



भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(सड़क परिवहन और राजमार्ग मंत्रालय)

**National Highways Authority of India**

(Ministry of Road Transport & Highways)

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No. 11041/21/2002/Admn. III

January 10, 2003

**POLICY MATTERS-ADMINISTRATION/FINANCE (32/2003)**

(Decision taken on Finance Division File No. NHAI/E&A/Fun/PIUs/2001/151)

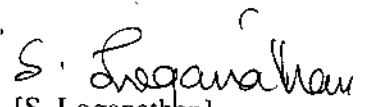
**Sub: Guidelines for release of payments to Contractors/Consultants**

With a view to streamline the procedure for release of payments to Contractors/Consultants, etc., the following procedure is prescribed –

- (i) All the initial payments, i.e., mobilization and equipment advances etc. shall be processed and paid at Headquarter. The proposals for release of retention money against Bank Guarantees shall be processed at Headquarter and thereafter; the payments may be made either from Headquarter/PIU. The accounting entries and other related documents shall be forwarded to the concerned PIUs by the Headquarter [both Finance & Tech. Divisions].
- (ii) All other payments [except the payments covered under (i) above] i.e., progress payments, release of final payments etc., shall be released directly by the PIUs strictly in accordance with the Contract Conditions. However, where approvals are required from the Headquarter, PIUs may ensure that such approvals are obtained from the Headquarter prior to release of such payments by them. These releases may be made in consultation with Technical Division at HO, wherever required.
- (iii) All the Bank Guarantees will be maintained and monitored in accordance with the existing guidelines (refer policy circular no.12/2002 dated 2/8/2002).
- (iv) In case, PIUs need any clarification before release of any payment, the same may be obtained from Headquarter.
- (v) While taking any decision, PIUs may strictly adhere to the contract conditions including the guidelines/instructions issued by the Headquarter from time to time.

2. These guidelines supercede the instructions issued earlier vide Circular no. NHAI/F&A/PIU Jaipur/98/16 dated 30<sup>th</sup> January 2002.

3. This issues with the approval of Competent Authority.

  
[S. Loganathan]  
General Manager [Admn.]

All Members/CGMs/CVO/CPD

All GMs/DGMs/Managers

All PIUs/CMUs

Copy for information to:

PS to Chairman

Librarian/Hindi Officer

NHAI/F&A/PIU Jaipur/98/16

30th January, 2002

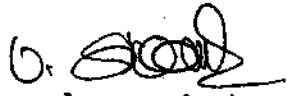
**Circular**

**Sub: Payments towards civil works contractors.**

Kindly refer to the directions issued by the Chairman, NHAI *vide* the circular F.No. NHAI/11028/15/GMF/2000, dated 7.12.2000, *inter alia*, specifying that for civil works, mobilization advances will be processed and paid in Head Office and progress payments will be released by PIUs strictly in accordance with the contract agreement.

2. It is reiterated that for civil works, even though the progress payments will be released by PIUs strictly in accordance with the contract agreement, the mobilization advances as well as any other payments, including the final bills submitted by the civil works contractors, will be processed and paid from only from the Head Office.

This issues with the approval of the Chairman, NHAI.

  
(V. Sivasubramanian)  
DyGM(F)

To

All the Project Directors  
All Officers in Finance Division.

Copy for information to:  
PS to Chairman/PA to Member(F)/  
PA to Member(T)/PA to Member(A)/  
CGM(T)/CGM(WB)/CGM(PI).



# भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(जल-भूतल परिवहन मंत्रालय)

## National Highways Authority of India

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NHAI/11028/15/GMF/2000

Date: 7.12.2000

As discussed in the morning meeting with Members and CGM today following arrangements will be made regarding payment for pre-construction and construction activities:

1. The concerned PIU will submit a quarterly demand for pre-construction and construction activities thro' their concerned head of division in HQ and FW will place the funds at the disposal of PIUs after necessary approvals.
2. For pre-construction works a consolidated approval should be obtained by the concerned division in advance on the basis of which FW will process the fund release proposals within the approved ceiling.
3. For land acquisition a circular has already been issued indicating the process of release of funds.
4. For civil works, mobilization advances will be processed and paid in HQ and progress payments will be released by PIUs strictly in accordance with the contract agreement. The concerned Technical Division should ensure that payments released at PIUs are in accordance with the terms of contract and there should be a monitoring mechanism in place so that any deviation from the terms of the contract come to the notice and suitable corrective action is taken quickly.
5. All the divisions will ensure that utilization certificates are available from the concerned States departments and other offices so that it can be reflected in the accounts properly and in time.
6. For NS-EW projects suitable locations may be identified by Member(T) from where the payments for pre-construction and construction activities can be made.
7. Administration Division will take suitable action for recruitment of required number of accounts staff in the PIUs identified for release of the payments for pre-construction and construction activities.

(Deepak Dasgupta)  
Chairman

To

All Members/CGMs