

12 CORE CONDITIONS OF CONTRACT

THE CORE CONTRACT CONDITIONS (CCC)

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BID REFERENCE

BR - 1

(NAME OF THE PROJECT OWNER/EMPLOYER)
_____ (NAME OF HYDRO ELECTRIC PROJECT)_____

BID REFERENCE NO. _____

DOMESTIC/INTERNATIONAL COMPETITIVE BIDDING

NAME & DESCRIPTION OF WORK _____

PERIOD OF SALE OF BIDDING DOCUMENTS (FROM) _____ (TO) _____

DOCUMENT ISSUED TO _____

TIME AND DATE OF PRE-BID CONFERENCE

DATE:
TIME: (Hrs.)

LAST DATE AND TIME FOR RECEIPT OF BIDS

DATE:
TIME: (Hrs.)

*TIME AND DATE OF OPENING OF BIDS

DATE:
TIME: (Hrs.)

PLACE OF OPENING OF BIDS _____

OFFICER INVITING BIDS _____

* *Should be the same as for the deadline for receipt of bids or promptly thereafter.*

_____(Name of the Project owner/Employer)
_____(NAME OF PROJECT)

INVITATION FOR BIDS (IFB)

DOMESTIC/INTERNATIONAL COMPETITIVE BIDDING

Date:

Bid Reference No.:

1. The.....(Name of Employer).....invites bids for the construction of works detailed in the table given in para 7 hereinafter. The bidders may submit bids for any or all of the works.
2. Bidding is open to all eligible bidders meeting the eligibility criteria as defined in clause no_____ of instructions to Bidders(IFB). Bidders should, however, be registered with the Central Govt./State Governments, or Central/State Government Undertakings as Contractors and graded under CEA-CIDC grading scheme. The bidder should have minimum cut off grade under CEA-CIDC grading. Bidders are advised to note the minimum qualification criteria specified in Clause 3.6 of the Instructions to Bidders to qualify for the consideration of the award of the contract.
3. Bidding documents (and additional copies) may be purchased from the office of.....from.....to.....
.....for a non-refundable fee as indicated, in the form of cash or Demand Draft on any Scheduled bank payable at.....in favour of..... Interested bidders may obtain further information at the same address. Bidding documents requested by mail will be dispatched by registered/speed post on payment of an extra amount of Rs..... The bidding documents are also available on web site And can be downloaded. Such bidders, who use the downloaded documents, should submit their offer/bid along with the payment of Rs..... In the shape of a Demand Draft or Certified Bankers Cheque. The.....will not be held responsible for the postal delay if any, in the delivery of the documents or non-receipt of the same.

4. Bids must be accompanied by the **Earnest Money** of the amount and the shape specified in the table below.
5. Bids must be delivered to.....on or before..... hours on..... (date) and will be opened on the same day at.....hours, in the presence of the bidders who wish to attend. If the office happens to be closed on account of National Holidays or any authorized closure notice, on the date of receipt of the bids as specified, the bids will be received and opened on the next working day at the same time and venue.
6. A pre-bid meeting will be held onat.....hrs. at the office of.....to clarify the issues and to answer questions on any matter that may be raised at that stage as stated in Clause 4 of 'Instructions to Bidders' (ITB), of the bidding documents.
7. Table of Works to be executed for above stated project is placed below: Other details can be seen in the bidding documents.

Pack- age No	Name of Works	Approx. Value of Works (Optional)	Earnest Money	Shape of furnishing Earnest Money	Cost of Documents	Period of Completion & Completion Date	Validity of offer
1	2	3	4	5	6	7	8
			-- @ --	FDR / Bankers Certified Cheque / B.G. issued by a Scheduled Bank valid for 28 days beyond the validity of offer			

- Note:*
- i) *In case of the Joint Ventures, the lead organization shall submit the Earnest Money, along with the Letter of Comfort from the Bankers of other partners confirming that, in the event of award of the work to the JV, they shall issue security deposit /performance security favoring the Employer, on behalf of their client for the amounts proportionate to their share in the JV and valid for the period stipulated in the contract documents..*
 - ii) *The lead organization, shall however give an undertaking that they shall be solely responsible for the performance of their bid*

@. Please fill the Earnest Money (EM) in letter and words for specified currencies as per following criteria.

1. For projects estimated to cost Rs. 100 crores and above, earnest money should be 1/2% of the estimated cost.
2. For projects estimated to cost less than Rs. 100 crores, the earnest money should be 1% of the estimated cost. Maximum amount of earnest money shall be Rs. 50 Lakhs.

SECTION 1

INSTRUCTIONS TO BIDDERS (ITB)

INSTRUCTIONS TO BIDDERS (ITB)

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C	PREPARATION OF BIDS		28	Correction of Errors	
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A. GENERAL

1. Scope of Bid

- 1.1. The..... (Referred to as Employer in these documents) invites bids for the construction of works (as defined in these documents and referred to as "the works") detailed in the table given in IFB Clause 7. The bidders may submit bids for any or all of the works detailed in the table given in IFB.
- 1.2. The successful bidder will be expected to complete the works by the intended completion date specified in the Contract data.

2. Source of Funds

- 2.1. The Employer has arranged the funds from..... (Indicate the source) and will have sufficient funds in Indian/Foreign currency for execution of the works.

3. Eligible Bidders

- 3.1. The Invitation for Bids is open to all eligible bidders meeting the eligibility criteria as defined in clause no. 3.5.
- 3.2. All bidders shall provide in Section 2, Forms of Bid and Qualification Information, a statement that the Bidder is not associated, nor has been associated in the past, directly or indirectly, with the Consultant or any other entity that has prepared the design, specifications, and other documents for the Employer's Nodal Officer/Manager for the Contract. A firm that has been engaged by the Employer to provide consulting services for the preparation or supervision of the works, and any of its affiliates, shall not be eligible to bid.
- 3.3. Government-owned enterprises may only participate if they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the Employer.
- 3.4. Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the employer in accordance with ITB clause No. 36.
- 3.5. **Eligibility Criteria**
 - 3.5.1. The Bidder must have experience on similar works executed during the last fifteen years. Details like monetary value, clients, and

proof of satisfactory completion should be submitted for establishing eligibility.

3.5.2. Registration if any with specified Government departments/Government organizations grading agencies, and class/type of registration

3.5.3. Documentary evidence of adequate financial standing

3.6. Minimum Eligibility Criteria : The minimum eligibility criteria are defined below:

- (i) The Bidder/s should be an incorporated legal entity, as a Company or Society.
- (ii) In case of Joint Venture (JV)/Consortium, all parties shall be incorporated legal entities, as a company or society.
- (iii) The Bidder/s should have experience of executing works related to construction of Hydro Power Projects, during last 15 years. The minimum value of the works executed by the Bidder, in past, in INR (or equivalent sum in a foreign currency) shall be _____.
- (iv) The Bidder should have completed such work/s in their own name or as a member of a JV/Consortium. In case of the work having been executed by the Bidders as a member of a JV/Consortium, the value of the portion of the work directly executed by them shall only be given cognizance of, and the total value of the work collectively executed by all members, shall be taken as the minimum qualifying value of the work. In such cases, the Bidder shall submit an audited report, specifying the value of the work.
- (v) The Bidder/s should also specify the year when such works were completed including the monetary value, and while moderating the value an escalation factor of 5% per year shall be applied to arrive at the intrinsic present value of work for the purpose of determining minimum, cut off value mentioned in Sub-Clause 3.6(iv) above.
- (vi) The Bidder/s should be registered as Contractors with State/Central Government or their departments/ organizations and should have a minimum cut of grade under CEA-CIDC grading scheme, in case of their being of Indian origin. In case of foreign Contractors, the registration

with the relevant Ministries of foreign affairs or any other Ministry of their country would have to be taken in cognizance.

In case of JVs, all members shall have to meet this condition.

The Employer, reserves the right to make suitable enquiries regarding the bona-fide of the Bidder(s) or JV Partner(s), as the case may be.

- (vii) The Bidder/s should have following minimum unutilized banking facilities, which through their Bankers should be committed and earmarked for the execution of the work in question.
 - i. Cash Credit Facility _____
 - ii. Bank Guarantee Limits _____

Letter of adequacy and commitment from their Bankers should be submitted along with their bids alongwith duly audited balance sheets for last 5 financial years.

- (viii) The Bidder/s should commit that following equipment would be mobilized at the site of work, in case of award of the work to them.
 - 1. [The employer to specify]
 - 2.
 - 3.
 - 4.

Above mentioned equipment, should be owned by the Bidder/s or a letter of comfort from an Equipment Bank should be furnished with the Bid, confirming that in case of award of the work the equipment shall be made available.

- (ix) The Bidder/s should have at least following professionals on their pay rolls:
 - a) Project Managers _____
 - b) Senior/Project Engineers _____

- Work Supervision _____
 - Design _____
 - Quality Control _____
- c) Administrative/Accounts Personnel _____
- d) Supervisory Personnel _____
- e) Workers Skilled & Certified _____
- f) Others _____

For execution of this project, the Bidder/s shall commit to deploy following minimum strength of personnel:

- a) Project Managers _____
- b) Senior/Project Engineers _____
- Work Supervision _____
 - Design _____
 - Quality Control _____
- c) Administrative/Accounts Personnel _____
- d) Supervisory Personnel _____
- e) Workers Skilled & Certified _____
- f) Others _____

The Bidder should submit the structure of the project implementation team along with the names and CVs of all the categories, except workers, along with their bid. The CV's shall include position, professional qualifications, Job title, No. of Years with the present employer with details of Technical / Managerial experience relevant to Hydro-Projects. Also number of expatriate personnel and local employees for these positions may be started.

- (x) The Bidder/s should demonstrate, through documentary evidence, that they are applying latest Project Planning Processes in their ongoing works and are in possession of requisite monitoring tools.

- (xi) The Bidder/s should submit an undertaking that they have adequate Bid Capacity utilizing following formula.

Bid Capacity = $A \times N \times 2 - B$ where

N = No. of years prescribed for completion of the subject contract

A = Maximum Value of Works executed in any one year during last 15 years (at current price level)

B = Value at current price level, of existing commitments and on going works to be completed in the next "N" years.

The Bidder shall submit documentary evidence in support of establishing A&B, along with their Bid.

The Bid capacity determined thus should be higher than the estimated value of this contract.

- (xii) The Bidder/s should have a minimum cut off performance grade of _____ granted to him under CEA-CIDC grading scheme.

4. Prequalification of the Bidder/s

The Bidder/s shall submit following information with their Prequalification Bid in forms specified in Section 2 (forms of bid & qualification information of Bid document.

- 4.1. Copies of original documents defining the constitution or legal status, place of registration, and principal place of business; written power of attorney of the signatory of the Bid to commit the Bidder. In case of JVs, the constitution and the share of participation of all partners, JV agreement, and above defined documents for all JV Partners.
- 4.2. Total monetary value of construction work performed for each of the last fifteen years.
- 4.3. Experience in works of a similar nature and size for each of the last fifteen years, and details of works under way or contractually committed; and Employers who may be contacted for further information on those contracts.
- 4.4. Major items of construction equipment proposed to carry out the Contract.

- 4.5. Qualifications and experience of key site management and technical personnel proposed for the Contract.
- 4.6. Reports on the financial standing of the Bidder, such as profit and loss statements and auditor's reports for the past five years.
- 4.7. Evidence of adequacy of working capital for this contract (Access to line(s) of credit and availability of other financial resources)
- 4.8. Authority to seek references from the Bidder's bankers.
- 4.9. Information regarding any litigation, current or during the last five years, in which the Bidder is involved, the parties concerned, and disputed amount.
- 4.10. Proposals for subcontracting components of the Works amounting to more than 10 percent of the Bid Price (For each, the qualifications and experience of the identified sub-contractor in the relevant field should be annexed)
- 4.11. The proposed methodology and program of construction, backed with equipment planning and deployment, duly supported with broad calculations and quality control procedures proposed to be adopted, justifying their capability of execution and completion of the work as per technical specifications within the stipulated period of completion as per milestones.
- 4.12. Copies of Registration Certificates with Government Departments/Ministries.
- 4.13. All Undertakings and the letters of comfort from Bankers, Equipment Bank/Pools as defined in the eligibility Criteria.
- 4.14. Details of Performance Grade (Minimum cut off grade under CEA-CIDC grading scheme)
- 4.15. Even though the bidders meet the above qualifying criteria, they are subject to be disqualified if they have:
 - 4.15.1. Made misleading or false representations in the forms, statements and attachments submitted in proof of the qualification requirements; and/or
 - 4.15.2. Record of poor performance such as abandoning the works, not properly completing the contract, inordinate delays in completion, litigation history, or financial failures etc.

5. One Bid per Bidder

5.1. Each bidder (and the members of a JV/Consortium, as the case may be) shall submit only one bid for one package. A bidder who submits or participates in more than one Bid (Except in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.

6. Cost of Bidding

6.1. The bidder shall bear all costs associated with the preparation and submission of his Bid, and the Employer will in no case be responsible and liable for those costs.

7. Site visit

7.1. The Bidder, at the Bidder's own responsibility and risk is required to visit and examine the Site of Works and its surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidders' own expense.

8. Undertakings

8.1. To bring in transparency and equitability in the execution of this project, both the Employer and the Bidder/Contractor shall undertake to meet obligations as detailed in Contract Data, Section 4. The employer has already given his undertaking as appended to this Bid in Form A-15 and the Bidder/Contractor shall sign and submit their undertaking in Form A-16 along with their bid, which, upon the award of the work to the successful bidder shall form the part of the agreement.

B. BIDDING DOCUMENTS

9. Content of Bidding Documents

9.1. The set of bidding documents comprises the documents listed in the table below and addenda issued in accordance with Clause 11.

Invitation for Bids (IFB)

Section - 1	Instructions to Bidders
Section - 2	Qualification Information and Forms of Bid
Section - 3	Conditions of Contract
Section - 4	Contract Data
Section - 5	Specifications
Section - 6	Drawings
Section - 7	Bills of Quantities / Price Schedule

9.2. Of the three sets of the bidding documents supplied, two sets should be completed and returned with the bid.

10. Clarification of the Bidding Documents

10.1. A prospective bidder requiring any clarification of the bidding documents may notify the employer in writing or by cable (hereinafter "cable" includes telex, facsimile and e-mail) at the Employer's address indicated in the invitation to bid. The Employer will respond to any request for clarification which he receives earlier than 15 days prior to the deadline for submission of bids. Copies of the Employer's response will be forwarded to all purchasers of the bidding documents, including a description of the enquiry but without identifying its source.

10.2. Pre-bid meeting

10.2.1. The bidder or his official representative is invited to attend a pre-bid meeting which will take place at _____(address of venue) on _____(time and date).

10.2.2. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.

10.2.3. The bidder is requested to submit any questions in writing or by cable to reach the Employer not later than one week before the meeting.

10.2.4. Minutes of the meeting, including the text of the questions raised (without identifying the source of enquiry) and the responses given will be transmitted without delay to all purchasers of the bidding documents. Any modification of the bidding documents listed in Sub-Clause 9.1 which may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an Addendum pursuant to Clause 11 and not through the minutes of the pre-bid meeting.

10.2.5. Non-attendance at the pre-bid meeting will not be a cause for disqualification of a bidder.

11. Amendment of Bidding Documents

11.1. Before the deadline for submission of bids, the Employer may modify the bidding documents by using addenda.

11.2. Any addendum thus issued shall be part of the bidding documents and shall be communicated in writing or by cable to all the purchasers of the bidding documents. Prospective bidders shall acknowledge receipt of each addendum by cable to the Employer.

11.3. To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer shall extend as necessary the deadline for submission of bids, in accordance with Sub-Clause 21.2 below.

C. PREPARATION OF BIDS

12. Language of the Bid

12.1. All documents relating to the bid shall be in the English language.

13. Documents comprising the Bid

13.1. The bid submitted by the bidder shall comprise the following:

(a) The Bid (to be submitted in the format 'A-I' indicated in Section 2)

- (b) Earnest Money
- (c) Qualification Information Form and Documents
- (d) Priced Bill of Quantities

and any other documents required to be completed and submitted by bidders in accordance with these instructions. The documents listed under Sections 2,4 and 7 of ITB-Clause 9.1 shall be filled in without exception.

14. Bid Prices

14.1. The contract shall be for the Civil/Hydro-mechanical/Electrical works as described in Sub-Clause 1.1, based on the priced Bill of Quantities/price schedule submitted by the Bidder.

14.2. The bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities/price schedules.

Items for which no rate or price is entered by the bidder will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities.

Corrections, if any, shall be made by crossing out, initialing, dating and rewriting.

14.3. The rates and prices quoted by the bidder are subject to adjustment during the performance of the Contract in accordance with the provisions of Clause 45 of the Conditions of Contract.

15. Currencies of Bid and Payment

15.1. The unit rates and the prices shall be quoted by the bidder in the currency/currencies mentioned in the data sheet. In case of the payment to be released in foreign currency, the cross selling exchange rate should be quoted by the Bidder in his price bid.

15.2. The bidder quoting his price/part of price in foreign exchange shall have to cover the hedging risk himself.

16. Bid Validity.

16.1 Bids shall remain valid for a period not less than ninety days after the deadline date for bid submission specified in Clause 21. A bid valid for a shorter period shall be rejected by the Employer as non-responsive.

16.2 In exceptional circumstances, prior to expiry of the original time limit, the Employer may request that the bidders may extend the period of validity for a specified additional period. The request and the bidders' responses shall be made in writing or by cable. A bidder may refuse the request without forfeiting his earnest money. A bidder agreeing to the request will not be required or permitted to modify his bid except as provided in 16.3 hereinafter, but will be required to extend the validity of his bid security, or a period of the extension, and in compliance with Clause 17 in all respects.

16.3 In the case of contracts in which the Contract Price is fixed (not subject to price adjustment), and in the event that the Employer requests and the Bidder agrees to an extension of the validity period, the contract price, if the Bidder is selected for award, shall be corrected as follows:

The price shall be increased by the factor $(\text{value of factor } \beta)^1$ for each week or part of a week that has elapsed from the expiration of the initial bid validity to the date of issue of letter of acceptance to the successful Bidder.

16.4 Bid evaluation will be based on the bid prices without taking into consideration the above correction. The Bid prices shall be identified as -

- (a) Lowest Numerical Price Bid
- (b) Lowest Effective Price Bid

¹ The value of β is based on the country's projected inflation for the period in question. The Employer inserts the value in the bid documents prior to issue.

17. Earnest Money-EM (Bid Security)

17.1 The Bidder shall furnish, as part of his Bid Security, an Earnest Money Deposit in the amount as shown in column 5 of Table stated in Clause 7 of IFB for this particular work. This bid security shall be in favour of.....and may be in one of the following forms:

- a bank guarantee issued by a nationalized/scheduled bank located in India or a foreign Bank located in India and acceptable to the Employer in the form given in Section 2 or another form acceptable to the Employer, or
- Certified cheque or Bank draft in favour of payable at.....

17.2 Bank guarantees (and other instruments having fixed validity) issued as surety for the bid shall be valid for 28 days beyond the validity of the bid.

17.3 Any bid not accompanied by an acceptable Bid Security and not secured as indicated in Sub-Clauses 17.1 and 17.2 above shall be rejected by the Employer as non-responsive.

17.4 The Bid Security of unsuccessful bidders will be returned within 28 days of the end of the bid validity period specified in Sub-Clause 16.1.

17.5 The Bid Security of the successful bidder will be discharged after he has signed the Agreement and furnished the required Performance Security.

17.6 The Bid Security may be forfeited, if

- (a) The Bidder withdraws the Bid after Bid opening during the period of Bid Validity;
- (b) The Bidder does not accept the correction of the Bid Price, pursuant to **Clause 28; or**

- (c) The successful Bidder fails within the specified time limit to
 - (i) Sign the Agreement or
 - (ii) Furnish the required Performance Security.

18. Alternative Proposals by Bidders

18.1 Bidders shall submit offers that comply with the requirements of the bidding documents, including the basic technical design as indicated in the drawing and specifications. Alternatives will not be considered.

19. Format and Signing of Bid

19.1 The Bidder shall prepare one original and one copy of the documents comprising the bid as described in Clause 13 of these Instructions to Bidders, bound with the volume containing the Form of Bid, and clearly marked 'ORIGINAL' and 'COPY' as appropriate. In the event of discrepancy between them, the original shall prevail. Employer if so desires, can ask for more copies.

19.2 The original and copy of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to Sub-Clauses 3.7(b) ITB Clause 4.1. All pages of the bid where entries or amendments have been made shall be initialed by the person or persons authorized to sign the bid.

19.3 The Bid shall contain no alterations or additions, except those to comply with instructions issued by the Employer, or as necessary to correct errors made by the bidder in which case such corrections shall be initialed by the person or persons signing the bid.

D. SUBMISSION OF BIDS

20. Sealing and Marking of Bids

20.1 The Bid shall be submitted in two separate sealed envelopes duly marked Envelope 1 and Envelope 2. The Envelope 1 will contain Employer's Bid documents (other than priced BOQ) which will be submitted under formal

forwarding letter in standard printed form addressed to the Employer inter-alia containing an undertaking that the Bid documents do not contain any amendment, modification or change of any type whatsoever in the Bid documents and to any amendment issued after pre-bid meeting. The Envelope 2 will contain priced BOQ/priced schedule only giving the unit price and amount against each item with grand total at the end in figures and in words.

20.2 The Bidder shall seal the original and copy of the Bid in separate envelopes (Envelope 1 & II), duly marking the envelopes as "ORIGINAL" and "COPY".

20.3 The envelopes shall

(a) Be addressed to Employer at the following address:

.....
.....

The Envelope shall

(b) Bear the following identification:

- Bid for _____ [name of contract]
- Bid Reference No. _____ [insert number]
- DO NOT OPEN BEFORE _____ [time and date for bid opening, per Clause 24]
- ORIGINAL/COPY
- Name and address of the bidder.

20.4 If the outer envelopes are not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the bid.

21. Deadline for Submission of the Bids

21.1. Bids must be received by the Employer at the address specified above not later than..... In the event of the specified date for the submission of bids being declared a holiday by the Employer, the Bids will be received upto the appointed time on the next working day.

21.2. The Employer may extend the deadline for submission of bids by issuing an amendment in accordance with Clause 11, in which case all rights and obligations of the Employer and the bidders previously subject to the original deadline will then be subject to the new deadline.

22. Late Bids

22.1. Any Bid received by the Employer after the deadline prescribed in Clause 21 will be returned unopened to the bidder.

23. Modification and Withdrawal of Bids

23.1. Bidders may modify or withdraw their bids by giving notice in writing before the deadline prescribed in Clause 21.

23.2. Each Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clauses 19 & 20, with the outer and inner envelopes additionally marked "MODIFICATION" or "WITHDRAWAL" as appropriate.

23.3. No bid may be modified after the deadline for submission of Bids.

23.4. Withdrawal or modification of a Bid between the deadline for submission of bids and the expiration of the original period of bid validity in Clause 16.1 above or as extended pursuant to Clause 16.2 may result in the forfeiture of the Earnest Money pursuant to Clause 17.

23.5. Bidders may only offer discounts to, or otherwise modify the prices of their Bids by submitting Bid modifications in accordance with this clause or included in the original Bid submission.

E. BID OPENING AND EVALUATION

24. Bid Opening

24.1. On the due date and appointed time as specified in clause 21, the Employer will first open envelopes 1(original) of all bids received (except those received late) including modifications made pursuant to clause 23 in presence of the Bidders or their representatives who choose to attend. In the event of the specified date for Bid opening being declared a holiday by the Employer, the Bids will be opened at the appointed time and location on the next working day.

- 24.2. If all Bidders have submitted unconditional Bids together with requisite Earnest Money, then all Bidders will be so informed then and there. If any Bid contains any deviation from the Bid document and /or if the same does not contain Earnest Money in the manner prescribed in the Bid documents, then that Bid will be rejected and the Bidder informed accordingly. The sealed envelopes 2 (original and copy) containing priced BOQ will be returned to him without opening along with Bid submitted vide Envelope 1. All other valid Bids shall be opened on the same day.
- 24.3. Envelopes marked "WITHDRAWAL" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to Clause 23 shall not be opened. Unopened bids shall immediately be returned to the respective Bidder
- 24.4. The opened bids (Envelope 1) thereafter shall be evaluated by the Employer to determine the eligibility of the Bidders.

The Employer shall seek from the Bidders any clarifications, if so required to establish their eligibility and shall thereafter prepare a list of eligible bidders.

The bids, along with the Earnest Money deposit shall be returned to the non-eligible bidders and the eligible bidders shall be informed the date of opening of the Envelope II.

- 24.5. The Envelope II shall be opened on the date & Venue notified by the Employer to the eligible Bidders. The Bidder's name, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been permitted), any discounts, and such other details as the Employer may consider appropriate, will be announced by the Employer at the opening. Any bid price, discount, or alternative Bid price which is not read out and recorded at Bid opening, will not be taken into account in Bid evaluation
- 24.6. The Employer shall prepare minutes of the Price Bid opening, including the information disclosed to those present in accordance with Sub-Clause 24.5 and the minutes shall form part of the contract.

25. Clarification of Bids

- 25.1. To assist in the examination and comparison of Bids, the Employer may, at his discretion, ask any Bidder for clarification of his Bid, including breakdown of unit rates. The request for clarification and the response shall

be in writing or by cable, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to conform the correction of arithmetic errors discovered by the Employer in the evaluation of the Bids in accordance with Clause 27.

25.2. Subject to sub-clause 25.1, no Bidder shall contact the Employer on any matter relating to his bid from the time of the bid opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the Employer, he should do so in writing.

25.3. Any effort by the Bidder to influence the Employer's bid evaluation, bid comparison or contract award decisions, may result in the rejection of his bid.

26. Examination of Bids and Determination of Responsiveness

26.1. Prior to detailed evaluation of Bids, the Employer will determine whether each Bid (s) meets the eligibility criteria defined in ITB Clause 3.6 and it has been properly signed by an authorized signatory (accredited representative) holding Power of Attorney in his favour as defined in ITB Clause 4.1. The Power of Attorney shall inter alia include a provision to bind the Bidder to settlement of disputes clause; (c) is accompanied by the required Earnest Money and; (d) is responsive to the requirements of the Bidding documents.

26.2. A responsive Bid is one which conforms to all the terms, conditions and specification of the Bidding documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality or performance of the Works; (b) which limits in any substantial way, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other Bidders presenting responsive Bids.

26.3. If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation.

27. Correction of Errors

27.1. Bids determined to be responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

- (a) Where there is a discrepancy between the rates in figures and in words, the rate in words will govern; and
- (b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

27.2. The amount stated in the Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the bidder. If the Bidder does not accept the corrected amount the Bid will be rejected, and the Earnest Money may be forfeited in accordance with Sub-Clause 17.6(b).

28. Evaluation and Comparison of Bids

28.1. The Employer will evaluate and compare only the Bids determined to be responsive in accordance with Clause 26.

28.2. In evaluating the Bids, the Employer will determine for each Bid the evaluated Bid Price by adjusting the Bid Price as follows:

- (a) Making any correction for errors pursuant to Clause 27;
- (b) making appropriate adjustments to reflect discounts or other price modifications offered in accordance with Sub Clause
- (c) Thereafter provisions of clause 16.4 shall apply for determining the lowest effective Price Bid.

28.3. If the Bid of the successful Bidder is seriously unbalanced in relation to the Nodal Officer or his nominee's estimate of the cost of work to be performed under the contract, the Employer may require the Bidder to produce detailed price analysis for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the implementation/construction methods and schedule proposed.

28.4. LOWEST NUMERICAL PRICE BID

Upon opening of the price bid of all the bidders, the lowest total price bid shall be declared as the Lowest Numerical Price Bid.

LOWEST EFFECTIVE PRICE BID

The Employer thereafter shall apply the moderation factors given in the *Appendix_____* to the total bid price quoted by all the Bidders to determine the Lowest Effective Price Bid.

ACCEPTANCE OF PRICE BID

The Employer does not undertake to accept the Lowest Numerical Price Bid.

After opening of the price bid, the Employer shall apply the moderation factors to determine the Lowest Effective Price and the bidder, whose quoted price after application of the moderation factor given in the *Appendix_____*, shall be declared as the Lowest Effective Price Bidder and the work would be awarded to him.

Following formula would be used to determine the Lowest Effective Price Bid.

$$\text{Lowest Effective Price} = \text{Moderation Factor (Based on the CEA-CIDC grade)} \times \text{Total Price quoted by the bidder}$$

Moderation Factor

S. N.	Grade under CEA - CIDC Scheme	Moderation Factor (To be determined and filled by the Employer)

29. Requirement of submission of analysis by the contractor should be complied and submitted to the Nodal officer or his nominee within fifteen days from the date of notice issued by the Nodal officer or his nominee failing which the bid would be treated as non responsive.

F. AWARD OF CONTRACT

30. Award Criteria

30.1. The Employer will award the Contract to the Bidder at the prices quoted by him, including any discounts or corrections and whose Bid has been determined to be responsive to the Bidding documents and who has offered the lowest effective Bid Price, provided that such Bidder has been determined to be (a) eligible in accordance with the provisions of Clause 3, and (b) qualified in accordance with the provisions of Clause 4.

30.2. The Employer shall award the contract within 15 days of the opening of the price bids.

31. The notification of award shall be according to the provisions of Clause 32 onward.

32. Notification of Award and Signing of Agreement.

32.1. The Bidder whose Bid has been accepted will be notified of the award by the Employer prior to expiration of the Bid validity period by cable, confirmed by registered letter. This letter (hereinafter and in the Conditions of Contract called the "letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution, & completion of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the " Contract Price").

32.2. The notification of award will constitute the formation of the Contract subject only to the furnishing of a performance Security in accordance with the provisions of Clause 33.

32.3. The Contract Agreement will incorporate all correspondence between the Employer and the successful Bidder. It will be signed by the Employer and sent to the successful Bidder within 28 days following the notification of award, along with the Letter of Acceptance. Within 21 days of receipt, the successful Bidder will furnish the performance security and sign the Agreement with the Employer.

32.4. Upon the furnishing by the successful Bidder of the Performance Security, the Employer will promptly notify the other Bidders that their Bids have been unsuccessful and release their Earnest Money.

33. Security Deposit (Performance Security & Retention Money)

- 33.1. Security Deposit shall consist of two parts, (a) Performance Security which is to be submitted upon award of work, and (b) Retention Money to be recovered from Running Bills/Price Schedule.
- 33.2. Performance Security shall be 5 % of Contract amount and should be submitted as Bank Guarantee, Government Securities, FDR or any other form of deposit stipulated by the Employer, within 28 days of receipt of letter of acceptance. If the performance security is provided by the successful Bidder in the form of a Bank Guarantee, it shall be issued either (a) at the Bidder's option, by a National /Scheduled Indian Bank or (b) by a foreign bank located in India and acceptable to the employer.
- 33.3. Retention Money should be deducted @ 6 % from each Running Bill. Total of Performance Security and Retention Money (herein after called Security Deposit) should not exceed 10 % of Contract amount or lesser sum indicated in the bid document. If expressly required by the contractor, in writing & agreed by the employer, the retention money could also be converted as Bank Guarantee from progressive deductions with each Bank Guarantee of Minimum value of Rs. 10.0 lakhs.
- 33.4. The Contractor shall extend the validity of all Bank Guarantee issued against security deposit, if so required due to delay in operational acceptance of performance of the unit/works not attributable to the Employer, at his own cost well in time atleast 30 days before the expiry of the "period of validity" of each of the Bank Guarantee thereof.
- 33.5. The security deposit shall be released on successful completion of defect liability period including extensions thereof, if any or issuance of performance certificate, whichever is later.
- 33.6. In case of JVs, all the partners shall have to submit the security deposit individually, aggregating to the total sum of 10 % of contract value.
- 33.7. The value of individual guarantees submitted shall correspond to each partner's share in the JV.
- 33.8. The leader of the JV, however, would furnish counter guarantees, aggregating to the sum of guarantees submitted by other partners.

34. Advance Payment

- 34.1. The Employer will provide an Advance Payment on the Contract Price to the Contractor as stipulated in the Conditions of Contract, subject to maximum amount, as stated in the Contract Data.

35. Conciliator

35.1. The Employer proposes that Construction Industry Arbitration Council be appointed as Institutional Conciliator, under the Contract,

36. Corrupt or Fraudulent Practices

36.1. The Employer requires that Bidders/Suppliers/Contractors under this contract, observe the highest standard of ethics during the procurement and execution of this contract. In pursuance of this policy, the Employer:

(a) Defines, for the purpose of these provisions, the terms set forth below as follows:

(i) "corrupt practice" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution; and

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Employer, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Employer of the benefits of free and open competition.

(b) Will reject a proposal for award of work if he determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

(c) will declare a Bidder non eligible, either indefinitely or for a stated period of time, to be awarded a contract/contracts if he at any time determines that the Bidder has engaged in corrupt or fraudulent practices in competing for, or in executing, the contract.

36.2 Furthermore, Bidders shall be aware of the provision stated in ITB Clause 23 and GCC Clause 56.2 of the Conditions of Contract Part-I.

36.3 Bidders or member of the Joint Venture / Consortium shall not be under a declaration or ineligibility for corrupt and fraudulent practices issues by Govt. of India / State Govt. / Government Deptts. / PSUs / World Bank / Asian Development Bank in accordance with ITB Clause 36.1.