



CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

No.DGW/MAN/169

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAVAN, NEW DELHI

DATED:31.12.2008

Sub: Modification in chapter 17 and 32 of CPWD Works Manual 2007.

Following provisions are hereby made to following paras of CPWD Works Manual 2007:-

Para 17.2.3 Procedural requirement for sale of tenders for specialized works-Sub para (5) is hereby added.

“The requirements of experience and expertise are applicable to all the intending tenderers viz. specialized firms as well as registered contractors. Tender papers should be issued only after ascertaining from them, about their experience and expertise in the specialized field concerned. The registered contractor shall not be eligible to purchase tender unless he meets out the eligibility criteria for that particular specialized work. Press notice should also be issued accordingly”.

EARNEST MONEY

Para 18.4 mode of deposit of Earnest Money

Under para 18.4 (1) (vi) it is added that :-

“The Bank Guarantee submitted as a part of Earnest Money shall be valid for a period of six months or more from the date of submission of the tender”.

SECTION 20 SECURITY DEPOSIT

Para 20.2 Security Deposit

Under para 20.2 following new sub para (4) is added :-

The Bank Guarantee submitted against Security Deposit shall initially be valid up to the stipulated date of completion of the work plus maintenance period as defined under clause 17 of GCC 2008 which shall be extended further time to time depending upon extension of contract granted under provisions of clause 2 and clause 5.

The Bank Guarantee submitted against Earnest Money shall also be extended as above.

SECTION 19 RECIEPT, OPENING AND ACCEPTENCE OF TENDERS

Para 19.4.3.1 justification of tenders :-

Following para is added in the last :-

At the time of increasing contractor's profit and over heads from 10 to 15 % no change has been made in the contractor's profit @ 7.5 % as applicable earlier whereas the contractor's over head has been increased from 2.5 to 7.5 % on account of following factors :-

1. Cost of Engineering establishment deployed by the contractor.
2. Cost of T&P and heavy machinery which includes tower crane, material hoists, excavators, vibrators and heavy machinery for road constructions.
3. Cost of cleaner environment at site & labour welfare facilities.
4. Cost of Quality Assurance set up enhancing testing lab.
5. Cost of office set up including engagement of necessary staff for computerized billing etc.
6. Cost of Earnest Money/Performance Guarantee/ Security Deposits.
7. Other miscellaneous expenditure.

Therefore no extra cost is to be added in justification on account of various factors mentioned above

SECTION 32 GENERAL GUIDANCE FOR OPERATION OF CONTRACT CLAUSES

Para 32.3.2 Notice to the contractor

Sub para (3) is modified is as under:-

Existing Provision	Modified Provision
Para 32.3.2 Notice to the contractor	Para 32.3.2 Notice to the contractor
(1) Two model forms of..... as per Appendices 32 and 32.	No change
(2) While making use of requirement of the case.	No change
(3) Final notice under clause 3 of the agreement form may thereafter be drafted and approval of the competent authority that accepted the tender obtained. This acceptance is with reference to financial limit under the delegation of financial powers to the CPWD officers for acceptance of tenders.	Final notice under clause 3 of the the agreement form may thereafter be drafted and approval of the tender accepting authority as defined under schedule 'F' of contract be obtained.

Para 32.4 – Clause 3A of CPWD Form 7 & 8 (Closure of the contract) – following is hereby added.

“Tender accepting authority as defined in Schedule F of the contract shall be the competent authority to approve final action to close the contract under provision of clause 3A of the contract”.

Para 32.5.2 – Clause 5 of Forms No. CPWD 7 and 8 Clause 4 of Form No. CPWD 9 –

Following is hereby added.

“The maximum amount that is to be with held in case of non-achievement of milestones shall not exceed 5% of tendered value of the work”.

para 32.5.1 -

“If contractor fails to start the execution of the work, the earnest money and performance guarantee shall be forfeited by engineer-in-charge with the prior approval of tender accepting authority as defined in Schedule – F”.

para 32.5.3 – sub para (4) is hereby added.

“Even after rescheduling of milestones total percentage of tendered amount which can be with held in case of non achievement of mile stones shall remain unchanged as decided under clause 5 of Schedule –F.”

Superintending Engineer (C&M)

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As per mailing list attached overleaf