

No. RW/NH-24035/4/2008-P&M/PIC Vol.II
Government of India
Ministry of Road Transport & Highways
(EAP Zone)
Transport Bhawan, 1, Parliament Street, New Delhi-110001

Date: September 17, 2018

To

The Director General (Border Roads),
Seema Sadak Bhawan,
Ring Road, New Delhi-110010

Subject: Guidelines regarding procedures to be adopted for Roads & Bridges works on National Highways and Centrally Financed schemes (for NH works being funded by the Ministry of Road Transport & Highways and the BRO as implementing agency).

Sir,

This is in supersession of Ministry's circular No. RW/NH-24035/4/2008-P&M/PIC-EAP dated 25.04.2017 regarding procedures of tender and qualification of contractors.

2. Invitation of bids: -

2.1 Works with sanctioned cost of civil works up to Rs. 300 crores: Tenders may be invited by the BRO using the requisite bidding document (where applicable) and procedure as per Ministry's extant guidelines.

2.2 Works with sanctioned cost of civil works more than Rs. 300 crores: Tenders will be invited by the Chief Engineer-Regional Officer (CE-RO)/Chief Engineer-Project Zone at HQ of MoRT&H.

3. Evaluation of bids: -

3.1 Works with sanctioned cost of civil works up to Rs. 5 crores: The BRO shall evaluate the bids and finalize tender as per MoRT&H's extant guidelines.

3.2 Works having sanctioned cost of civil works more than Rs. 5 crores and up to Rs. 100 crores: Opening and evaluation of bids shall be done by the Evaluation Committee with the composition as mentioned in the following table.

Table: 1

Sr. No.	Composition of the Committee	Role
1	Chief Engineer from BRO	Chairman
2	DCDA/ACDA lever officer of Finance Wing posted with BRO	Member
3	Officer nominated by the CE-RO/SE-RO of MoRTH	Member
4	Superintending Engineer from BRO	Member
5	Executive Engineer from BRO	Member Secretary

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- 3.3 Work having sanctioned cost of civil works more than Rs. 100 crores and up to Rs. 300 crores: in Regional Offices headed by CE-RO, the opening and evaluation of bids shall be at the Regional Office by the Evaluation committee with the composition as mentioned in Table 2. In this case, there will be no Screening Committee.

Table -2		
Sr. No.	Composition of the Committee	Role
1	CE-RO dealing with the State	Chairman
2	Chief Engineer from BRO	Member
3	Superintending Engineer from BRO	Member
4	Representative of Finance Wing (MoRT&H)	Member
5	Executive Engineer from BRO	Member Secretary

In case of Regional Officers headed by SE-RO, the opening and evaluation of bids shall be done by the Evaluation Committee with the composition as mentioned in Table-1, then the evaluated bids shall be further examined by the screening Committee at MoRT&H Headquarters with composition as mentioned in Table - 3.

Table-3		
Sr. No.	Composition of the Committee	Role
1	Chief Engineer, Project Zone	Chairman
2	Chief Engineer form BRO	Member
3	Superintending Engineer (MoRT&H) from any other Regional Office or MoRT&H headquarters nominated by DG(RD)&SS/ ADG/ Coordinator	Member
4	Representative of Finance Wing (MoRT&H)	Member
5	Superintending Engineer /Executive Engineer of Regional Office (MoRT&H)	Member Secretary

- 3.4 Works having sanctioned cost of civil works more than Rs. 300 crores: Opening and evaluation of bids shall be done by the Evaluation Committee with the same composition as mentioned in Table 3. In this case, there will be no Screening Committee.

4. Acceptance of bids:-

- 4.1 Works with sanctioned cost of civil works up to Rs. 5 crores: BRO shall finalize and accept the bids up to 5% tender premium. In case the tender premium is more than 5% of sanctioned cost (cost put to tender), the revised sanction shall be obtained from the MoRT&H before acceptance of tender.

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- 4.2 **Works with sanctioned cost of civil works of more than Rs. 5 Crores upto Rs. 100 Crores:** The Authority to accept bids having tender premium within 5% of sanctioned cost of works (cost put to tender), based on recommendations of the Evaluation Committee mentioned in Table 1, and for carrying out all the necessary contractual formalities leading up to signing of the contract agreement in a time bound manner shall be DGBR.
- 4.3 **Works with sanctioned cost of civil works of more than Rs. 100 crores to Rs. 300 crores:** For Regional Offices headed by CE-RO, the Authority to accept bids shall be the CE-RO. For Regional Offices headed by SE-RO, in case there are five or more qualified bidders, or in case the Screening Committee agrees with the recommendation of the Evaluation Committee, then the Authority to accept bids shall be the Chief Engineer-Project Zone, MoRT&H. In cases of difference between the Evaluation Committee and the Screening Committee or there are less than five qualified bidders, the Competent Authority in the Ministry to accept the bids based on the recommendations of Screening Committee will be the DG(RD)&SS/ADG/Coordinator, as the case may be.
- 4.4 **Works with sanctioned cost of civil works of more than Rs. 300 crore to Rs. 500 crore:** The Competent Authority in the Ministry to accept the bids based on the recommendations of the Evaluation Committee as mentioned in Table 3, shall be DG(RD)&SS/ADG Coordinator, as the case may be.
- 4.5 **Works with sanctioned cost of civil works of more than Rs. 500 crores:** The Competent Authority in the Ministry to accept the bids based on the recommendations of the Evaluation Committee as mentioned in Table 3 will be the Hon'ble Minister (RT&H).
- 4.6 For project mentioned in para 4.4 & 4.5 above, the file for acceptance of the bid shall be sent by the CE-RO to the concerned ADG/Coordinator at Headquarters.
5. **Issue of Letter of Acceptance/Award (LOA):-**
- 5.1 **Works with sanctioned cost of civil works up to Rs. 5 crores:** The BRO shall finalize and accept the bids up to 5% tender premium. In case the tender premium is more than 5% of sanctioned cost (cost put to tender), the revised sanction shall be obtained from the Ministry before acceptance of tender.
- 5.2 **Works with sanctioned cost of civil works of more than Rs. 5 crores to Rs. 100 crores:** The LOA shall be issued by the appropriate Authority not below the rank of Superintending Engineer (BRO). Thereafter, the Contract Agreement shall be signed by the appropriate Authority in the BRO, but not below the rank of Superintending Engineer within the prescribed period mentioned in the RFP.

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- 5.3 Works with sanctioned cost of civil works of more than Rs. 100 crores to Rs. 300 crores: The LOA shall be issued by the appropriate Authority not below the rank of Chief Engineer (BRO). Thereafter, the Contract Agreement shall be signed by the appropriate Authority in the BRO, but not below the rank of Superintending Engineer within the prescribed period mentioned in the RFP.
- 5.4 Works with sanctioned cost of civil works of more than Rs. 300 crores: - The LOA shall be issued by the CE-RO/Chief Engineer-Project Zone, and signing of Contract Agreement shall be done by the appropriate Authority in the BRO, but not below the rank of Superintending Engineer.
- 5.5 In case of the issue of LOA and signing of contract, as mentioned above, is not executed by the BRO, the Ministry reserves the right to do the same through its CE-RO/Chief Engineer-Project Zone.
- 5.6 If the work is not awarded within 6 months from the date of sanction:
- (i) CE-RO/SE-RO shall have the power to extend the validity of the Sanction for a further period of 3 months.
 - (ii) CE-RO/ CE-Project Zone shall have the power to extend the validity for a further period of 3 months.
 - (iii) In cases when the work is not awarded within 12 months of the date of sanction, the work would be automatically stand de-sanctioned.
 - (iv) In special cases where extension of validity is required beyond one year, the Competent Authority to accord approval will be the Secretary (RT&H) with the concurrence of IFD.
6. Variation/ Change of Scope: BRO shall submit a proposal for any variation/change of scope to the concerned Regional Office of MoRT&H, which will further take up the matter as per following:
- 6.1 CE-RO/SE-RO are empowered to accept variation/ Change of Scope, extra items in the work, additional cost towards pre-construction activities like land acquisition, micro-plans, utility-shifting, tree cutting, compensatory afforestation, other statutory charges, etc. which are beyond the original provision made in the sanctioned estimate. The overall permissible excess after considering the addition/deletion of items/works, which can be accepted by the CE-RO/SE-RO, shall be as follows:
- (i) In case of Tender Premium: The excess inclusive of tender premium shall be within 5% over the amounts for civil works plus the amount for contingencies provided in the sanctioned estimates. For example:

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Sanctioned Cost of Civil Works: Rs. 100 crore

Contingencies: Rs. 2.8 crore

Total: Rs. 102.8 crore

Permissible excess: 5% of Rs. 102.8 crore = Rs. 5.14 crore

(ii) In case of Tender Discount: The permissible excess shall be within 5% of tender cost plus contingencies. For example:

Sanction Cost of Civil Works: Rs. 100 crore

Tender Cost of Works: Rs. 90 crore

Contingencies: Rs. 2.8 crore

Total: Rs. 92.8 crore

Permissible excess: 5% of Rs. 92.8 crore = Rs. 4.64 crore

- 6.2 In addition, the CE-RO/SE-RO are empowered to approve price escalation/bonus, and any other expenditure to be incurred as per the provision of Contract Agreement, subject to the condition that the total expenditure for the project shall not exceed 5% of the sanctioned TPC (Total Project Cost).
- 6.3 The CE-RO/SE-RO is empowered to approve the items from the list of items annexed at Annexure-I covered under Contingencies, Quality Control, Project specific temporary Contractual staff, and Agency Charges as per the provisions made in the sanctioned estimates.
- 6.4 For proposals beyond the delegated powers of CE-RO/SE-RO, the existing delegations would continue i.e. the CE-RO/SE-RO shall submit consolidated proposals along with their recommendation on the proposals to the concerned ADG/Coordinator at Headquarters for seeking approval of the Revised Cost Estimates (REs) by the Competent Authority at MoRT&H Headquarters.
7. Extension of Time: BRO shall submit proposal for any Extension of Time to concerned Regional Office of MoRT&H, which will further take up the matter as per following:
- 7.1 The CE-RO/Chief Engineer Project Zone are empowered to grant Extension of Time for the scheduled completion date for a maximum period of three months provided that the value of works remains within the Original Sanctioned Cost Estimate (OCE) or within the Revised Sanctioned Cost Estimate (RCE).
- 7.2 In case of Extension of Time up to six months, and/or in case additional Financial implication to the extent of 5% over the Original Sanctioned Cost Estimate (OCE), or within the Revised Sanctioned Cost Estimates (RCE) is required, then the Proposal shall be submitted to the concerned ADG/Coordinator for approval.

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7.3 In all other cases for extension of time beyond six months, the proposal shall be submitted to the concerned ADG/Coordinator at Headquarters for obtaining the approval of Secretary (RT&H) in concurrence with the IFD.

8. Authority Engineer/Supervision Consultant

8.1 The works having sanctioned cost of civil works of more than Rs. 5.00 crore and up to Rs. 100 crore shall be supervised by the BRO and no Authority Engineer shall be appointed separately. The Supervision Charges payable to the BRO shall be 3% of sanctioned cost of civil works in these cases. The Agency charges shall be modified accordingly as per existing guidelines.

8.2 The delegation of powers for invitation, evaluation and acceptance of bids for the selection of Authority Engineer for different category of projects shall be as under:

Table:4

Sr. No.	Category of Project	Sanctioned cost of project	Invitation and evaluation of bids by	Acceptance of bids by
1.	Projects not involving bridges with innovative design like cable stayed, suspension, etc	<300 crore	BRO as per its own procedure.	
2.	Projects involving bridges with innovative design like cable stayed, suspension, etc	>300 crore	Regional office/ PIU dealing with State/work.	CE-RO/SE-RO.
3.	Projects involving bridges with innovative design like cable stayed, suspension, etc	Any amount	Superintending Engineer S&R (Pavement & Bridges), MORT&H	Chief Engineer, S&R (Pavement & Bridges), MORT&H

8.3 The above delegation shall apply if the Financial Proposal of the bid considered for acceptance is within the ceiling amount available as supervision charges for the project under centage provision. For all other cases, specific sanction of MoRT&H shall be obtained prior to acceptance of bids.

9. Variation/Change of Scope and Extension of Time for AE:

9.1 BRO shall submit proposal for any Variation/Change of Scope and Extension of Time for contracts of Authority Engineer to concerned Regional Office of MoRT&H, which will further take up the matter as per following:

Table:5

Sr. No.	Officer	Variation/Change of Scope	Extension of Time
1	CE-RO/SE-RO	Up to >5% of consultancy	Up to six months without

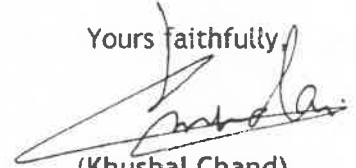
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		contract Amount	financial implications
2.	ADG/Coordinator		More than six months, and/or with Financial implications up-to 5% of consultancy contract amount.
3.	Secretary (RT&H) with concurrence of Financial Advisor.	>5% of consultancy contract Amount	>5% of consultancy contract amount

10. This issues with the approval of the Competent Authority.

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

Yours faithfully,



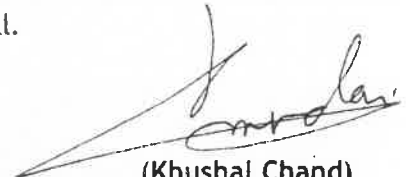
(Khushal Chand)
Superintending Engineer (EAP)

Copy to: -

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

Copy for information to: -

1. PPS to Secretary (RT&S), PPS to DG (RD) & SS, PS to AS&FA, PS to ADG, PS to Coordinator.
2. NIC-with the request to upload in the Ministry's Portal.



(Khushal Chand)
Superintending Engineer (EAP)

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Annexure-I

Admissible Expenditure under Project Contingencies, Quality Control, Project Specific temporary contractual staff and Agency Charges

1.1 Contingencies

The contingencies provided for in the estimates are meant to cover unanticipated items related to the work but not provided for in the Bill of Quantities of the sanctioned estimate/accepted contract. Though it may not be possible to identify these unaccounted items as the same would vary from site to site and project to project some of the identified/other items relating to relevant job are as follows:

- 1.1.1 Printing of tender forms including cost of papers & stationery and publicity by advertisement in the newspapers subject to the condition that sale proceeds of tender forms are credited to the Central Government Account.
- 1.1.2 Construction and maintenance of diversion roads.
- 1.1.3 Removal of unsuitable soil/tree trunks etc.
- 1.1.4 Road Safety related items including traffic regulatory measures on the stretch covered under sanction.
- 1.1.5 The expenditure on engagement of man power for proof checking/ peer review of the design/monitoring, subject to the condition that due procedure and guidelines issued on the subject by this Ministry and Ministry of Finance have been followed in engaging man power.
- 1.1.6 Documentation charges including photographs and video filming of the construction activities (no asset will be created).
- 1.1.7 Establishment of temporary site office, store shed, watchman shed and parking places for vehicles including lighting. If required upto 15% of contingencies.
- 1.1.8 The expenditure on engagement of counsel/lawyer/Arbitration so long as the fee is fixed as per rates stipulated by the Ministry of Law/Road Transport & Highways and due procedure has been adopted for their appointment.
- 1.1.9 For incurring expenditure towards Inauguration/ Bhoomi Pujan Foundation Stone Laying/ Any other ceremony in respect of National Highway works as per Ministry's existing guidelines.
- 1.1.10 In order to meet the objectives of public awareness, public safety and public cooperation, it has been decided that expenditure on such public functions, except those on electronic/print media shall be met from the contingencies of sanctioned projects with the power to approve such expenditure vested with the concerned CE-RO/SE-RO.
- 1.1.11 The expenditure on electronic/print media shall also be met from project contingencies at DAVP rates with the approval of CE-RO/SE-RO.

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- 1.1.12 In order to exercise economy in expenditure, such function should, however, be restricted only to important works, such as, widening, strengthening/ four-laning expressways, major bridges and bypasses, and the number of invitees should be kept within a reasonable limit.
- 1.1.13 Providing facilities to Competent Authority for Land Acquisition (CALA) and Taluka Inspector of Land Records (TILR) for acquisition of land for NH Projects.
- 1.1.14 For incurring expenditure towards payment of statutory charges, e.g. Net Present Value (NPV). Compensatory Afforestation (CA) to be deposited with the Forest Department for obtaining Forest Clearance for NH works, cost towards Micro Plans for R&R compensation and Railway Charges for ROB/RUBs to be deposited with Ministry of Railways.
- 1.1.15 Any other item(s) with the approval of the Ministry.

The estimates for carrying out, the above activities will be approved by the CE-RO/SE-RO on assurance/certificate by PWD that the amount provided against contingencies is available and has not been indirectly utilized by accepting higher tender rates. The State PWD will also certify that approval of estimates by CE-RO/SE-RO to be charged to contingencies will not cause revision of the sanctioned estimate.

1.2 Quality control:

1.2.1 The list of items covered under quality control are as under-

- (i) **Staff:**
The main supervisory staff shall be from the organization set up. The quality control field staff specifically recruited/hired/transferred/ shared for the specific job of the project for assisting in collection/preparation of samples, conduct of tests, movement of materials/implements/equipments, etc. depending upon the size and magnitude of the work, can be charged to this provision.
- (ii) **Field Laboratory:** Cost of the new equipment/implements or the book value if transferred from other work(s) or hire charges and maintenance charges including the cost of setting up to field laboratory.
- (iii) **Consumables:**
Cost of the consumables like oil, chemicals, reagents, filter papers and others used for testing the samples and running the laboratory.
- (iv) **Testing Charges:**
The specialized testing which cannot be done by field laboratory, as far as possible, shall be got done through the State, Central or other authorized and approved laboratories. The actual payments made in this regard can be charged.

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(v) **Transportation:**

Transportation and movement charges for the samples, equipment, staff etc. in respect of the quality control of the work project.

(vi) **Credit for the salvage/book value of the equipment, materials/implement etc.:**

The credit for the residual value of the usable equipment, implements, materials, etc. which were originally charged to a particular book, determined as per prevailing practice shall be given to the work estimates on completion of the work.

(vii) **Expenditure incurred on training of field level staff.**

The objective of the training being

- (a) Familiarization with the specifications.
- (b) Knowledge of correct sampling procedure
- (c) Learning testing methodology.

(viii) **Expenditure on experiment work**

For effective location specific improvement in materials and techniques

(ix) **Purchase of computers:**

The expenditure on purchase of computers up to a limit, not exceeding 20% of the amount provided of quality control under a project can be allowed. However, this amount would be subject to ceiling of Rs. 5 Lacs.

1.2.2 Accounting:

The details of the account under this account head shall be maintained separately as is being done in case of the main work, contingencies and Project Specific temporary contractual staff and the expenditure shall be debitible on actual basis.

1.3 Project Specific temporary contractual staff

This provision is meant to cover expenditure on non-supervisory staff (whether regular or casual) employed specifically for execution of work such as personnel engaged on traffic regulation, road diversion, maintenance, watch & ward of stores and field office, collection and handling of samples of materials and survey work etc.

1.4 Agency Charges

The agency charges to be paid to the executing agency are meant to cover the following items broadly:

1.4.1 Pay and allowances of supervisory staff engaged in construction including TA/DA.

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- 1.4.2 Office expenses of the PWD establishment including cost of stationery, Photostat, telephone bills, electric bills rentals and fax charges etc.
- 1.4.3 Purchase of petrol/diesel/gas oils and lubricants for cars/ jeeps and other transport/inspection vehicles for supervisory staff.
- 1.4.4 Expenditure on regular staff required for Preliminary Investigator work viz. subsoil/bearing capacity investigation and topographic/ hydraulic survey etc. in preparation of project designs/estimates.

