

Government of India
Ministry of Road Transport & Highways
(Planning Zone)

No. NH-18011/1/2012-P&M

Dated, 23rd September, 2016

To,

1. The Principal Secretaries/ Secretaries of all States / UTs Public Works Department (dealing with National Highways, other Centrally Sponsored Schemes & State Schemes).
2. The Engineers-in-Chief and Chief Engineers of Public Works Departments of States / UTs (dealing with National Highways, other Centrally Sponsored Schemes & State Schemes).

Sub: Delegation of powers for acceptance of variations - Reg.

Reference: The Ministry's Letter of even number dated 08.02.2013 regarding delegation of powers of the Ministry to Regional Officers

Sir,

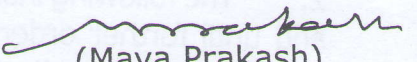
Vide letter under reference, the Ministry had delegated powers to the Ministry's Regional Officers (ROs) to accept variations / extra items / escalation / price adjustments, etc., such that overall excesses inclusive of tender premium is within the 5 % over the amounts for works plus the amount for contingencies provided in the sanctioned estimates subject to the condition that savings due to tender discounts would be excluded for working out such permissible excess.

2. The following instructions shall be followed henceforth with immediate effects and until further orders for dealing with proposals for variations / extra items / escalation / price adjustments, etc., for all other cases.
 - (i) The proposals for approval of variations / extra items / changes in scopes, escalation / price adjustments, etc., including such amounts to be met from tender savings / discounts, if any, beyond the delegation given to ROs vide letter under reference shall be prepared by the concerned Chief Engineer of National Highway for State/UT and forwarded to Project Zone Chief Engineer of the Ministry with recommendation of concerned RO/ELO.
 - (ii) The concerned Project Zones of the Ministry shall ascertain the adequacy and admissibility of such proposals and process the same for Technical Sanction (TS) as per extant delegation of powers to the Technical officers at the Ministry's Head Quarter.
 - (iii) The TS accorded at appropriate level shall be considered as adequate for proposals for which sum total of such excess estimated costs is within the 5 % over original sanctioned cost.

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- (iv) Allowing variations for meeting costs of additional Land Acquisition (LA) and payments towards micro plans, payment of Statutory Charges, utility shifting, tree cutting, items generally covered under contingencies, including grant of extension of time with financial implications, etc., shall also be covered under the above mentioned delegations.
- (v) For proposals involving excess beyond 5 % over original sanctioned cost, the consolidated proposals shall be processed for seeking approval of the Revised Cost Estimates (RCEs); the extant policy stipulated vide the Department of Expenditure's OM No. 24(35)/PF-II/2012, dated 05.08.2016, regarding Delegation of Powers for Appraisal and Approval of Public Funded Plan schemes / Projects, or modified guidelines issued from time to time, shall be applicable in this context.
- (vi) However, for EPC contracts, the proposals for change in scopes for Civil Work Components shall continue to be examined on a case-to-case basis and the extant policy applicable for obtaining concurrence of Finance Wing of the Ministry and approval of Competent Authority shall be followed in such cases.
3. The above shall be effective for all completed as well as ongoing works on National Highways.
4. This issues with the concurrence of Finance Wing vide U.O. No. 2262 dated 19.09.2016 and approval of Hon'ble Minister (RT&H).

Yours faithfully,


(Maya Prakash)
Director (P&B)

Copy for information and necessary action to:-

1. ADG / Coordinator - I / Coordinator - II / Coordinator - III
2. All JSs
3. All CEs / SEs / EEs of the Ministry
4. DyFA
5. All Directors / DSs / USs / Sections in Roads Wing
6. All ROs / ELOs of the Ministry

Copy also to:-

1. PPS to Secretary (RT&H)
2. PPS to DG (RD)&SS
3. PPS to AS & FA
4. NIC — for uploading on Ministry's Website