



CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

No.DGW/CON /188

NIRMAN BHAVAN, NEW DELHI

DATED 25.2.2004

Sub: Modification in the Clauses of General Conditions of Contract for Central PWD.

Attention is invited to Para 15 of CPWD-6 and Para 4, 5 & 7 of CPWD- 7/8, These clauses of General Conditions of contract for Central PWD Works are partially modified as under.

Clause/ Page/ Para	Existing provision	Amended provision
Para 15 of CPWD- 6	The tender for the works shall remain open for acceptance for a period of sixty days from the date of opening of tenders. If any tenderer withdraws his tender before the said period or makes any modifications in the terms and conditions of the tender which are not acceptable to the department, then the Government shall, without prejudice to any other right or remedy, be at liberty to forfeit 50% of the said earnest money as aforesaid.	The tender for the works shall remain open for acceptance for a period of sixty days from the date of opening of tenders. If any tenderer withdraws his tender before the said period or issue of letter of acceptance, which-ever is earlier , or makes any modifications in the terms and conditions of the tender which are not acceptable to the department, then the Government shall, without prejudice to any other right or remedy, be at liberty to forfeit 50% of the said earnest money as aforesaid.
Para 4, Page 6, CPWD- 7/8 with GCC or Para 4 of CPWD- 7/8	A sum of Rs.....is hereby forwarded in cash/Receipt Treasury Challan/Deposit at call Receipt of a Scheduled Bank as earnest money. If I/we fail to commence the work specified , I/we agree that the said President of India or his successors in office shall without prejudice to any other right or remedy, be at liberty to forfeit the said earnest money absolutely otherwise the said earnest money shall be retained by him towards security deposit	A sum of Rs.....is hereby forwarded in cash/Receipt Treasury Challan/Deposit at call Receipt of a Scheduled Bank as earnest money. If I/we fail to furnish the prescribed performance guarantee within prescribed period , I/we agree that the said President of India or his successors in office shall without prejudice to any other right or remedy, be at liberty to forfeit the said earnest money absolutely. Further, if I/we fail to commence work as specified, I/we agree that President of India or his successors in office shall without

 of the tender form.	prejudice to any other right or remedy available in law, be at liberty to forfeit the said earnest money and the performance guarantee absolutely, otherwise the said earnest money shall be retained by him towards security deposit..... of the tender form.
Para 7 (page 7) of CPWD 7/8	I/We agree that should I/we fail to commence the work specified in the above memorandum , an amount equal to the amount of the earnest moneyin so far as the same may extend in terms of the said bond and in the event of deficiency out of any other money due to me/us under this contract or otherwise.	Deleted

Further, attention is drawn on newly introduced Clause 1 related to Performance Guarantee vide O.M. No. DGW/CON/174 dated 6.2.2003. The term “letter of intent” wherever appearing in this Clause related to performance Guarantee be substituted with the term “letter of acceptance” and sub clause (ii) of this clause be deleted in light of amendments made above.

- Encl: 1. Sample letter of acceptance of tender
2. Sample letter for commencement of works

Sd/- 24.2.04
Superintending Engineer(C&M)

Issue from file No. CSQ/CM/C/37(2)/2004

**Sample letter of acceptance of tender
BY REGISTERED POST**

No. :

Dated :

To,

(Name and Address of the contractor)

Sub:

(Name of work as appearing in the tender for the work)

Dear Sir(s)

Your tender for the mentioned above has been accepted on behalf of the President of India at your tendered/ negotiated tender amount of

Rs..... (Rupees) which is%
below/above the estimated cost of Rs. (Rupees).

2. You are requested to submit the performance guarantee of Rs (Rupees) within 15 days of issue of this letter. The Performance Guarantee shall be in any of the prescribed form as provided in Clause –1 of the General Conditions of Contracts for CPWD works and shall be valid upto
3. On receipt of prescribed performance guarantee, necessary letter to commence the work shall be issued and site of work shall be handed over to you thereafter.
4. Please note that the time allowed for carrying out the works as entered in the tender, () months will be reckoned after 22days from the date of issue of this letter.

Yours faithfully

Executive Engineer
For & on behalf of President of India
..... Division, CPWD.

Superintending Engineer(C&M)

Sample letter for commencement of works

By Registered Post

No.

Date:

To,

(Name and Address of the Contractor)

Sub : (Name of work as appearing in the tender for the work).

Ref.:1. Performance Guarantee by you vide your letter No. Dated
..... For above work.

2.. This office letter of intent/acceptance of tender No.
Dated.....

Dear sir(s)

1. In continuation to the letters referred above, you are requested to attend this office to complete formal agreement within 15 days from stipulated date of start.

2. You are requested to contact the Assistant Engineer
(Complete address) for taking possession of site and starting the work.

Yours faithfully

Executive Engineer
For & on behalf of President of India
..... Division, CPWD.

Superintending Engineer(C&M)