

**1/42/2017-Tpt**  
**Government of India**  
**NITI Aayog**  
**(PPP/PAMD Vertical)**

Sansad Marg, New Delhi  
27 June 2019

**OFFICE MEMORANDUM**

**Subject: High Powered Working Group to "Harmonize & Standardize National Bidding Documents".**

This has reference to the EPC document and the 3 (three) categories of recommendations made thereon sent vide your email dated 22 April 2019.

2. We have reviewed and examined in detail all the recommendations made, and are of the view that the following can be included in the Standard EPC Document for the Construction sector:

**(i) Clause 3.1(g) - Obligations of the Contractor:**

The proposed additional language under clause 3.1(g) can be included therein with minor language corrections:

*"The Contractor shall employ/deploy on the Project, personnel having valid skill certificates issued by any Government Institution such as National Skill Development Corporation, or any constituent unit of Engineering Council of India or Construction Industry Development Council or any equivalent national/international institution".*

Further, since the changes suggested under clauses 3.4.4 and 3.4.5 are also broadly covered under the above addition to clause 3.1(g), they need not be included again for the same would only result in avoidable repetition.

**(ii) Clause 3.9: Contractor's site establishment**

Additional Language proposed as clause 3.9 can be added in clause 4.1.6 - 'Obligations of the Authority' - under sub-clause (e), to be read as follows:

*"support, cooperate with and facilitate the Contractor in the implementation of the Project in accordance with the provisions of this Agreement including making available reasonable space for Contractor's site establishment such as labour camp, casting yard, batching plant, store, godown etc. at the Site."*

**(iii) Clause 8.3 - Damages for delay in handing over the Site:**

As suggested, the expression "per day per metre" to be replaced with "per day per square metre".

**(iv) Clause 13.4.2 - Restriction on Change of Scope:**

As suggested, the limit on Change of Scope can be revised from 10% of the work to 20%. The revised clause 13.4.2 to read as follows:

*"13.4.2 Unless the Parties mutually agree to the contrary, the total value of all Change of Scope Orders shall not exceed 20% (twenty per cent) of the work."*

(v) **Clause 17.8 - Price adjustment for works:**

Under clause 17.8(e), the suggested item of "Building Work" can be included in the table of percentages to govern the price adjustment of the Contract Price, applicable percentage of which shall be *"as per the relevant indices issues/published by the Government."*

3. With respect to the other recommendations, it appears that majority of these are already addressed elsewhere (i.e. under a different clauses) in the Model Agreement and including them again would only be repetitious, possibly leading to confusion while interpreting the clauses.

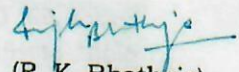
For example, the proposed additional language suggested under clause 4.3, "The date of commencement of work shall be the date of handing over of clear unencumbered site or the date of environmental clearance whichever is later.", is already covered under the definition of "Appointed Date" under Article 26.1, as under:

*"Appointed Date" means that date which is later of:*

1. (a) the 15<sup>th</sup> day of the date of this Agreement;
2. (b) the date on which the Contractor has delivered the Performance Security in accordance with the provisions of Article 7;
3. (c) the date on which the Authority has provided the Right of Way on at least 90% (ninety per cent) of the total land required for the Project in conformity with the provisions of Clause 8.2; and
4. (d) the date on which the Authority has provided to the Contractor the environmental and forest clearances for at least 90% of the total land required for the Project;"

4. Further, we had, vide our email dated 18 April 2019, sent the draft single-stage Request for Proposal for your comments, please let us have your inputs on the same.

5. We look forward to finalizing the Model Bidding Documents accordingly.



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