

Government of India
Ministry of Road Transport & Highways

Transport Bhavan,
No. 1, Parliament Street,
New Delhi – 110 001

No. NH-17012/9/97-PL

Dated the 14th March 2001

To

All State/UT PWD Secretaries

Subject: Centrally Sponsored Schemes of State Roads of Inter-State and
Economic Importance

Sir,

Government of India while revamping the Central Road Fund by levying cess on diesel and petrol, have decided that 10% of the share of CRF for State roads be earmarked for development of roads under Ministry's Scheme for improvement of State roads of Inter-State and Economic Importance. As per existing guidelines this centrally sponsored scheme is on load basis i.e. 100% loan assistance is provided to States in case of Inter-State projects and 50% loan assistance in case of projects of economic importance. With the revamped Central Road Fund coming into force, it has been decided that the road/bridge projects of Inter-State Importance will be fully funded and projects of Economic Importance funded to the extent of 50% out of the earmarked 10% portion of CRF for this purpose. Broadly the following categories of road/bridge projects will be eligible for consideration:

- (i) Inter-State roads/bridges necessary for ensuring through communication.
 - (ii) Roads/Bridges connecting National Highways.
 - (iii) Roads/Bridges required for opening up new areas for economic growth where railway facilities cannot be provided in near future.
 - (iv) Roads/Bridges which would contribute materially to rapid development e.g. in hilly areas and areas having rich mineral resources for exploitation.
2. At the beginning of the year i.e. by 30th April every year, the State Govt. may sponsor limited number of road/bridge projects of both categories of Inter-State Importance and Economic Importance in order of priority and with relevant details to justify the same. However, the State Govt.

will not sponsor any proposals involving land acquisition and acquiring utilities. The proposals thus received will be examined in the Ministry and the State Governments will be informed of the projects identified for sanction under the E&I Scheme. The State Govts. will thereafter prepare and forward detailed estimates for sanction by the Ministry.

3. **PROCEDURE**

- 3.1 Since all the road/bridge projects of either Inter-State Importance (fully financed) or Economic Importance (50% financed) are to be sanctioned by the Ministry, the existing procedure and guidelines regarding framing and processing of the estimates in respect of National Highway Projects will be followed.
- 3.2 The State Govt. will render a certificate that the land is available and is in possession of the PWD and shifting of utilities, if any, has been completed.
- 3.3 All the proposals will be routed through the respective State Govt./UT Administration.
- 3.4 Whereas limit of excess expenditure beyond sanctioned cost on projects fully financed i.e. projects of Inter-State Importance would be same as applicable to National Highway projects, no excess over Central's share of 50% of sanctioned cost for partially financed projects i.e. roads of Economic Importance would be accepted. Any excess of cost for partially financed projects will be borne by the State Govt./UT Administration from their own resources.
- 3.5 Whereas estimates for fully financed projects may be accepted for revision if the cost is likely to exceed beyond the permissible limits on the sanctioned post, no revision of estimate for partially financed projects would be entertained. However, no expenditure beyond permissible limits even for fully financed projects will be committed without approval of the Ministry.
- 3.6 The existing instructions/guidelines in respect of tenders (pre-qualification and acceptance) and revised estimates as applicable to National Highway Projects would be applicable to fully financed projects of roads of Inter-State Importance. The Govts. may follow their own procedure/guidelines in respect of partially financed projects of Economic Importance.
- 3.7 No agency charges will be payable for execution of works sanctioned under E&I Schemes.

- 3.8 Future upkeep and maintenance of the roads/bridges after completion will be the responsibility of the State Govt./U.T. Administration concerned.

4. **FUNDS**

- 4.1 The funds would be released in two instalments, first in April/May and second in September/October.
- 4.2 While the first instalment would be released on the basis of requirement to be communicated by the State Govt./UT Admn., the 2nd instalment would be released on the basis of progress of the work and actual expenditure in the preceding half year and anticipated for the next half year. The release of funds for 50% financed works will be commensurate with the expenditure proposed to be incurred from State's own resources.
- 4.3 In all these cases, the overall availability of budget provisions will be the primary determining factor for allocations and the half yearly payments would be regulated accordingly. The expenditure by the State Govts/UTs concerned would, therefore, have to be confined to the allocation made for the work.

5. **PROGRESS REPORTS AND REVIEW**

- 5.1 The following progress report will be required to be submitted to Ministry with copies endorsed to the concerned Regional Office of the Ministry by the State Govt./UT Chief Engineer for all projects :
- (i) Quarterly Progress Report in prescribed form (*copy enclosed Annexure I & II*) and.
 - (ii) Monthly Expenditure Report in the prescribed form (*copy enclosed – Annexure III*).
- 5.2 The physical progress as well as expenditure would be reviewed and discussed with State Govt./UT Chief Engineer on quarterly basis in the Ministry which may also be attended by Ministry's Regional Officer.
6. The above guidelines supersede all the previous instructions on the subject.

ANNEXURE - I

Road/Bridge Proposal of Inter-State Importance in Order of Priority

[illegible]

Note

- 1 An Index Plan showing the proposed road for each proposal is to be enclosed

Road/Bridge Proposal of Economic Importance in Order of Priority

[illegible]

Note

- 1 An Index Plan showing the proposed road for each proposal is to be enclosed.
- 2 Undertaking to the effect that 50% cost will be borne by the State Government, is to be Appended.

ROAD DEVELOPMENT (E&I SCHEME)
(Road works)

Progress Report for the Quarter ending _____ State _____
 PWD Circle _____
 PWD Division _____
 Name of works _____
 Highway No. _____ Date of sanction of estimate _____
 Job No. _____ Amount of Rs. _____
 Section _____ Length _____ Km _____ Date of commencement _____
 Place _____ From _____ To _____ Target date of completion _____
 Mileage/ Milometerage _____ From _____ To _____ Contractor _____

PHYSICAL PROGRESS

| S. No | Name of works | Total quantity as per detailed estimate | Total quantity as per detailed estimate | | Cumulative progress upto the end of the quarter under report | | Expected date of completion | Remarks |
|-------|---|---|---|---------|--|---------|-----------------------------|---------|
| | | | Target% | Actual% | Target% | Actual% | | |
| 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. | 9. |
| 1. | Earth work (Lac-cum) | | | | | | | |
| 2. | Sub-base (Lac-cum) | | | | | | | |
| 3. | Soling (a) Collection (Lac-cum) (b) Laying (Lac-cum) | | | | | | | |
| 4. | Metalling (a) Collection (Lac-cum) (b) Laying (Lac-cum) | | | | | | | |
| 5. | Bitumen Macadam/DBM (a) Collection (i) Stone Aggt. (Lac-cum) (ii) Bitumen (MT) (b) Laying (Lac-cum) | | | | | | | |
| 6. | Bitumen Macadam/DBM (a) Collection (i) Stone Aggt. (Lac-cum) (ii) Bitumen (MT) (b) Laying (Lac-cum) | | | | | | | |
| 7. | Culverts (RM) | | | | | | | |
| 8. | Retaining walls (RM) | | | | | | | |

9. Overall progress %

10. Expenditure (Rs. Lakhs)

11. Additional Information.

(a) Bottlenecks, if any and action taken towards overcoming them

(b) General brief description and remarks

(i) Progress is generally satisfactory/fair/poor.

(ii) Plant and Machinery are adequate/inadequate, there being need for additional _____

(iii) Labour is adequate/inadequate – the reasons being _____

(iv) Resources (Stores) are adequate/inadequate, there being shortage of _____ because of _____

(c) Liabilities incurred and not otherwise shown in this form (money value to be shown)

Note With the first quarterly report a statement showing sub-head wise quarterly percentage targets of progress for the entire expected period of completion shall also be submitted which shall serve for reference in case of subsequent returns.

Signature of Executive Engineer

Dated _____

Division _____

To

The Director General (Road Development)
 Ministry of Road Transport and Highways
 Transport Bhavan, No. 1, Parliament Street,
 New Delhi.

E&I SCHEME**(Bridge Works)****PROGRESS REPORT FOR THE QUARTER ENDING _____**

1. State : _____
2. Name of Bridge : _____
3. Location of Bridge : _____
4. Length of Bridge : _____
5. Job No. : _____
6. Cost as per sanctioned estimate : _____
7. Date of commencement : _____
8. Target date of completion of the bridge : _____
9. Name of Contractor : _____
10. Item-wise progress : _____

| Sl. No | Item of work | | Total to be done with unit | Quarterly target | Progress upto last quarter | Progress during the quarter | Progress upto end of the quarter | Progress of total |
|--------|-------------------------|--------------------|----------------------------|------------------|----------------------------|-----------------------------|----------------------------------|-------------------|
| (1) | (2) | | (3) | (4) | (5) | (6) | (7) | (8) |
| 1. | FOUNDATION | | | | | | | |
| | (A) | Well Foundation | | | | | | |
| | | (a) Curbs | | | | | | |
| | | (b) Sinking | | | | | | |
| | | (c) Well cap | | | | | | |
| | (B) | Open Foundation | | | | | | |
| | (C) | Pile Foundation | | | | | | |
| 2. | SUB-STRUCTURE | | | | | | | |
| | (a) | Piers | | | | | | |
| | (b) | Abutments | | | | | | |
| | (c) | Return walls | | | | | | |
| 3. | SUPERSTRUCTURE | | | | | | | |
| | (a) | Casting girders | | | | | | |
| | (b) | Launching girders | | | | | | |
| | (c) | Bearing | | | | | | |
| | (d) | Decking | | | | | | |
| | (e) | Wearing course and | | | | | | |
| | | Finishing | | | | | | |
| 4. | PROTECTION WORKS | | | | | | | |
| | (a) | Left bank | | | | | | |
| | (b) | Right bank | | | | | | |

11. Overall physical progress (as %age of the whole work)

12. Expenditure

- (a) Upto last quarter
- (b) During the quarter
- (c) Total upto end of the quarter

Signature of Executive Engineer

Dated _____

Division _____

To

The Director General (Road Development)
 Ministry of Road Transport and Highways
 Transport Bhavan, No. 1, Parliament Street,
 New Delhi.

Government of India
Ministry of Road Transport and Highways

Transport Bhavan
No. 1, Parliament Street,
New Delhi

No. R / - / / - A

dated 1st August/

o

All Secretaries of State/Union Territories, P.W.Ds dealing with National
Highways

Project Contingencies, Quality Control, Establishment and Agency
Charges, Admissible Expenditure

Sir,

This Ministry has been receiving representations from many State Governments seeking clarifications on items admissible for payment under Contingencies, Quality Control, P.W.D. Establishment provisions made in the sanctioned estimates. Some of the States have also been raising bills for payment/ reimbursement for expenditure on items which should legitimately be charged to 9% Agency Charges being paid to them. After examining all the issues and the views/comments of the State Governments and other concerned, the Ministry in consultation with the Integrated Finance Wing has decided to issue the following guidelines in suppression of all previous guidelines in respect of above mentioned charges

Contingencies

The contingencies provided for in the estimates are meant to cover unanticipated items related to the work but not provided for in the Bill of Materials of the sanctioned estimate/accepted contract. Though it may not be possible to identify these unaccounted items as the same would vary from site to site and project to project, some of the identified/other items relating to relevant job are as follows

- 1.1.1 Printing of tender forms including cost of papers & stationery and publicity by advertisement in newspapers *subject to the condition that sale proceeds of tender forms are credited to the Central Government Account.*
- 1.1.2 Construction and maintenance of diversion of roads.
- 1.1.3 Removal of unsuitable soil/tree trunks etc.
- 1.1.4 Provision of traffic regulatory/caution signboards.
- 1.1.5 Road safety and traffic regulatory measures in the nature of force majeure in emergent situations, if not provided for in contract.
- 1.1.6 Document charges including photographs and video filming of the construction activities (no asset will be created).
- 1.1.7 Establishment of temporary site office, store shed, watchman shed and parking places for vehicles including lighting, if required upto 15% contingencies.
- 1.1.8 Any other item with the approval of the Ministry.

he estimate for carrying out, the above activities will be approved by the Ministry's Regional Officer on assurance/certificate by P D that the amount provided against contingencies is available and has not been indirectly utilized by accepting higher tender rates. The State P D will also certify that approval of estimates by R to be charged to contingencies will not cause revision of the sanctioned estimate.

Quality Control

1.2.1 The list of items covered under quality control are as under

Staff

- (i) The main supervisory staff shall be from the organization set up. The quality control field staff specifically recruited/ hired/ transferred/ shared for the specific job of the project for assisting in collection/preparation of samples, conduct of tests, movement of materials/ implements/ equipment, etc. depending upon the size and magnitude of the work, can be charged to this provision.
- (ii) Field Laboratory
Cost of new equipment/implements or the book value if transferred from other work(s) or hire charges and maintenance charges including the cost of setting up the field laboratory.
- (iii) Consumables
Cost of consumables like oil, chemicals, reagents, filter papers and others used for testing the samples and running the laboratory.
- (iv) Testing Charges
The specialized testing which cannot be done by field laboratory as far as possible, shall be got done through the State, Central or other authorized and approved laboratories. The actual payments made in this regard can be charged.
- (v) Transportation
Transportation and movement charges for the samples, equipment, staff etc. in respect of the quality control of the work/project.
- (vi) Credit for the residual value of the usable equipment, implements, materials, etc.
The credit for the residual value of the usable equipment, implements, materials, etc. which originally charged to a particular book, determined as per prevailing practices shall be given to the work estimates on completion of the work.
- (vii) Expenditure incurred on training of field level staff.
The objective of the training being
 - (a) Familiarization with the specifications
 - (b) Knowledge of correct sampling procedure
 - (c) Learning testing methodology.
- (viii) Expenditure on experiment or
or effective location specific improvements in materials and techniques.

(ix) Purchase of computers

The expenditure on purchase of computers upto a limit, not exceeding 20% of the amount provided for quality control under a project can be allowed. However, this amount would be subject to ceiling of Rs. 5 lacs.

1.2.2. Accounting

The details of the account under this account head shall be maintained separately as is being done in case of the main work, contingencies and work charged establishment and the expenditure shall be debitible on actual basis.

Agency Charges Establishment

This provision is meant to cover expenditure on non supervisory staff (whether regular or casual) employed specifically for execution of work such as personnel engaged on traffic regulation, road diversion, maintenance, watch & ward of stores and field office, collection and handling of samples of materials and survey work etc.

Agency Charges

The agency charges are meant to cover the following items broadly.

- 1.4.1 Pay and allowances of supervisory staff engaged in construction including A/DA.
 - 1.4.2 Office expenses of the PWD establishment including cost of stationery, Photostat, telephone bills, electric bills, rentals and fax charges etc.
 - 1.4.3 Purchase and repair of vehicles required for supervisory staff and transport of materials.
 - 1.4.4 Purchase of petrol/diesel/gas, oils and lubricants for cars/jeeps and other transport/inspection vehicles for supervisory staff.
 - 1.4.5 Expenditure on regular staff required for Preliminary Investigation work viz sub soil/bearing capacity investigation and topographic/hydraulic survey etc. in preparation of project designs/estimates.
2. The above guidelines may be brought to the notices of all concerned and they be asked to follow the same in letter and spirit. In order to have efficient supervision and monitoring of projects under execution, *the field establishments may be provided with sufficient and adequate funds from Agency Charges to run their offices, and to meet expenses of petrol/diesel to run their cars/jeeps for project related works.*
 3. This issues with the concurrence of the Integrated Finance wing.

Yours faithfully,



(A. R. CHAND)

Superintending Engineer (Planning)
or Director General (Road Development) & AS

Copy

- 1) Additional Secretary & Financial Advisor, Ministry of Road Transport & Highways, Transport Bhavan, New Delhi.
- 2) CCA, Jamnagar House, New Delhi.
- 3) All Technical Officers of the Ministry.
- 4) All State PWD Chief Engineers dealing with NHs.
- 5) All R's of the Ministry.
- 6) All RPA's of the Ministry.
- 7) PPS to DG (RD) & AS.
- 8) PS to Secretary (R &H).
- 9) All DS/US/Sections in the Roads wing.



(A R CHAND)

Superintending Engineer (Planning)
or Director General (Road Development) & AS