

No. COVID-19/RoadMap/JS(H)/2020 (183777)
Government of India
Ministry of Road Transport & Highways
(Highways Section)
Transport Bhawan, 1, Parliament Street, New Delhi-110001

Dated: 04 May, 2023

To

1. DG (RD) & SS, Roads Wing, MoRTH
2. The Chairman, NHAI, G-5&6, Sector -10, Dwarka, New Delhi-110075
2. The Managing Director, NHIDCL, PTI Building, New Delhi-110001
3. Principal Secretaries/Secretaries of all States/UTs Public Works Department/ Road Construction Department/ Highways Department (dealing with National Highways and other centrally sponsored schemes)
4. All Engineers-in-Chief and Chief Engineers of Public Works Department/ Road Construction Department/ Highways Department (dealing with National Highways and other centrally sponsored schemes)
5. The Director General Border Roads, Seema Sadak Bhawan, Ring Road, New Delhi-110010
6. All CE-ROs, ROs and ELOs of the Ministry of Road Transport & Highways

Subject: Relief for Contractors/Developers of Road Sector in view of COVID-19 pandemic

Sir,

I am directed to refer to this Ministry's letter of even number dated 26.08.2021, 08.10.2021, 04.01.2022, 11.04.2022 & 01.12.2022 on the subject mentioned above and to convey the approval of the competent authority in this Ministry for further extension of following relief measures for a period of 01 year from 01.04.2023 to 31.03.2024 as under:

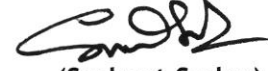
- (i) Extension of relaxation in Schedule H/G till 31.03.2024 to improve the liquidity of funds available with the Contractors and Concessionaire.
- (ii) Arrangement regarding direct payment to approved Sub-Contractor through Escrow Account till 31.03.2024 or the completion of the work by the Sub-Contractor, whichever is earlier.
- (iii) Reduction of Performance Security/release of retention money: Performance Security shall be 3% of the value of the contract for all existing contracts (excluding the contracts under dispute wherein arbitration/court proceedings have already been started or are completed). All tenders /contracts issued/ concluded till 31.03.2024 should also have the provision of reduced performance security. However, in order to ensure quality of work being executed, the Ministry will advise all project executing agencies to ensure that in case of abnormally low bids (ALBs), additional performance security is realized as per the latest guidelines provided by Department of Expenditure, Ministry of Finance.

Retention money is a part of the Performance Security till construction period. Hence, release of retention money may be continued in proportion to the work already executed and no reduction of retention money may be made from the Bills raised by the Contractor till 31.03.2024.

For HAM/BOT Contracts, Performance Guarantee may be released on pro-rata basis, as provided in the Contract, if Concessionaire is not in breach of the Contract.

2. The above said relief measures are valid till the mentioned dates unless withdrawn by this Ministry earlier than the date indicated. Implementing agencies are requested to implement the relief measures accordingly.

Yours faithfully,



(Sushant Sudan)

Deputy Secretary to the Government of India
Telephone No. 011-23314316

Copy to:

1. Sr. PPS to Secretary (RT&H)
2. AS&FA, MoRTH
3. AS(H&LA)
4. All Joint Secretaries in the MoRTH
5. All ADGs/CEs in the MoRTH
6. Sr. Director (NIC), MoRTH for uploading on the website of the Ministry