

No.RW/NH-11052/10/93-DO I

Dated, the 13th April, 1993

To

The Secretaries (dealing with NHs), Public Works Departments of all States and Union Territories

Subject: Project preparation-Provision on account of quality control, work charged establishment and contingencies for NH works.

I am directed to say that it has been noticed that in the estimates for NH works received in this Ministry the State PWDs are showing the provision for quality control, work-charged establishment, contingencies and agency charges against the item 'Centages'. This procedure gives wrong impression that the entire amount of centages containing the above mentioned components are being paid to the State PWDs for execution of NH works at fixed percentage of expenditure incurred on work. In fact, only agency charges go to the State PWDs at a fixed percentage and expenditure on other items, such as, quality control, contingencies and work-charged establishment, etc., are part of the construction work. It is, therefore, requested that, in future, while framing the estimates, only agency charges may be shown against centages. Provision for other items, mentioned above, may either be shown against that individual item concerned or against 'Miscellaneous Expenses' (including quality control, contingencies, etc.).

2. It is requested that the above instructions may please be brought to the notice of all concerned for compliance.