

No.NH-20011/2/2001-WA. (Pt)

Dated, the 23rd July, 2001

To

The Regional Officer, Ministry of Road Transport & Highways, Chandigarh

Subject : Introduction of Direct Payment Procedure for execution of National Highways Works

Please refer to your letter No. RW/CH/PB/works (2)/2001 dated 6.6.2001 and 29.6.2001 raising certain issues concerning change in specifications/scope of work, procurement of material, splitting of works etc. needing clarifications of the Ministry before allowing the payment under Direct Payment Procedure (DPP). These issues have been examined and following clarifications are offered:

1.1. **TACK COAT**

For works sanctioned prior to enforcement of DPP, change in specifications from emulsion to bitumen if approved by the State PWD Chief Engineer may be accepted.

1.2. **USE OF SAVINGS**

Use of savings in the sanctioned job for additional items which are not originally provided for without specific approval of Ministry, is not to be allowed. The cost of such additional items may be withheld and the PWD be asked to obtain the approval before releasing the same.

1.3. **PROCUREMENT OF MATERIALS**

The payment for procurement of materials to be issued by department as provided for in the contracts accepted prior to enforcement of DPP can be allowed in the name of refinery/firm from whom invoices are to be produced by PWD. It would, however, be the responsibility of the PWD to advise you about the required consumption of materials and accounting of their difference in cost of Procurement rate and issue rate including storage charges. This would apply to both future procurement as well as materials already procured. However in case of materials already procured, payment is to be released to concerned A.G.

1.4. **FINAL BILL AMOUNT MORE THAN TENDER AMOUNT**

Any variations as per tender conditions or approved by competent authority are payable. You may, however, call for details and reasons for such an excess.

1.5. **SPLITTING OF WORK**

No splitting of works without Ministry's specific permission is allowed. However you may accept such splitting for old works after calling for justification and satisfying yourself.

1.6. **RATES ARE NOT AS PER AGREEMENT BUT ON LOWER SIDE**

Such payment based on the explanation and justification given by State PWD may be allowed.

1.7. In case of disputed items payment may be withheld and State PWD asked to obtain Ministry's approval before payment is made.
