

NO. NHIII/P/13/75

*Dated the 10th August 1976*

To

All State Governments (Deptt., dealing with National Highways)

Sub: Acceptance of Central financial liability for the development/maintenance of urban road links of National Highways

I am directed to refer to this Ministry's letters No. PL-13(17)/51, dated the 16th February, 1954, and No. NHIII/P/16/75, dated the 17th March, 1976, and to say that in the meeting of the Standing Committee on Roads of the Transport Development Council held on 27th June, 1975, some of the States felt that the ceiling of Rs 5,000/- per mile per year (or Rs 3,100/- per km.) prescribed in this Ministry's letter dated the 16th February, 1954, as financial assistance for maintenance of National Highway urban links needed to be raised in view of the increase in the cost of material, wages of labour, increase in carriageway width etc. This suggestion was commended by the Standing Committee on Roads for consideration. The matter has since been considered and I am to say that the President has been pleased to decide that with effect from 1st April, 1976, the financial assistance for maintenance of the urban road links of National Highways in Municipal areas with a population of 20,000 or more will, subject to the terms and conditions outlined in the letters referred to above, be admissible at the rate of Rs 8,000/- per km. per year or the actual expenditure, *whichever is less*.

2. These orders issue with the concurrence of the Finance Division vide their U.O. No. 2345-TF-II/76, dated the 17th July, 1976.