

No.RW/NH-28030/40/2000-OR

Dated, the 13th October, 2000

To

The Chief Secretary, (All State Governments/UTs)

Subject : Formulation of State Sector Road Development Programme for the year 2000-2001 to be financed from the Central Road Fund

I am directed to inform you about the decision of the Government to revamp the Central Road Fund by crediting into the cess of Re. 1/- per litre on petrol and diesel. It has also been decided to utilise 15 per cent of the cess on diesel and 30 per cent of the cess on petrol for development and maintenance of State Highways and Major District Roads. Out of this amount, 10 per cent is proposed to be earmarked for development of roads under this Ministry's scheme for improvement of roads of inter state and economic importance. For the works on State roads to be financed from the CRF, following guidelines, in supersession of all previous guidelines, are to be followed.

2. For utilisation of funds priority may be assigned to already sanctioned projects under earlier CRF scheme. Thereafter the accruals shall be utilised in the following manner :

- (i) Development of State Highways (SH) and Major District Roads (MDR) carrying heavy traffic with emphasis on construction of missing bridges, cross drainage works and rehabilitation of bridges, widening to two/four lanes, strengthening of weak pavement sections, construction of bypasses, construction of parallel service roads of bypasses constructed on National Highways (at least 70 per cent).
- (ii) Improvement of Riding Quality/Periodic Renewal of selected stretches of SH/MDR (at least 15 per cent).
- (iii) Engineering aspects of road safety works covering improvement of traffic junction, road marking, signalling, construction of subways and over bridges, construction of parking laybys, bus sheds, Highway Patrolling Scheme, etc. (at least 5 per cent).
- (iv) Research and Development and development of data base
- (v) Training of Highway Engineers and contribution to professional organisations like Indian Roads Congress, Indian National Group of IABSE and NITHE etc.

3. Actual assessment of accruals is likely to take some time. However, according to the preliminary assessment, a sum of Rs. _____ (Rupees _____) is likely to accrue to your State Government/Union Territory administration (State/UT) in your Cental Road Fund upto 31.03.2000. Accordingly, I am to request that the proposal for development of roads from the CRF may please be prepared and forwarded to this Ministry urgently. In preparing the proposals, the following points may be kept in view:

- (i) The programme of works should be balanced and should conform to the guidelines indicated herein.
- (ii) Various works under each category should be arranged in order of priority.
- (iii) The proposal shall include only the works where land without any encumbrance is available with the State / UT so that there is no delay in start of works for the acquisition of land and removal of encroachments etc.
- (iv) The cost of each work should be based on actual requirements and realistic cost estimates.
- (v) Each proposal shall include broad features of the project and shall include the following:
 - (a) an index map
 - (b) scope of the proposal
 - (c) the existing position and the improvements desired, specification proposed, extent of preliminary survey and investigations conducted, traffic projects etc.
 - (d) preliminary cost estimate
 - (e) the basis of the rates of works considered in preparation of the estimate
 - (f) a comprehensive report of the utility of the scheme
 - (g) a certificate about availability of entire land needed for the proposed improvements.

4. I am also to draw your particular attention to the following:

- (i) Administrative Approvals of individual proposals will be accorded by this Ministry. Technical and Financial Sanction of the approved proposals are to be accorded by the State/UT concerned themselves.
- (ii) No agency charges will be payable for the execution of works included in the programme;
- (iii) Future routine maintenance and upkeep of the projects after completion will be responsibility of the State/UT concerned;

1-Superseded vide circular dated 13.07.2001

2-Supersedes all earlier guidelines

3- Amended vide circular dated 13.12.2000

- (iv) State/UT will have to ensure that individual project(s) are technically approved and financially sanctioned within a period of one year from the date of administrative approval of the work, failing which the work will deem to be deleted from the programme, unless revised administrative approval of Government of India is obtained.
- (v) Audit will admit expenditure on receipt of audit authorization by this Ministry which will be based on the particulars of technically sanctioned estimates to be sent by the respective State/UT at proforma enclosed in "Annexure-I".
- (vi) The excess of cost in the technically sanctioned estimate shall be within the 10 per cent of the amount administratively approved for that proposal. State/UT will have to submit revised proposal for fresh administrative approval of the proposal for such excess beyond 10 per cent. Audit is authorised to accept an excess over the estimated cost of a proposal as approved by the government of India upto a limit of 10 per cent of approved amount.

5. Inordinate delay in execution of works results in revision of costs from time to time. The State/UT will appreciate that both the delay in the completion of the works and the undue increase in the costs are matters for serious consideration and concern. On the one hand, the provision of the required facility to the public is abnormally delayed and on the other, the increase in costs over the estimated costs unnecessarily limits the scope of taking up many new works with the available funds.

6. The State/UT has to submit quarterly progress reports of all the works sanctioned from the CRF for the quarters ending June, September, December and March every year as per the proforma enclosed (Annexure-II). The progress report should reach this Ministry not later than one month from the date of ending of each quarter.

7. The State/UT has to send completion report/certificate duly verified by the audit as soon as the works are completed.

8. This procedure will, however, not apply to works with which more than one State are concerned. The detailed estimates for such works under E&I Scheme will continue to be submitted to the Government of India for their prior approval. The existing procedure and guidelines in respect of roads under the programme of economic importance and inter-state roads are to be followed for sanction of these works.

9. At the end of each year, the State/UT has to furnish a certificate regarding utilisation of the amount allocated from Central Road Fund for the works under the scheme. This certificate is to be sent by 30th April every year. The allotment of funds for the next year will be linked to the amount utilised from the Central Road Fund of the previous year. These details may thus be furnished invariably in time.

Annexure-I

[Enclosure to Ministry's Circular No.RW/NH-28030/40/2000 dated 13.10.2000]

**STATEMENT SHOWING THE PARTICULARS OF TECHNICALLY SANCTIONED ESTIMATE IN
RESPECT OF WORKS FINANCED FROM THE CENTRAL ROAD FUND**

- (1) Name of work
- (2) No. and date of Govt. of India's letter in which work was approved
- (3) Job No./Approval No. allotted to the work by the Govt. of India
- (4) Total estimated cost of the work as approved by the Govt. of India
- (5) Total estimated cost as technically sanctioned by the competent authority
- (6) No., date and designation of the authority according technical sanction to the estimate
- (7) No., date and designation of the authority according financial sanction to the estimate
- (8) Remarks

Signature _____

Designation _____

REPORT FOR THE QUARTER ENDING

[illegible]