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No.RW/NH-11024/2/94-DO.1

Dated, the 11th July, 1994

To

The Secretaries of States/Union Territories, Public Works Departments (Dealing with National Highways)

Subject : Tenders for Road and Bridge works on NHs

I am directed to refer to this Ministry's letter No.PL-30(62)/76 dated 26.6.1976 wherein detailed guidelines for handling tenders for National Highway works have been laid down. It has been indicated therein that the State Govts. may themselves accept tenders, if the excess over the sanctioned estimate does not go beyond the value determined on

the basis of current schedule of rates by 15% subject to certain conditions. The State Govts. have also been empowered to delegate these powers to officers not below the rank of Chief Engineer, if they so desire.

2. Since the State Govts. are taking a long time to award contracts for NH Projects after sanction by the Ministry, which results in increasing the cost of the projects and the projects not being implemented in reasonable time, this Ministry vide letter No.RW/NH-11060/1/87-DO I dated 28.8.92 has decided that the award of contract/commencement of work should be done maximum within one year from the date of sanction, the projects costing less than Rs.50 lakhs should be completed within a maximum period of 3 years from the date of sanction, and all other projects within a maximum period of 5 years from the date of sanction. It has also been indicated that sanctions of projects which have not been started within one year from the date of sanction will automatically lapse after one year, unless specifically agreed to by the Ministry due to any extenuating circumstances.

3. In spite of the above detailed instructions, it has come to the notice of the Ministry that due to non-acceptance of tenders called by the State Govt. repeatedly, after getting the revised estimates sanctioned by the Ministry, for a NH work in Tamil Nadu, the work could not be started by the State PWD for more than 8 years and the work was desanctioned. Reasons for non-acceptance of the tenders were also not properly explained by the State Govt. The Ministry has taken a serious view of the matter.

4. It is, therefore, emphasised that the State PWDs may streamline the process of award of NH works and amend their existing procedures whenever necessary for complying with the guidelines mentioned above. The time schedule prescribed vide this Ministry's letter dated 28.8.92 will be strictly applied in future.

5. It is requested that the contents of this letter may please be brought to the notice of all Officers in PWD dealing with NH works.