



भारतीय राष्ट्रीय राजमार्ग प्राधिकरण  
(सड़क परिवहन और राजमार्ग मंत्रालय)  
**National Highways Authority of India**

(Ministry of Road Transport and Highways)  
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No.: 11041/218/2007-Admn.

06.08.2009

**POLICY MATTERS – TECHNICAL (35/2009)**

**Sub: Increase in the remuneration and reimbursable costs payable to Supervision Consultants for the contracts awarded long ago and where the concerned civil work contracts have not yet been completed.**

This is in continuation to the Policy Circulars (Tech.: 24/2009 & 30/2009) of even number dated 31.03.2009 and 03.06.2009 on the above mentioned subject. It was decided in the said circulars that the matters relating to enhancement of remunerations and reimbursable costs to all the Supervision Consultants shall be referred to the Standing Committee of CGMs Committee to be assisted by Sh. Tilak Raj, GM (Legal) and Sh. P.K. Aggarwal, GM (Fin) to give their recommendations.

2. The minutes of the above referred Committee, which met on 06.07.2009, are enclosed herewith for taking further necessary action by the concerned Technical Divisions.
3. This issues with the approval of Competent Authority.

  
(S.K. Nirmal)  
Chief General Manager (Coord.)

To:

1. PS to Chairman
2. PS to All Members
3. PS to All CGMs/CVO
4. All GMs/DGMs/Managers
5. All PIUs/CMUs/SPVs
6. Librarian/Hindi Officer

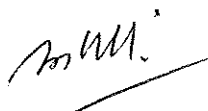
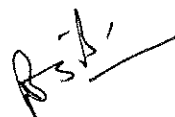
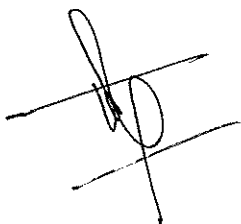
**NATIONAL HIGHWAYS AUTHORITY OF INDIA**  
**STANDING COMMITTEE OF CGMs**

**Sub : Minutes of the Meeting reg. increase in the remunerations & reimbursable cost payable to the Supervision Consultant under Consultancy Contract**

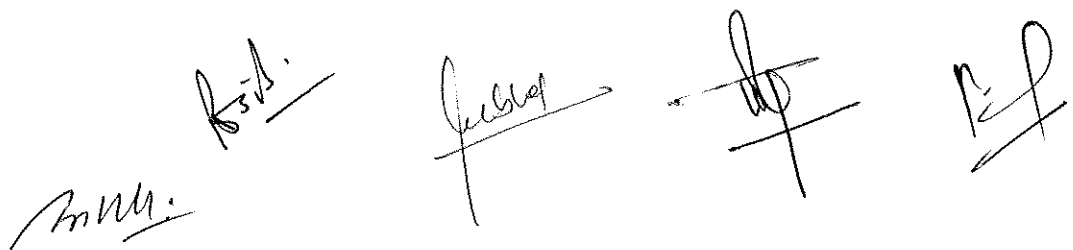
Standing Committee of CGMs alongwith GM Finance & Legal as nominated/ approved by Competent Authority constituting of the following members met on 06.07.2009 in the Chamber of Shri B.N. Singh, CGM(Tech.)

- |       |                                 |   |          |
|-------|---------------------------------|---|----------|
| (i)   | Shri B.N. Singh, CGM(Tech.)     | - | Convenor |
| (ii)  | Shri S.C. Jindal, CGM(Tech.)    | - | Member   |
| (iii) | Shri A.P.S. Sethi, CGM(Tech.)   | - | Member   |
| (iv)  | Shri Tilak Raj, GM(Legal)       | - | Member   |
| (v)   | Shri P.K. Aggarwal, GM(Finance) | - | Member   |

2. The Committee deliberated at length the said issue of increase in remuneration and reimbursable cost payable to Supervision Consultant under consultancy contract where the concerned civil contract are yet to be completed.
3. Committee noted that there are many consultancy contracts which were awarded long ago and the stipulated period has already expired and supervision consultant are still continuing by the consulting firms and they are demanding increase in the remuneration and reimbursable cost payable to them.



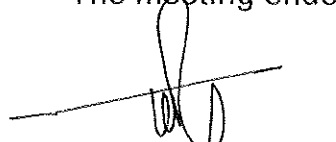
4. The Committee deliberated the matter at length and it was decided that instead of examining each such case for increase in remuneration and reimbursable cost payable to different Supervision Consultant and ICs; after completion of original team of the contract it would be prudent to lay down the policy guidelines/criteria under which such type of matters could be dealt with.
5. The Consultancy Contracts executed at different point of time contain varying provisions with regard to payment of escalation/adjustment in remuneration payable. As per the relevant clause of the contract provision special conditions of the contract provide that remuneration of employed personnel designated in foreign currency or Indian currency pertaining to the rate set forth in the Appendix shall be adjusted, but this is not true with all the Consultancy packages. In some of the Contracts it is not mentioned and Consultant is not getting any escalation/price adjustment. In some of the Contracts it is ranging from 6 to 10% on annual or every 18 monthly basis. In some of the old Supervision Consultancy Contracts the stipulated escalation is payable only once and that too after 18 months from the date of commencement by increasing it by a factor of 8%. It was also discussed and noted that wherever this provision exists, the Variation committee has already taken a decision in past to extend it on that frequency of time for similar Consultancy Contracts.
6. The committee was of the unanimous view that wherever provision for enhancement of remuneration has been provided; same may be adopted as per provision in that agreement. However in case of those contracts where provision of escalation

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does not exist; the Committee was of the view that in such type of contracts, the increase of 8% after every 18 months from the date of contract be given to notionally determine the increase as on date as well as in future. However actual payment to the Consultant would be made w.e.f. applicability of this agreement i.e. with due approval of Competent Authority and signing an agreement with them. In the nutshell no arrears would be paid to the Consultant for the past period.


7. The Committee was also of the view that above adjustment be made applicable only to remuneration and no change would be made in reimbursable costs.
8. On the basis of above mentioned guidelines/norms/criteria, the concerned Technical Division may take further necessary action at their end to fix the revised remuneration.


The meeting ended with the vote of thanks to the Chair.

  
(TILAK RAJ  
GM(LLEGAL)

  
(S.C. JINDAL)  
MEMBER

  
(B.N. SINGH)  
CONVENOR

  
(P.K. AGGARWAL)  
GM(FINANCE)

  
(A.P.S. SETHI)  
MEMBER