

No. RW/NHIII/P/13/75-Vol II

Dated the 9th April, 1987

To,

The Secretaries/Chief Engineers (dealing with National Highways) Public Works Departments of the States of Rajasthan, Tamil Nadu, Gujarat, Punjab, Orissa, Kerala, Andhra Pradesh, Maharashtra, Goa, Haryana, Assam, Meghalaya, Madhya Pradesh, Himachal Pradesh, Uttar Pradesh, Bihar & West Bengal.

Subject : Enhancement of Central financial liability for the development/maintenance of urban road links of National Highways

I am directed to refer to this Ministry's letter of even number dated the 10th August, 1976 regarding financial assistance for maintenance of the urban road links of National Highways in Municipal areas with a population of 20,000 or more at Rs 8,000 per km. per year and to state that this Ministry has received a number of proposals from various States regarding enhancement of the financial assistance on account of increase in the cost of materials and wages of the labour. After careful consideration of the matter it has been decided that with effect from 1st April, 1987 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 National Highway Urban Link agreement with your State, and also subject to the signing of a supplementary agreement to this effect, be admissible at the rate of Rs 16,000 per km. per year (inclusive of agency charges) or the actual expenditure *whichever is less*. Supplementary National Highway Urban Link Agreement is being finalised in consultation with the Union Ministry of Law & Justice and the same will be sent to you for signatures shortly.

2. These orders issue with the concurrence of the Finance Division *vide* their UN No. 477-TF-II/87 dated 5.2.1987.

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