

No. PL-30 (110)/74

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To

*Dated the 25th Sept. 1974*

The Secretaries to the State Governments/ Union Territory Administrations, (Deptts. dealing with National Highways all except Arunachal Pradesh, Mizoram, Pondichery, Dadar, Nagar Haveli, L & A Island, A & N Islands).

Subject : Adjustment of expenditure on National Highways.

I am directed to refer to this Ministry's letter No. WI-12 (17)/46 dated the 5th March, 1948 as subsequently amended by letters No. B-30 (4)/49 dated 29th July, 1949 and No. NHI-40 (10)/70 dated

the 20th July, 1971, and to say that the monetary limits upto which the State Governments can incur expenditure in excess of the sanctioned estimates have been recently reviewed by the Government of India in the context of the present day costs and the need for ensuring greater decentralisation of functions and speedier execution of works. It has now been decided that the revised limits upto which the Accountant General or the Comptroller concerned may pass an excess over the sanctioned estimates of a work should be 15% of the amount of the estimate or Rs. 1 crore, whichever is less. The following may accordingly be substituted for para 2 (iii) of the letter No. WI-12 (17)/48 dated the 5th March 1948 as amended by subsequent letters referred to above :

"2 (iii). The Accountant General or the Comptroller concerned is empowered to pass any excess over the sanctioned estimates for a work upto a limit of 15% of the amount sanctioned for the work by the Government of India or Rs. 1 crore, whichever is less".

2. The exercise of the above enhanced power will be subject to the conditions already prescribed *vide* para 2 of this Ministry's letter of 20th July, 1971, namely that the excess is caused by routine factors such as increase in cost of labour or material during the period and not to the revision in the scope or enlargement of the work or of the specifications already approved. Instructions regarding rendering reports of cases where excesses have been approved by State Governments/Union Territory Administrations as contained in para 3 of this Ministry's letter of 20th July, 1971 remain unchanged.
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