

No.RW/NH-33044/34/2024-S&R (P&B) (Computer No.-246283)

Government of India

Ministry of Road Transport & Highways

(S&R (P&B/New Technology) Zone)

Transport Bhawan, 1, Parliament Street, New Delhi-110001

Dated: 30 June, 2026

CIRCULAR

To,

1. The Chief Secretaries of all the State Governments/ UTs.
2. The Principal Secretaries/ Secretaries of all States/ UTs Public Works Department/ Road Construction Department/ Highways Department (dealing with National Highways and other centrally sponsored schemes).
3. The Chairman, National Highways Authority of India, G-5 & 6, Sector-10, Dwarka, New Delhi-110 075.
4. The Managing Director, NHIDCL, World Trade Centre, New Delhi-110029.
5. The Director General (Border Roads), Seema Sadak Bhawan, Ring Road, New Delhi- 110 010.
6. All Engineers-in-Chief and Chief Engineers of Public Works Department of States/ UTs/ Road Construction Department/ Highways Departments (dealing with National Highways and other centrally sponsored schemes).
7. The Secretary General, Indian Roads Congress
8. The Director, IAHE, Noida, UP.
9. All CE-ROs, ROs and ELOs of the Ministry.

Subject: - Additional Performance Security for the bidders who have quoted abnormally low bid price in EPC / HAM / PBMC / STMC contract s- Reg.

Ref:- Circular no. RW/NH-33044/34/2024-S&R (P&B) dated 30.04.2025

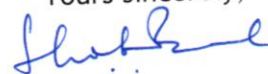
Madam/Sir,

In continuation of the above referred circular, the issue of abnormally low bid has been further reviewed considering the continuing trend of abnormally low quoting in National Highways projects and it has been decided that the Additional Performance Security for the bids where the bid price is 30% or more below of the project cost put to bid shall be incremented by 0.5% for every percentage of bid price below 30% of the project cost put to bid in addition to 3% of the bid price and this additional performance guarantee percentage shall be applied on the bid price:

2. An illustrative example for calculation of additional performance guarantee/security for a notional project where the project cost put to bid is Rs.1000 crore is given in **Annexure** for ready reference.
3. **Release of conditional Additional performance Security :-** Additional performance Security shall be released as per following.
 - i. 25% of the Additional Performance security shall be released after COD provided the project is completed as per the scheduled time of completion including

- grace period as per contract, if any, without any EOT. If the project is not completed as per the scheduled date of completion without any EOT, 25% of the Additional performance security shall be released along with para (4-ii) below.
- ii. 25% of the Additional Performance security shall be released one year after COD provided Stretch is meeting the norms as per the contract in terms of Pavement Quality Index (PCI) / International Roughness Index (IRI) in the independent NSV survey of the Ministry/NHAI for which OM no. RW/G-23012/01 /2019-W&A (Part-IV) dated 21.05.2026 may be referred.
 - iii. Remaining 50% of the Additional Performance security shall be released after successful completion of the defect Liability period.
 - iv. If the stretch fails to meet the norms of Pavement Quality Index (PCI) / International Roughness Index (IRI) as per the contract in any biannual assessment starting from COD in the independent NSV survey of the Ministry/NHAI, non-refundable penalty @5% of the additional performance security shall be levied for each such failure.
4. Additional performance Security shall only be submitted in form of E-Bank Guarantee. Surety bond shall not be accepted for Additional performance Security.
5. Above circular shall invariably be made part of RFP document for EPC / HAM / PBMC / STMC contract. Further Para 4 of the circular of even no. dated 30.04.2025 is deleted.
6. These guidelines shall come into force with immediate effect. All the implementing agencies of the MoRT&H are requested to take action accordingly.
7. This issues with the concurrence of IFD and approval of the Competent Authority.

Yours sincerely,



(Shoba Basil)

Under Secretary to the Government of India
Telephone No. 011-23714001

Enclosure: As above.

Copy to:

1. All CEs in the Ministry of Road Transport & Highways
2. All ROs of the Ministry of Road Transport & Highways
3. All CE(NH) of PWD/R&B dealing with National Highways
4. Technical circular file of S&R (P&B) Section
5. NIC-for uploading on Ministry's website under "What's new" & "Comprehensive Compendium Circulars with CODE 130.242."

Copy for kind information to:

1. PS to Hon'ble Minister (RT&H)
2. PS to Hon'ble MOS (RT&H)

3. Sr. PPS to Secretary (RT&H)
4. Sr. PPS to DG (RD) & SS
5. Sr. PPS/ PPS to Addl. Secretary (Road Safety)/ Addl. Secretary (RT&H&LA)
6. Sr. PPS/ PPS to AS&FA
7. Sr. PPS/ PPS to all ADG (KB)/ ADG(SC)/ ADG(RS)
8. Sr. PPS/ PPS to JS (RT&MVL)/ JS (EIC) / JS (Logistics)/ JS (NHIDCL)

Annexure

Cost put to tender(Rs crore)	Performance Bank Guarantee (Rs crore)	% discount to project cost put to bid	Percentage Additional Performance Guarantee	Additional Performance Guarantee (Rs crore)	Total Performance Bank Guarantee (Rs crore)	PBG as % of project cost put to bid
	3%					
1000	30.00	0.00%	0.00%	0.00	30.00	3.00%
990	29.70	1.00%	0.00%	0.00	29.70	3.00%
980	29.40	2.00%	0.00%	0.00	29.40	3.00%
970	29.10	3.00%	0.00%	0.00	29.10	3.00%
960	28.80	4.00%	0.00%	0.00	28.80	3.00%
950	28.50	5.00%	0.00%	0.00	28.50	3.00%
940	28.20	6.00%	0.00%	0.00	28.20	3.00%
930	27.90	7.00%	0.00%	0.00	27.90	3.00%
920	27.60	8.00%	0.00%	0.00	27.60	3.00%
910	27.30	9.00%	0.00%	0.00	27.30	3.00%
900	27.00	10.00%	0.00%	0.00	27.00	3.00%
890	26.70	11.00%	0.10%	0.89	27.59	3.10%
880	26.40	12.00%	0.20%	1.76	28.16	3.20%
870	26.10	13.00%	0.30%	2.61	28.71	3.30%
860	25.80	14.00%	0.40%	3.44	29.24	3.40%
850	25.50	15.00%	0.50%	4.25	29.75	3.50%
840	25.20	16.00%	0.60%	5.04	30.24	3.60%
830	24.90	17.00%	0.70%	5.81	30.71	3.70%
820	24.60	18.00%	0.80%	6.56	31.16	3.80%
810	24.30	19.00%	0.90%	7.29	31.59	3.90%
800	24.00	20.00%	1.00%	8.00	32.00	4.00%
790	23.70	21.00%	1.20%	9.48	33.18	4.20%
780	23.40	22.00%	1.40%	10.92	34.32	4.40%
770	23.10	23.00%	1.60%	12.32	35.42	4.60%
760	22.80	24.00%	1.80%	13.68	36.48	4.80%
750	22.50	25.00%	2.00%	15.00	37.50	5.00%
740	22.20	26.00%	2.20%	16.28	38.48	5.20%
730	21.90	27.00%	2.40%	17.52	39.42	5.40%
720	21.60	28.00%	2.60%	18.72	40.32	5.60%
710	21.30	29.00%	2.80%	19.88	41.18	5.80%
700	21.00	30.00%	3.00%	21.00	42.00	6.00%
690	20.70	31.00%	3.50%	24.15	44.85	6.50%
680	20.40	32.00%	4.00%	27.20	47.60	7.00%
670	20.10	33.00%	4.50%	30.15	50.25	7.50%
660	19.80	34.00%	5.00%	33.00	52.80	8.00%
650	19.50	35.00%	5.50%	35.75	55.25	8.50%

640	19.20	36.00%	6.00%	38.40	57.60	9.00%
630	18.90	37.00%	6.50%	40.95	59.85	9.50%
620	18.60	38.00%	7.00%	43.40	62.00	10.00%
610	18.30	39.00%	7.50%	45.75	64.05	10.50%
600	18.00	40.00%	8.00%	48.00	66.00	11.00%
590	17.70	41.00%	8.50%	50.15	67.85	11.50%
580	17.40	42.00%	9.00%	52.20	69.60	12.00%
570	17.10	43.00%	9.50%	54.15	71.25	12.50%
560	16.80	44.00%	10.00%	56.00	72.80	13.00%
550	16.50	45.00%	10.50%	57.75	74.25	13.50%
540	16.20	46.00%	11.00%	59.40	75.60	14.00%
530	15.90	47.00%	11.50%	60.95	76.85	14.50%
520	15.60	48.00%	12.00%	62.40	78.00	15.00%
510	15.30	49.00%	12.50%	63.75	79.05	15.50%
500	15.00	50.00%	13.00%	65.00	80.00	16.00%