



**GOVERNMENT OF INDIA  
MINISTRY OF ROAD TRANSPORT & HIGHWAYS  
(P&M Section)**

***Transport Bhawan,  
1, Parliament Street,  
New Delhi-110 001***

**No. 11014/7/2013-P& M**

**Dated 14<sup>th</sup> August, 2013.**

To

1. The Principal Secretaries/Secretaries of States/Union Territories, Public Works Department (dealing with National Highways, other Centrally Sponsored Schemes and State Schemes)
2. The Engineer-in-Chief and Chief Engineers of Public Works Department of State/Union Territories (dealing with National Highways, other Centrally Sponsored Schemes and State Schemes).
3. The Director General (Border Roads), Seema Sadak Bhawan, Ring Road, New Delhi.

**Subject: Centages for NH works to be implemented on EPC Mode through State PWD,s and BRO.**

Sir,

I am directed to say that this Ministry, vide letter no. RW/NH-37010/4/2010/PIC dated 26.11.2012 has decided that, all National Highways projects would be implemented on EPC Mode based on Model Engineering Procurement and Construction (EPC) Contract Document. The model EPC Contract Document provides for provision of Authority's Engineer for supervision of the works, maintenance of the project reach for two years after completion of civil works and price escalation during construction as well as maintenance period.

2. The various centages being proposed for the NH works at the time of preparation of estimates has been reviewed by the Ministry. With the approval of Competent Authority, it has been decided that following centages shall be proposed in the estimates/technical proposals for NH works to be executed on EPC mode projects under NH(O), NHDP-IV etc. to be implemented through State PWD's/ BRO (Not NHAI):

Cost of work (Rs. in crore)	upto 25	>25-upto 50	>50 -upto 100	>100
Contingency	2.8%	2.8%	2.8%	2.8%
Agency Charges	3%	3%	3%	3%
Quality Control	1%	0.75%	0.5%	0.25%
Road Safety	1%	0.75%	0.5%	0.25%
Supervision	6%	5%	4%	3%

3. The contingency charges will be admissible only on the estimated cost of the work. The other centage charges i.e agency charges, quality control, road safety and supervision charges should be added individually to the estimated cost of work which includes 2.8% contingency charges. It is requested that necessary instruction may be issued to all concerned in your Department to follow the procedure, for preparing the estimates. For the works to be implemented on item rate contract basis, the centages shall be as per the existing guidelines of the Ministry.

4. While working out the provision for price escalation, the timelines for completion of civil construction works as circulated vide Ministry's letter no. RW/NH-33044/18/2012-S&R(R) dated 16.07.2013 shall be adhered to.

5. This issues with the concurrence of the Finance Division vide their U.O. No.1404/TF-II/13 dated 13.08.2013.

Yours faithfully,



**(Surajit Dutta)**

Under Secretary to the Govt. of India

Tel. No.:23753990

Copy to:

1. All Technical Officers of the Ministry
2. All ROs and ELOs, MoRT&H
3. PS to Hon'ble Minister (RT&H)
4. Sr. PPS to Secretary (RT&H)
5. PPS to DG (RD) & SS
6. PPS to AS & FA
7. PPS to ADG-1, PPS to ADG-2, PPS to ADG-3