

No. RW/NH-11052/4/89-DO I

Dated the 2nd August, 1989

To

The Secretaries, PWD of all State Govts./UTs, Director General, Border Roads Organisation, Director General (Works), Central Public Works Department

Subject: NH works - Proper execution thereof

I am directed to state that it has been observed that proper attention is not being paid by some of the executing Agencies to execution of NH works, resulting in sub-standard construction. In this connection, attention of the Executing Agencies is invited to the provisions of National Highways Rules which inter alia provide that the responsibility for the sub-standard work, if any, shall rest with the executing agency and all defects arising out of such sub-standard work shall be rectified by the executing agency at its own cost.

2. In view of the above, it is reiterated that prime responsibility for satisfactory completion of works as per specifications lies solely with the Agency executing the work. Mere inspection of the site by the Ministry's officials will not absolve the Agency of their responsibility for executing quality work strictly as per the prescribed standards and specifications.

3. It is requested that suitable instructions in this regard may please be issued to all concerned.

Govt. of India
Ministry of Surface Transport
(Roads Wing)

NH-24035/23/94-PL-Vol.III

New Delhi, Dated the 22nd June, 1997

To

The Secretaries (dealing with National Highways), Public Works Department of all States and Union Territories, Director General (Works), Central Public Works Department, Director General, Border Roads Organisation, Chairman, National Highways Authority of India

Subject: Toll Structures for 4 laned National Highways and other related issues

Certain measures pertaining to toll structures for 4 laned National Highways and other related issues have recently been taken to attract more investments in the Highway Sector. These are detailed for your information in the following paras.

2. Toll rates on completed 4-lane National Highways annually indexed to whole sale price index (WPI) shall be levied on case to case basis which may vary from area to area keeping in view the cost of project, financial viability and acceptability criteria, subject to the upper limit as given in the table below with effect from 1.7.97.

Upper limit of toll structure for 4 laned National Highways

S.No.	Type of Vehicle	Toll rate in Rupees per km
1.	Car/Jeep/Van	0.4
2.	Light Commercial Vehicle (LCV)	0.7
3.	Truck and Buses	1.4
4.	Heavy construction machinery and earth moving equipment	3.0

220

These rates shall be reviewed periodically by Government of India after every 3 years. Ministry of Surface Transport is authorised to levy higher rates of toll on expressways, major bridges, new bypasses, tunnels and in some exceptional cases (after obtaining approval of High Powered Committee) where so justified by level of traffic after competitive bidding process.

3. National Highways Authority of India/Govt. of India has been authorised to provide capital grants for BOT projects on National Highways not exceeding 40 per cent of the total cost of project.

The final decision regarding the quantum of such grants would be taken by the High Powered Committee set up by Cabinet comprising representatives of Ministry of Finance, Ministry of Law, Planning Commission under the Chairmanship of Secretary, Ministry of Surface Transport, Government of India.

4. Further tax concession is detailed below have now been approved :

- (i) The period for availing tax holiday/tax reduction for road infrastructure projects is being increased from 12 year to 20 years.
- (ii) The profits from Housing and other development activities which are an integrated part of BOT road projects would be treated as income from "infrastructure" projects for the purposes of tax exemptions/concessions provided, these profits are ploughed back to the development of roads (including repayment of long term debt for the project) on BOT basis within a period of 3 years.
- (iii) Exemptions from import duty on identified high quality construction plants and equipments used in the highway projects has been approved.

The steps for amending the relevant acts/notifications to give effect to the above are being taken separately by Ministry of Finance, Government of India.

5. The land required for Housing and other development activities which are an integral part of Highway projects would be considered as land required for Highway development and such acquisition would be treated as land required for "Public Purpose". Steps for amending the National Highways Act to this effect are being taken separately.