



भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(सड़क परिवहन और राजमार्ग मंत्रालय)

National Highways Authority of India

(Ministry of Road Transport & Highways)

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No. 11014/21/2002/Admn.III

October 3, 2003

POLICY MATTERS-ADMINISTRATION/FINANCE (60/2003)

(Decision taken on Finance Division file No. NHAI/F&A/Policy Matters/2003/210)

It has come to the notice that the recovery of mobilization advances paid to the contractors under the provisions of the contract is made at the rates specified only on the amount of work done instead of on the value of the Interim Payment Certificates (IPC) as prescribed under the relevant provisions of the contract [*generally clause 60.7 (d)*].

2. In this regard, the provisions contained in the contract regarding repayment of advance [*generally clause 60.7 (d)*], for package WB-II, is reproduced below-

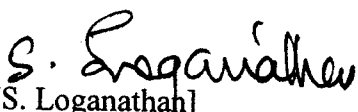
“The total advance described in sub para (a) and (b) of Sub-Clause 60.7 above shall be repaid as percentage deductions from the interim payments certified by the Engineer. Deductions shall commence in the next Interim payment Certificate following that in which the total of all Interim Payments certified to the Contractor has reached 20% (twenty per cent) of the Contract Price less Provisional Sums or after 12 months after payment of first installment whichever period concludes earlier and shall be made at the rate of 25% (twenty five per cent) of the gross amount of all Interim payment Certificates in the types and proportionate amounts of currencies in which the advances were made, until such time as the advances have been repaid, always provided that the loan shall be completely repaid when 80% of the Contract Price of the work has been paid. Also further provided that irrespective of the total contract payment made to the Contractor, the repayment of the advances shall commence from the time of the Interim Payment Certificate subsequent to completion of 40 (forty) per cent of the period of completion after the commencement of the works pursuant to Sub-Clause 41.1 hereof and shall be completely recovered before the expiry of the original period of completion and any extension of time which may be granted pursuant to Clause 44.”

3. It may be observed that the recovery of mobilization advance is linked to the gross amount of the Interim Payment Certificates [which includes the amount of work done during the month, variation, price escalation, material advance etc., as defined in the relevant clause of the contract (*generally Clause 60.1*)].

Contd...2

4. Accordingly, all the PIUs are advised to ensure that the mobilization advances are recovered strictly in accordance with the conditions of the contract.

This issues with the approval of the Chairman.


[S. Loganathan]
General Manager (Admn.)

All Members
All CGMs/CVO/CPD/GMs
All DGMs/Managers
All PIUs/CMUs/SPVs

Copy for information to-

PS to Chairman
Librarian/Hindi Officer