guard stones	Once
11	Cutting of branches of trees, shrubs and trimming of grass and weeds etc as per clause 1914 of the Specifications	Once generally after rains (In case of areas having rainfall more than 1500 mm per year, as and when required).
12	White washing parapets of C.D. Works	Once

3.3. Item No.15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 of Contract Data to GCC shall be numbered as Item No. 16, 17, 19, 20, 21, 22, 23, 24, 25 and 26 respectively.

3.4. The following has been added as Item No.15 to the Contract Data.

Item 15: The key equipments/ machinery for construction of works shall be:

S. No.	Name of Equipment/ Machinery	Quantity

(Cl. 16.2)

3.5. The following shall be added as Item No.18 to the Contract Data:

Item 18: The key equipments for field laboratory shall be:

S. No.	Name of Equipment	Quantity

(Cl. 31.1a)

3.6. Item No. 21 (19 before amendment)of the Contract Data to GCC may be amended as follows:

*In each of the Item No. 19(a) (1), (2) and (3) of Contract Data to GCC, add the word 'value of' before 'entire contract work'.*

#### 4. Amendment in Section 6 Form of Bid

4.1. In Section 6 – Form of Bid, the word 'address' in the bottom of the Form of Bid will be replaced by:

Authorized Address of communication: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No.(s): Office: .....

Mobile No. : .....

Facsimile (FAX) No.: .....

Electronic Mail Identification (E-mail ID):.....

The above amendments shall be applicable with the immediate effect. The amendments will be made to the bidding documents for all the tenders invited after 15<sup>th</sup> February, 2005.

**(Prabha Kant Katare)**  
**Joint Director (P-III QM)**

#### Distribution:

1. Principal Secretaries/ Secretaries of State Nodal Departments of all States.
2. Chief Engineer/ Chief Executive Officer/ State Quality Coordinator of all States.

No.14013/3/2003/ NRRDA  
**National Rural Roads Development Agency**  
**Ministry of Rural Development**  
**Government of India**

5<sup>th</sup> Floor, 15-NBCC Tower,  
Bhikaji Cama Place, New Delhi – 66,  
Dated the 20<sup>th</sup> July, 2005

**AMENDMENT No. – 2 to Standard Bidding Document for PMGSY**

The Standard Bidding Document (SBD) for PMGSY was prescribed through DO letter No.14013/3/2003-NRRDA Dated 27<sup>th</sup> March, 2003 from Joint Secretary (RC) addressed to the State Secretaries. The first amendment was issued vide Amendment Notice dated 31<sup>st</sup> January, 2005. Further, the following Amendment No. 2 is hereby made to the Standard Bidding Document for Pradhan Mantri Gram Sadak Yojana.

**Amendment in Clause 53.1 of General Conditions of Contract:**

Clause 53.1 of the General Conditions of Contract shall be modified as:

**53.1** If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer shall issue a certificate for value of the work done and materials ordered less liquidated damages, if any, less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as indicated in the Contract Data. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be recovered from the security deposit, and performance security. If any amount is still left unrecovered it will be a debt payable to the Employer.

The above amendment shall be applicable with immediate effect and the bidding documents for all the tenders invited after 15<sup>th</sup> August, 2005 shall be modified accordingly.

**Prabha Kant Katare**  
Joint Director (P-III) & CQC

Distribution:

1. Principal Secretaries/Secretaries of State Nodal Department of all States.
2. Chief Engineer/Chief Executive Officer/State Quality Coordinator of all States.

**J K Mohapatra**  
**Joint Secretary (RC) & Director General**  
Telephone: 2338 3553 ♦ Fax: 2338 8207  
Email: j.mohapatra@nic.in

D.O.No.P-17011/32005-P-III

October 20, 2006

**Subject: Modification to the Standard Bidding Document**

Dear

Please refer to my d.o. letter of even number dated May 8, 2006, regarding review of Standard Bidding Document under PMGSY. Based on the recommendations of the Technical Committee constituted for this purpose, the Standard Bidding Document has been amended vide letter No.14013/3/2003-NRRDA dated October 19, 2006 (copy enclosed).

2. It is also felt that the capacity of contracting is likely to be enhanced if joint ventures are allowed and/or states are allowed to tender the works in packages of more than Rs.10 crore. **Accordingly, it has been decided that states may, if they so wish, allow joint ventures and float packages of more than Rs.10 crore on an experimental basis.** A formulation has been worked out by NRRDA for allowing joint ventures and for tendering of working in package sizes of more than Rs.10 crore. A copy of our suggested formulation is enclosed for your reference and guidance. I would, however, like to clarify that permitting works to be taken up by joint ventures and tendering of works in packages of more than Rs.10 crores are not mandatory for the States. These are, for the present, left to the option of States.

3. The modified bidding document incorporating all these amendments is being finalized and would be made available to the states very shortly.

4. I would request you to kindly take necessary action to tender the works henceforth in accordance with the aforesaid amendments.

Yours sincerely,

(JK Mohapatra)

To All State Secretaries



**J K Mohapatra**  
**Joint Secretary (RC) & Director General**  
Telephone: 2338 3553 ♦ Fax: 2338 8207  
Email: j.mohapatra@nic.in

D.O.No.P-17011/32005-P-III

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3. The modified bidding document incorporating all these amendments is being finalized and would be made available to the states very shortly.
4. I would request you to kindly take necessary action to tender the works henceforth in accordance with the aforesaid amendments.

Yours sincerely,

-sd-

(J K Mohapatra)

**To All State Secretaries**

**Copy to:**

1. **Shri P. B. Jain**, Chief Engineer (Contracts II), NHPC Limited, NHPC Complex, Sector -33, Faridabad – 121 003. Haryana.
2. Deputy General Manager, NPCC Ltd., Plot No. 67-68, Sector – 25, Faridabad, Haryana.
3. **Shri Sudhir Kumar**, Director – II, Consultancy Service Organization, CPWD, 'E' Wing, Nirman Bhavan, New Delhi – 110011
4. **Shri Harjinder Singh**, Director ED Works, IRCON International Ltd., 6<sup>th</sup> Floor, Palika Bhawan, Sector – 13, R.K. Puram, New Delhi - 110066.
5. **Shri D. K. Santra**, Group General Manager, NBCC Limited, Lodhi Road, New Delhi– 110 003

**J K Mohapatra**

**Joint Secretary (RC) & Director General**

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6. **Shri S. M. Hussain**, Executive Director, National Hydroelectric Power Corporation Ltd., Vidyut Bhavan – II, 2<sup>nd</sup> floor, Bailey Road, Patna – 800021
7. **Shri K. N. Mishra**, Deputy General Manager, NPCC, 404-B, Udayagiri Appartment, Buddha Marg, Patna.
8. **Shri R. K. Jha**, Addl. General Manager, NBCC, B-6, Vijay Nagar, Ras Bihari Path, Rukunpura, Patna-800014
9. **Shri C. S. Prasad**, Chief Engineer, CPWD, Pant Bhawan, 7<sup>th</sup> Floor, Bailey Road, Jawaharlal Nehru Marg, Patna – 800 001
10. **Shri J. N. Lal Das**, General Manager, IRCON International Ltd., 1<sup>st</sup> Floor, Sone Annex Bhawan, Behind Done Bhawan, Darogra Prasad Rai Path, Patna

**(Prabha Kant Katare)**  
Director (Projects III), NRRDA

No.14013/3/2003/ NRRDA  
**National Rural Roads Development Agency**  
**Ministry of Rural Development**  
**Government of India**

5<sup>th</sup> Floor, 15-NBCC Tower,  
Bhikaji Cama Place, New Delhi - 66

Dated the 18<sup>th</sup> October, 2006

**AMENDMENT No. – 3 to Standard Bidding Document for PMGSY**

The Standard Bidding Document (SBD) for PMGSY was prescribed through DO letter No.14013/3/2003-NRRDA Dated 27<sup>th</sup> March, 2003 from Joint Secretary (RC) addressed to the State Secretaries. First errata to Standard Bidding Document was issued vide letter dated 4<sup>th</sup> August, 2003, amendment no. 1 and amendment no. 2 were issued vide letter dated 31<sup>st</sup> January, 2005 and 20<sup>th</sup> July, 2005, respectively. With the result of publication of Specifications for Rural Roads, Section 5 was substituted vide letter dated 2<sup>nd</sup> November, 2004. A technical committee was constituted to review the Standard Bidding Document with a view to enhance the capacity of contractors and based on the recommendations of the Committee and with the approval of the competent authority, the following further amendments are hereby made to the Standard Bidding Document for Pradhan Mantri Gram Sadak Yojana.

1. Under Section 2, Instructions to Bidder, the contents of Clause 4.4 A shall be replaced by the following:

**“4.4 A** To qualify for award of the Contract, each bidder should have in the last five years:

a) Achieved in any one year a minimum financial turnover (as certified by Chartered Accountant, and at least 50% of which is from Civil Engineering construction works) equivalent to amount given below:

(i) 60% of amount put to bid, in case the amount put to bid is Rs.200 Lakhs and less.

- (ii) 75% of amount put to bid, in case the amount put to bid is more than Rs.200 Lakhs but less than Rs.1000 Lakhs.

If the bidder has executed road works under Pradhan Mantri Gram Sadak Yojana in originally stipulated completion period, the financial turnover achieved on account of execution of road works under PMGSY shall be counted as 120% for the purpose of this sub-clause.

- b) satisfactorily completed, as prime Contractor, at least similar work equal in value to one-third of the estimated cost of work (excluding maintenance cost for five years) for which the bid is invited, or such higher amount as may be specified in the Appendix to ITB. The value of road work completed by the bidder under Pradhan Mantri Gram Sadak Yojana in originally stipulated period of completion shall be treated 120% for the purpose of this Sub-Clause.”

2. Clause 43.2 under General Conditions of Contract shall be replaced by the following:

“On the satisfactory completion of the whole of the construction work half the total amount retained as security deposit is repaid to the contractor, one-fourth of the total amount retained as security deposit is repaid to the contractor at the end of 2<sup>nd</sup> year after completion of the construction work and balance of the amount retained as security deposit is repaid to the contractor at the end of 3<sup>rd</sup> year after completion of the construction work subject to condition that the engineer has certified that all defects notified by the engineer to the contractor before the end of period prescribed for repayment have been corrected.”

The above amendment may kindly be incorporated in the Bidding Document under intimation to this office.

**(Prabha Kant Katare)**  
Director (Projects – III)

Distribution:

1. Principal Secretaries/ Secretaries of State Nodal Departments of all States.
2. Chief Engineer/ Chief Executive Officer/ State Quality Coordinator of all States.

NO. P-17011/3/2005-P-III  
National Rural Roads Development Agency  
Ministry of Rural Development  
Government of India

#5<sup>th</sup> Floor, 15-NBCC Tower,  
Bhikaji Cama Place, New Delhi – 66

Date: 23-10-2006

**Standard Bidding Document under PMGSY  
Formulation for allowing Joint Ventures**

If Joint Venture is allowed the following amendments should be made to the Standard Bidding Document.

1. The formulation in Clause 3.1 of ITB shall be replaced by:
  - 3.1** This Invitation for Bids is open to all eligible bidders meeting the eligibility criteria as defined in ITB. The applicant should be a private or government-owned legal entity or any combination of them with a formal intent to enter into an agreement or under an existing agreement in the form of a Joint Venture (JV). In case of a JV,
    - a) all partners to the JV shall be jointly and severally liable; and
    - b) a JV shall nominate a representative who shall have the authority to conduct all business for and on behalf of any and all the partners of the JV during the prequalification process and, in the event the JV is pre-qualified, during the bidding process, and in the event the JV is awarded the Contract, during contract execution.
  
2. Clause 4.3 of ITB shall be replaced by.
  - 4.3** Joint Ventures are allowed. Bids submitted by a Joint Venture (JV) of not more than three firms as partners shall comply with the following requirements:
    - a) There shall be a Joint Venture Agreement (Refer Annexure I to ITB) specific for these contract packages between the constituent firms, indicating clearly, amongst other things, the proposed distribution of responsibilities both financial as well as technical for execution of the work amongst them. For the purpose of this clause, the most experienced lead partner will be the one defined. A copy of the Joint Venture agreement in accordance with requirements mentioned in Annexure - I shall be submitted before any award of work could be finalized.
    - b) The bid, and in the case of the successful bidder, the Form of Agreement, etc., shall be signed and / or executed in such a manner as may be required for making it legally binding on all partners (including operative parts of the ensuing Contract in respect of Agreement of Arbitration, etc.). On award of work, the Form of Agreement and Contract Documents shall be signed by all partners of the Joint Venture to conclude Contract Agreement.

c) Lead partner shall be nominated as being partner-in-charge; and this authorization shall be evidenced by submitting a power of attorney signed by the legally authorized signatories of all the partners.

d) The partner-in-charge shall be authorized to incur liabilities and to receive instructions for and on behalf of the partners of the Joint Venture, whether jointly or severally, and entire execution of the Contract (including payment) shall be carried out exclusively through the partner-in-charge. A copy of the said authorization shall be furnished in this Bid.

e) All partners of the Joint Venture shall be liable jointly and severally for the execution of the Contract in accordance with the Contract terms, and a relevant statement to this effect shall be included in the authorization mentioned under sub clause (c) above as well as in the Form of Tender and the Form of Agreement (in case of a successful bidder).

f) In the event of default by any partner, in the execution of his part of the Contract, the Employer shall be so notified within 30 days by the partner-in-charge, or in the case of the partner-in-charge being the defaulter, by the partner nominated as partner-in-charge of the remaining Joint Venture. The partner-in-charge shall, within 60 days of the said notice, assign the work of the defaulting partner to any other equally competent party acceptable to the Employer to ensure the execution of that part of the Contract, as envisaged at the time of bid. Failure to comply with the above provisions will make the Contractor liable for action by the Employer under the Conditions of Contract. If the Most Experienced i.e. Lead Partner defined as such in the Communication approving the qualification defaults, it shall be construed as default of the Contractor and Employer will take action under the Conditions of Contract.

g) Notwithstanding the permission to assigning the responsibilities of the defaulting partner to any other equally competent party acceptable to the Employer as mentioned in sub clause (f) above, all the partners of the Joint Venture will retain the full and undivided responsibility for the performance of their obligations under the Contract and/ or for satisfactory completion of the Works.

h) The bid submitted shall include all the relevant information as required under the provisions of Sub-Clause 4.4 of ITB and furnished separately for each partner.

**3. Clause 4.4 D shall be added to ITB:**

**(c)** If bidder is a Joint Venture, the partners would be limited to three (including lead partner). Joint Venture firm shall jointly and severally responsible for completion of the project. Joint Venture must fulfill the following minimum qualification requirement.

1. The lead partner shall meet not less than 50% of qualification criteria given in sub-clause 4.4 A (a) & (b) of ITB above.
2. Each of the remaining partners shall meet not less than 25% of all the qualifying criteria given in sub-clause 4.4 A (a) & (b) of ITB above.
3. The Joint Venture must also collectively satisfy the subject of the criteria of Clause 4.4 B and 4.4 C of ITB for this purpose the relevant figures for

each of the partners shall be added together to arrive at the Joint Venture total capacity which shall be 100% of more.

4. In the event that the Employer has caused to disqualify under Clause 4.7 of ITB below all of the Joint Venture partners will be disqualified.
5. Joint Venture Applicants shall provide a certified copy of the Joint Venture Agreement in demonstration of the partners undertaking joint and several liabilities for the performance of any contract entered into before award of work.
6. The available bid capacity of the JV as required under Clause 4.6 of ITB below will be applied for each partner to the extent of his proposed participation in the execution of the work. The total bid capacity available shall be more than estimated contract value.

### **Suggested Formulation for Tendering in Packages more than Rs. 10 Crore**

If the State prefers to tender the works in packages more than Rs.10 Crore the following provisions should be made:

In Clause 4.4 A (a) of ITB, the requirement of turnover should be the amount equal to the amount put to tender. The turnover should be for civil engineering works as certified by Chartered Accountant. In Clause 4.4 A (b) of ITB, the requirement of satisfactory completion of similar work may be dispensed with.

**(Prabha Kant Katare)**

Director (P-III) & Chief Quality Coordinator



**Provisions Required to be Included in the Joint Venture Agreement**

If the application is made by a joint venture of two or more firms, the evidence of clear mandate (i.e. in the form of respective Board Resolution duly authenticated by competent authority\*) by such two or more firms willing to form Joint Venture among themselves for the specified projects should accompany duly recognising their respective authorised signatories signing for and on behalf of the respective Firms for the purpose of forming the Joint Venture. A certified copy of the power of attorney to the authorized representatives, signed by legally authorized signatories of all the firms of the joint venture shall accompany the application. The JV Agreement shall be signed by the authorized representative of the joint venture. The JV Agreement shall need to be submitted consisting but not limited to the following provisions:

- a. Name, style and Project(s) specific JV with Head Office address
- b. Extent (or Equity) of participation of each party in the JV
- c. Commitment of each party to furnish the Bond money (i.e. Bid Security, performance Security and security for Mobilisation advance) to the extent of his participation in the JV
- d. Responsibility of each Partner of JV (in terms of Physical and Financial involvement)
- e. Working Capital arrangement of JV
- f. Operation of separate Bank account in the name of JV to be operated by at least one foreign partner and one local partner. In case of JV among local partners, both the partners are required to operate.
- g. Provision for cure in case of non-performance of responsibility by any party of the JV.
- h. Provision that NEITHER party of the JV shall be allowed to sign, pledge, sell or otherwise dispose all or part of its respective interests in JV to any party including existing partner(s) of the JV The Employer derives right for any consequent action (including blacklisting) against any or all JV partners in case of any breach in this regard.
- i. Management Structure of JV with details
- j. Lead Partner to be identified who shall be empowered by the JV to incur liabilities on behalf of JV
- k. Parties/firms committing themselves to the Employer (NHAI) for jointly and severally responsible for the intended works
- l. The Power of Attorney shall be duly notarised from the Country of Origin of the foreign partner for his part, or got certified from the Indian Embassy in that Country of Origin.
- m. Any other relevant details

\* The Competent Authority can be the Indian Embassy or the Chamber of Commerce in the country of origin where the Foreign Firm is registered and duly notarized.

No.14013/3/2003/ NRRDA  
**National Rural Roads Development Agency**  
**Ministry of Rural Development**  
**Government of India**

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Dated the 06<sup>th</sup> December, 2006

**AMENDMENT No. – 4 to Standard Bidding Document for PMGSY**

The Standard Bidding Document (SBD) for PMGSY was prescribed through DO letter No.14013/3/2003-NRRDA Dated 27<sup>th</sup> March, 2003 from Joint Secretary (RC) addressed to the State Secretaries. First errata to Standard Bidding Document was issued vide letter dated 4<sup>th</sup> August, 2003, amendment no. 1 and amendment no. 2 were issued vide letter dated 31<sup>st</sup> January, 2005 and 20<sup>th</sup> July, 2005, respectively. With the result of publication of Specifications for Rural Roads, Section 5 was substituted vide letter dated 2<sup>nd</sup> November, 2004. A technical committee was constituted to review the Standard Bidding Document with a view to enhance the capacity of contractors and based on the recommendations of the Committee and with the approval of the competent authority, Amendment No. 3 was issued vide letter Dated 18<sup>th</sup> October, 2006. The following further amendments are hereby made to the Standard Bidding Document for Pradhan Mantri Gram Sadak Yojana.

1. Under Section 2, Instructions to Bidder, the following sentence shall be added below Clause 4.4 A (a) (ii):

“The amount put to bid above would not include maintenance cost for 5 years and the turnover will be indexed at the rate of 8% for a year.”

2. Under Section 2, Instructions to Bidder, the following sentence shall be added at the end of Clause 32.2:

“If the Performance Security is in the form of a Bank Guarantee, the period of validity of Bank Guarantee could be one year initially, however, the bidder/contractor would get this Bank Guarantee extended in such a way that

an amount equal to 5% of the contract price is always available with employer until 45 days after the lapse of Defect Liability Period. If the bidder/contractor fails to maintain above Performance Security, the Employer would recover the same from any dues payable to the contractor.”

3. The following sentence shall be added at the end of Clause 46.1 of General Conditions of Contract:

“If the Performance Security is in the form of a Bank Guarantee, the period of validity of Bank Guarantee could be one year initially, however, the contractor would get this Bank Guarantee extended in such a way that an amount equal to 5% of the contract price is always available with employer until 45 days after the lapse of Defect Liability Period. If the contractor fails to maintain above Performance Security, the Employer would recover the same from any dues payable to the contractor.”

The above amendment may kindly be incorporated in the Bidding Document under intimation to this office.

**(Prabha Kant Katare)**  
Director (Projects – III)

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Dated the 12<sup>th</sup> March, 2007

**Correction to Formulation for Joint Ventures**  
**in Standard Bidding Document under PMGSY**

In reference to letter dated 20<sup>th</sup> October from JS (RC) MoRD & DG, NRRDA addressed to State Secretaries, the suggested formulation for incorporating the provisions for Joint Venture in the Standard Bidding Document was enclosed with the letter. Annexure I may please be seen and following corrections may be incorporated.

1. Sub point **k.** may be modified as given below.

*k. Parties/firms committing themselves to the Employer for jointly and severally responsible for the intended works*

2. Sub-point **l.** may be replaced by text as under.

*l. The Power of Attorney shall be duly notarized.*

3. The following footnote at the end of the Annexure may be deleted.

*\* The Competent Authority can be the Indian Embassy or the Chamber of Commerce in the country of origin where the Foreign Firm is registered and duly notarized.*

**(Prabha Kant Katare)**  
Director (Projects – III)

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Dated the 11<sup>th</sup> February, 2008

**AMENDMENT No. – 5 to Standard Bidding Document for PMGSY**

Subsequent to amendment No.4 issued vide letter dated 6.12.06, the following further amendments are hereby made to the Standard Bidding Document for PMGSY:

1. Clause 32 of Section 2 “Instructions to Bidder” shall be replaced by:

**“32.1** The successful bidder/contractor shall provide to the employer a total Performance Security of five percent of the Contract Price, for a period of 5 years and the time of completion of construction work plus additional security for unbalanced bids in accordance with clause 27.3 and 27.4 of ITB and Clause 46 Part 1 General Conditions of Contract.

Within 10 days after receipt of Letter of Acceptance but before signing the contract, a Performance Security of two and a half percent of Contract Price plus additional security for unbalanced bids in accordance with clause 27.3 and 27.4 of ITB and Clause 46 Part 1 General Conditions of Contract shall be delivered by the successful bidder to the employer.

The employer shall retain remaining two and a half percent Performance Security from each payment due to the contractor until completion of the whole of the construction works (except advance payment as per Clause 45 of General Conditions of Contract).

**32.2:** Performance Security of two and a half percent to be delivered by the successful bidder after the receipt of letter of acceptance shall be either in form of a Bank Guarantee or Fixed Deposit receipts in the name of employer, from a scheduled commercial bank.

If the Performance Security is in the form of a Bank Guarantee, the period of validity of Bank Guarantee of two and a half percent of contract price could be one year initially, however, the bidder/contractor shall get this Bank Guarantee extended in such a way that an amount equal to the requisite performance security is always available with employer until 45 days after the lapse of Defect Liability Period. If the bidder/contractor fails to maintain above Performance Security, the Employer would recover the same from any dues payable to the contractor.

**32.3** Failure of successful bidder to comply with the requirement of delivery of Performance Security of two and a half percent of contract price plus additional security for unbalanced bids as per provisions of Clause 32.1 shall constitute sufficient ground for cancellation of award and forfeiture of the earnest money.

Such successful bidder who fails to comply with the above requirements is liable to be debarred from participating in bids under PMGSY for a period of one year.”

2. **Clause 11.1 of GCC:** Word ‘natural calamity’ in clause 11.1 of Section 4, General Conditions of Contract is deleted.
3. **Clause 43.1 of GCC:** Insert “and performance security of two and a half percent” after the words ‘deposit of five percent’ in Clause 43.1 of Section 4, General Conditions of Contract.
4. **Clause 46 of GCC:** Clause 46 of Section 4, General Conditions of Contract shall be replaced by:

**“46.1** The Performance Security equal to five percent of the Contract Price and additional security for unbalanced bids shall be provided to the employer. Out of total Performance Security equal to five percent of contract price, half shall be delivered to the employer no later than the dates specified in the letter of acceptance and shall be issued in the form given in Contract Data, however, balance half Performance Security shall be retained at the rate of two and a half percent of each payment due to the contractor until completion of whole of the construction work.

**46.2** The Performance Security and additional Performance Security for maintenance shall be valid until a date 45 days from the date of issue of certificate of completion of construction work and maintenance work subject to the condition that if the Performance Security is in the form of a Bank Guarantee, the period of validity of Bank Guarantee could be one year initially, however, the contractor would get this Bank Guarantee extended in such a way that an amount equal to five percent of the contract price is always available with employer until 45 days after the lapse of Defect Liability Period. If the contractor fails to maintain above Performance Security, the Employer would recover the same from any dues payable to the contractor.”

5. In Section 8, Standard Form for Letter of Acceptance, the following will be added after the words ‘and sign the contract,’ in the last paragraph:  
“if the Performance Security is in the form of a Bank Guarantee, the period of validity of Bank Guarantee could be one year initially, however, the contractor would get this Bank Guarantee extended in such a way that an amount equal to requisite performance security is always available with employer until 45 days after the lapse of Defect Liability Period.”

The above amendment shall be applicable with immediate affect and the bidding documents for all the tenders invited after 15<sup>th</sup> February, 2008 shall be modified accordingly.

**(Prabha Kant Katare)**  
Director (Projects – III)

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Dated the 3<sup>rd</sup> August, 2009

**AMENDMENT No. – 6 to Standard Bidding Document for PMGSY**

The following sentence would be inserted after the word “Contract Price” in Clause 4.2 (k) of Instructions to Bidder (ITB) to the Standard Bidding Document  
*“and if amount put to bid is Rs.5 Crore and above, subcontracting of part/ full routine maintenance of roads after completion of construction work”.*

The following sentence would be inserted after the word “construction work” in the definition of Sub-Contractor as given in Clause 1.1 of General Conditions of Contract:

*“and/or routine maintenance”*

The following sentence would be inserted after the word “25 percent of the Contract Price” in sub-clause 7.1 of General Conditions of Contract (GCC):

*“and if amount put to bid is Rs.5 Crore and above, also part or full routine maintenance work after completion of construction work”*

The above amendment shall be applicable with immediate affect.

**(Prabha Kant Katare)**  
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Dated the 3<sup>rd</sup> August, 2009

**AMENDMENT No. – 7 to Standard Bidding Document for PMGSY**  
**in Naxal/ Left Wing Extremist Affected Districts**

The following amendments are hereby made to the Standard Bidding Document for execution of works under Pradhan Mantri Gram Sadak Yojana situated in Naxal/ Left Wing Extremist activity affected districts identified as such by the Ministry of Home Affairs, Government of India.

1. Under Clause 4.4A(a)(i) & (ii), the figure “60%” and “75%” would be replaced by “50%”.
2. Under Clause 4.4A(b), the word “one-third” would be replaced by “one-fourth”.
3. Keeping in view the security related interruptions in execution of works, the time period for completion of works in Naxal/ Left Wing Extremist activity affected districts could be allowed upto 18 months on case to case basis, however, price escalation, if any would be funded by the State Government.

The above amendment shall be applicable with immediate affect.

**(Prabha Kant Katare)**  
Director (Projects – III)

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Dated the 16<sup>th</sup> September, 2009

**AMENDMENT No. – 8 to Standard Bidding Document for PMGSY**

1. In the first sentence of Clause 24.1 of General Conditions of Contract, “*within 45 days of arising the dispute or difference*” would be added after the word “*competent authority*”.
2. In Clause 24.2 of General Conditions of Contract, the following would be added “*within 90 days of decision of the competent authority*” after the word “*Standing Empowered Committee*”.
3. In Clause 43.1 of General Conditions of Contract, the following sentence would be added “*In case, the contractor furnishes bank guarantee for the amount equal to performance security of two and a half percent retained from each payment due to contractor, the same amount shall be repaid to the contractor subject to condition that the validity of bank guarantee is as per provision of Clause 46.2 of GCC*”.
4. Clause 44.1 of General Conditions of Contract shall be replaced by:  
“**44.1** *Both, the Contractor and the Employer have agreed that it is not feasible to precisely estimate the amount of losses due to delay in completion of works and the losses to the public and the economy, therefore, both the parties have agreed that the Contractor shall pay liquidated damages to the Employer and not by way of penalty, at the rate per week or part thereof stated in the Contract Data for the period that the Completion Date is later than the Intended Completion Date. Liquidated damages at the same rates shall be withheld if the Contractor fails to achieve the milestones prescribed in the Contract Data. However, in case the Contractor achieves the next milestone the amount of the liquidated damages already withheld shall be restored to the Contractor by adjustment in the next payment certificate. The employer and the contractor have agreed that this is a reasonable agreed amount of liquidated damages and the total amount of liquidated damages shall not exceed 10% of the contract price. The employer may deduct liquidated damages from payments due to the contractors. Payment of liquidated damages shall not affect the contractor’s other liabilities.*”

The above amendment shall be applicable with immediate effect.

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