

No. RW/BNG/NH-169/KM2.48-25.15/123/2025 (Comp. No. 265536)

GOVERNMENT OF INDIA

MINISTRY OF ROAD TRANSPORT & HIGHWAYS

(South Zone)

Transport Bhawan 1, Parliament Street, New Delhi-110001

Dated: 31.03.2026

To,

The Principal Secretary,
Govt. of Karnataka
PWD, Vikas Soudha,
Bengaluru-560001

Subject: Strengthening and Improvements from Km 2.48 to Km 25.15 Of NH-169 (Shivamogga to Nellisara camp section) in the state of Karnataka on EPC mode under Annual Plan 2025-26.

(Job No. NH-169-KNT-2025-26-04)

(UPC: RA00169BA033KA)

Sir,

I am directed to refer to Chief Engineer, NH, Bengaluru letter No CNH/TA-3/AE-1/NH-169/Km 2.48-25. 15/2025-26/2392 dated 15.12.2025 forwarding an estimate amounting to Rs. 33.17 Crore for the above noted work and to say that the estimate has been examined in the Ministry and approved for Rs. 33.50 Crore in the light of comments contained in the enclosed Technical Note dated 31.03.2026.

2. I am to convey the technical, administrative and financial sanction of the President of India to the estimate amounting to **Rs. 33.50 Crore (Rupees Thirty Three Crore and Fifty Lakh only)** including agency charges and other percentages.

3. The work has been assigned (**Job No. NH-169-KNT-2025-26-04**). Job No. may be quoted in all future correspondence regarding this work.

4. The expenditure is debitable to Major Head '5054' Capital Outlay on Roads & Bridges, 01-National Highways (Sub Major Head), 01.337 Road Works (Minor Head), 01 Works under Roads Wing, 01.02 Other Schemes, 01.02.73 Infrastructural Assets under demand No. '86'- Ministry of Road Transport & Highways for the year 2025-26.

5. In accordance with the orders contained in this Ministry's letter No. 24035/4/2008-P&M/PIC Vol II dated 23.2.2018 addressed to the State Public Works Department, if the cost of tender exceeds 5% of sanctioned estimated cost, the revised estimate be got sanctioned from the Ministry and all the works above Rs. 5.00 crore is to be taken up on EPC mode. Further, the tenders for the work shall be invited by adopting e-procurement/e-tendering procedure as per Ministry's Circular No. RW/NH-24035/4/2008-P&M/PIC dated 21.05.2011, in addition to guidelines issued by this Ministry's Circular letter No. RW/NH-11024/3/99/US(D-I) dated 09.03.2000, No. RW/NH-24035/4/2008-P&M dated 21.05.2010 No. NH-12037/67/2010LWE dated 02.08.2010 and RW/NH-34066/14/2018-S&R(P&B) dated 25.6.2018. The work shall be awarded as per guidelines issued by the Ministry vide letter No. NH-15015/29/2001-PL dated 05.07.2001.

6. It is requested that arrangements may be made for the submission of quarterly progress report in respect of this work by the Executive Engineer concerned to the

Director General (Road Development) Government of India.

7. On completion of 50% work if the appraisal of the project shows that it will necessitate revision of the estimate based upon the physical completion of the project vis-à-vis financial expenditure immediate action should be taken to submit the revised estimate so as to ensure that the sanctioned revised estimate is available before necessary for incurring expenditure beyond permissible limits arises.

8. Since construction period for this work has been proposed as 11 months including the rainy period, no price adjustment clause is applicable for this work. Further, provision of bonus has also been disallowed in sanction. RO and State PWD to ensure deletion of price adjustment clause and bonus clause from RFP and EPC document while inviting bids for this work.

9. This sanction is subject to condition that STMC work that has been sanctioned on 17.12.2025 for the same section shall be de-sanctioned so that there is only one contractor working on the stretch.

10. The technical approval and financial sanction may lapse after six months from the date of its issue in case the work is not awarded within that period.

11. The Regional Officer, M/o RT&H, Bengaluru will be Drawing and Disbursing Officer.

12. The following physical and financial target shall be strictly adhered to. Phasing of expenditure shall be as given below:

Year	Cumulative progress			
	Physical	Financial (Rs. In cr.)		
		Construction	Maintenance	Total
		(In Cr)	(In Cr)	(In Cr)
2025-26	0	0	0	0
2026-27	30%	9.85	0	9.85
2027-28	100%	32.83	0	32.83
2028-29	100%	32.83	0	32.83
2029-30	100%	32.83	0.13	32.96
2030-31	100%	32.83	0.31	33.14
2031-32	100%	32.83	0.40	33.23
2032-33	100%	32.83	0.67	33.50

13. This sanction issues with the concurrence of the Finance Wing vide Note No. # 18 dated 22.03.2026 (Computer No. 265536).

14. The condition of the road should be recorded by the Network Survey Vehicle before the start of work and during the execution, completion and the defect liability period before payments are released and the same should be clearly specified in the tender documents/agreement.

Yours faithfully,

Encl: As above.

(Shashi Bhooshan Kumar)
Under Secretary to the Government of India

Copy forwarded for information and necessary action to:-

1. The Pay & Account Officer (NH), Ministry of Road Transport & Highways, Shahjahan Road, IDA Building, Jamnagar House, New Delhi-110001
2. The Accountant General, Karnataka
3. The Chief Engineer, (NH), Public Works Department, K.R. Circle, Bengaluru-560001
4. The Regional Officer, Ministry of Road Transport & Highways, No. 32, 2nd Floor, KSCFL Building, Race Course Road, Bengaluru-560001.
5. The Principal Director of Audit, Economics & Services Ministries, AGCR Building, IP Estate, New Delhi.
6. PF-I Division, M/o Finance, North Block, New Delhi
7. W&A Section/Finance Division/Guard File.

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SHASHI BHOOSHAN KUMAR
Date: 31-03-2026 14:33:48

(Shashi Bhooshan Kumar)
Under Secretary to the Government of India

No. RW/BNG/NH-169/KM2.48-25.15/123/2025 (Comp. No. 265536)

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT & HIGHWAYS
(South Zone)

Transport Bhawan 1, Parliament Street, New Delhi-110001

Dated: 31.03.2026

To,

The Regional Pay & Account Officer (NH),
MoRT&H, 1st Floor, Block-F, wing Kendriya Sadan,
Koramangala, Bengaluru-560034

Subject:- Financial Sanction for the work of Strengthening and Improvements from Km 2.48 to Km 25.15 Of NH-169 (Shivamogga to Nellisara camp section) in the state of Karnataka on EPC mode under Annual Plan 2025-26.

Reference:- Chief Engineer, NH, Bengaluru letter No CNH/TA-3/AE-1/NH-169/Km 2.48-25.15/2025-26/2392 dated 15.12.2025.

Sir,

I am directed to convey the financial sanction of the President of India for the above mentioned work having Job No. (Job No. NH-169-KNT-2025-26-04) (UPC: RA00169BA033KA) amounting to Rs. 33.50 Crore (Rupees Thirty Three Crore and Fifty Lakh only) including agency charges and other percentages.

2. The expenditure shall be allowed to be incurred as per the year wise phasing details for the total sanction amount as mentioned below in accordance with the terms and condition of the work sanction letter and technical note:

Year	Cumulative progress			
	Physical	Financial (Rs. In cr.)		
		Construction	Maintenance	Total
		(In Cr)	(In Cr)	(In Cr)
2025-26	0	0	0	0
2026-27	30%	9.85	0	9.85
2027-28	100%	32.83	0	32.83
2028-29	100%	32.83	0	32.83
2029-30	100%	32.83	0.13	32.96
2030-31	100%	32.83	0.31	33.14
2031-32	100%	32.83	0.40	33.23
2032-33	100%	32.83	0.67	33.50

3. Since construction period for this work has been proposed as 11 months including the rainy period, no price adjustment clause is applicable for this work. Further, provision of bonus has also been disallowed in sanction. RO and State PWD to ensure deletion of price adjustment clause and bonus clause from RFP and EPC document while inviting bids for this work.

4. This sanction is subject to condition that STMC work that has been sanctioned

on 17.12.2025 for the same section shall be de-sanctioned so that there is only one contractor working on the stretch.

5 . The expenditure is debitable to Major Head '5054' Capital Outlay on Roads & Bridges, 01-National Highways (Sub Major Head), 01.337 Road Works (Minor Head), 01 Works under Roads Wing, 01.02 Other Schemes, 01.02.73 Infrastructural Assets under demand No. '86'- Ministry of Road Transport & Highways for the year 2025-26.

6. The accounts of PWD shall be open to inspection by the sanctioning authority and audit, both by CAG and internal audit by the Office of Principal Chief Controller of Accounts.

7. This sanction issues with the concurrence of the Finance Wing vide Note No. # 18 dated 22.03.2026 (Computer No. 265536).

Yours faithfully,

Encl. as above

(Shashi Bhooshan Kumar)
Under Secretary to the Government of India

Copy to:-

1. The ADG (South Zone), MoRT&H, New Delhi
2. The RO MoRT&H, Karnataka
3. The Chief Engineer (NH), Karnataka
4. AFA, MoRT&H, New Delhi
5. The Pay & Account Officer (NH), Ministry of Road Transport & Highways, Shahjahan Road, IDA Building, Jamnagar House, New Delhi-110001
6. The Principal Director of Audit, Economics & Services Ministries, AGCR Building, IP Estate, New Delhi.

Copy for information to:-

1. Sr. PPS to Secretary (RT&H), MoRT&H, New Delhi
2. Sr. PPS to DG(RD)&SS, MoRT&H, New Delhi
3. Sr. PPS to AS&FA, MoRT&H, New Delhi
4. Sr. PPS to Pr. CCA, MoRT&H, New Delhi

Digitally signed by
SHASHI BHOOSHAN KUMAR
Date: 31-03-2026 14:33:34

(Shashi Bhooshan Kumar)
Under Secretary to the Government of India

Government of India
Ministry of Road Transport & Highways
(South Zone)

Transport Bhawan, 1, Parliament Street, New Delhi-110001

Date: 31.03.2026

TECHNICAL NOTE

[Job No. NH-169-KNT-2025-26-04]

[Data Lake UPC: RA00169BA033KA]

1.	Name of work	Strengthening and Improvements from Km.2.48 to Km 25.15 of NH-169 (Shivamogga to Nellisara camp section) in the state of Karnataka on EPC mode under Annual Plan 2025-26	
2.	State/Division	Karnataka/ Shivamogga Division	
3.	NH No.	169	
4.	Total Project Cost(Rs. in cr.)	As proposed by the State PWD	As agreed in the Ministry
		33.17	33.50
5.	Length (in km)	22.67	22.67
6.	Cost per km (Rs. in cr./km)	1.46	1.48
7.	Reference	Chief Engineer, NH, Bengaluru letter No. CNH/TA-3/AE-1/NH-169/Km 2.48-25.15/2025-26/2392 dated 15.12.2025	

COMMENTS

1. **Scope of the Project:** Strengthening of the road stretch from Km 2.48 to Km 25.15 (Shivamogga to Nellisara Camp Section) of NH-169 in the State of Karnataka is envisaged as under: -

- i. Strengthening to road from Km 2.48 to Km 25.15 in a length of 22.67 Km with 90 mm DBM & 40 mm BC.
- ii. Clearing and Grubbing, Subgrade and Earthen Shoulder, Thermoplastic paint for edge line and centre line road marking, road studs, Retro reflectorised, cautionary, mandatory and information sign boards, delineators, direction and place identification boards, Km Stones and W Metal beam crash barrier.

2. **Modification:**

- (i) Uniform DBM thickness of 90mm is adopted.
- (ii) Supervision Charges of 1% has been included in the estimate.

3. **Cost estimates:**

3.1 Cost estimate is based on the National Highway Zone Bengaluru Schedule of Rates, 2022-23 incorporating current issue rates applicable for the year 2025-26.

3.2 Contingencies @ 1% as per Ministry circular dated 10.08.2021, Supervision charges @ 1%, Agency charges @ 3%, as per Ministry circular dated 07.03.2019 and Maintenance

charges @ 2.5% for five years [0% for 1st, 0.5 for 2nd, 3rd & 4th year and 1% for 5th year; total 2.5%] has been considered in the estimate as per Ministry's extant guidelines.

3.3 The details of the proposed and modified civil cost are as given below: -

SL No.	Item	Total Amount (in Cr.)
1	Civil Cost(A)	Rs 26,68,96,396/-
2	GST at 18% on A	Rs 4,80,41,351/-
3	Civil Cost including 18% GST	Rs 31,49,37,747/-
4	Contingency charges at 1% on A	Rs 26,68,964/-
5	Supervision charges @ 1% on A	Rs 26,68,964/-
6	Agency charges @ 3% on A	Rs 80,06,892/-
7	Maintenance charges @ 2.5 %	Rs 66,72,410/-
8	Grand Total cost of the Estimate =	Rs 33,49,54,977/-
9	Say (in crores)	33.50

4. Land Acquisition and Shifting of Utilities: State PWD has mentioned that the 100% of the land is available for strengthening of the above stretch.

4.1 Provision for Land Acquisition: -Nil

4.2 Provision for shifting of Utilities:-Nil

5. Construction period, Defect Liability Period: The construction period for this work has been proposed as 11 months including the rainy period. Defects liability period has been considered as 5 years as specified in the Model EPC Document approved by the Ministry on 05.03.2019.

✓ The provision of Bonus and price escalation may be deleted before tendering, same has been disallowed in sanction. The total cost includes supervision charges at 1% of Civil Cost.

✓ This sanction is subject to condition that STMC work that has been sanctioned on 17.12.2025 for the same section shall be de-sanctioned so that there is only one contractor working on the stretch.

8. Tender and Award of work: Tenders shall be invited as per Ministry's latest guidelines. The works shall be awarded as per Ministry's norms for EPC projects and tenders evaluated as per Ministry's circular no. RW/NH-24035/4/2008-P&M/PIC Vol. II dated 23.02.2018 and subsequent amendments thereafter, in addition to guidelines issued by this Ministry vide circular letter no. RW/NH-34066/14/2018-S&R (P&B) dated 25.06.2018.

9. General:

(i) The provision of centages (contingencies, supervision charges and agency charges etc.) should be utilized and delegation of powers for acceptance of variations as per Ministry's circular no. RW/NH-24035/4/2008/P&M/PIC Vol.II dated 23.02.2018. Authority's Engineer/ENC/CE (NH), Department shall also certify that approval of estimates to be charged to contingencies will not cause revision of the sanctioned estimate.

(ii) Collection of material on the roadside should be so planned that it should commensurate with the physical progress of work and the collected material should not cause any hindrance to the traffic. It must be ensured that the contractor arranges for separate land for storage of road construction material and machinery and these shall not be allowed to be stacked on roadside.

(iii) No work beyond the scope of the sanctioned estimate leading to increase in the scope of the work or change in specification should be undertaken without obtaining prior written approval of the Ministry. In case, the estimate needs revision due to change in rates/tender rates for any reasons, the revised estimate shall be submitted immediately for Ministry's approval. No expenditure beyond permissible in this connection, this Ministry's letter No. RW/NHIII/Coord/32/84 dated 19.5.84 and NH-11026/2/99-US (DI) dated 29.10.2001 may be referred.

(iv) In order to ensure that there is no slippage in achieving the targets, the progress may be closely monitored by ENC/CE (NH), Departmental quarterly status report be furnished to the Ministry in the prescribed proforma.

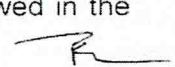
(v) During the course of execution, the traffic may be regulated in accordance with guidelines laid down vide Ministry's letter no. NHIII-33 (126)/72 dated 20.03.1973 and letter No. RW/NH-11060/1/1998-D.O.1 dated 07.10.1987. Smooth flow of the traffic may be ensured by providing adequate traffic control devices in accordance with stipulation of IRC: SP: 55:2014 "Guidelines for Traffic Management in Work Zone".

(vi) Roughness measurements as an aid to more effective monitoring of road construction and maintenance operation will be taken before start and after completion of work as per guidelines circulated to the State PWDs in Ministry's letter No. RW/NH-33044/10/2000-S&R dated 22nd May 2000.

(vii) The provision of road marking shall be as per IRC-35-2015 and regulatory, cautionary and mandatory sign boards shall be as per IRC-67-2012.

(viii) It is observed that simultaneous working at large number of work fronts in long stretches is causing severe inconvenience to traffic during construction. Therefore, it is suggested that fronts may not be operated in more than 3 km length simultaneously, without completing the bituminous surfacing in the stretches where excavation/granular layers are carried out. Suitable provisions in the contract shall be incorporated for proper traffic management.

(ix) The display boards on development activities of the work shall be made as per guidelines issued vide Ministry's letter no. RW/NH-33044/10/2002-S&R (R) dated 26th May, 2003. The cost of the same will be met out of the provision of contingencies allowed in the estimate.



(x) The independent quality control tests of all items from any of the accredited laboratories as per IRC: SP: 94-2011 shall be carried out from the quality control provision in estimate to ensure the quality of work.

(xi) Neither the work nor any item of work shall be split into small parts for awarding the work to a number of contractors. In this regard, instructions issued in this Ministry's letter No.NH-III/P/25/84 dated 4/8/1984 may be referred.

(xii) Guidelines for Road Safety vide Ministry's letter No. RW/NH-33072/04/2004-S&R(R) dated 27.04.2012 shall be followed wherever applicable.

(xiii) The Contractor should possess all required machinery such as Erection cranes, launching girders / trusses, boats, Barges, concrete mixers, vibrators, form work, hot mix plant, road roller, bitumen boiler, sensor paver, bitumen tankers, concrete batching plant, transit mixers cum tippers, water tankers, trucks etc. and should be able to procure all required materials including bitumen / cement / steel to execute the work as per Ministry's specifications.

(xiv) For maintenance of proper record of the execution of the work Photography/videography shall be taken by State PWD before, during and after execution of work and a digital copy of the same may be forwarded to CE-RO, Bengaluru for record.

(xv) The provisions made in the estimate are accepted for estimate purpose only. Any savings (in the provision's in the estimate) during execution of the work shall be credited to the estimate.

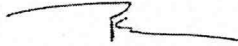
(xvi) The State Government of Karnataka has to bear the cost of energy charges and maintenance costs of lighting provided in built up stretches, major junctions etc. through respective local bodies (Municipalities/Panchayats) which shall be confirmed by State PWD (NH) department Karnataka before award of work by furnishing an undertaking in this regard. This sanction is subject to this confirmation. In case of non -implementation of this confirmation, the lighting provision would be deleted and the financial implications would be recovered from the money due to State Govt. of Karnataka.

(xvii) RO MORTH Bangalore along with State PWD (NH) department Karnataka shall scrupulously check the schedules and ensure that the schedules are strictly in accordance with the provisions in the approved proposal.

10. Phasing of expenditure: Since the instant project is proposed for development under Annual Plan 2025-26, the expenditure is to be done from the allocation of funds made by Ministry under NH (O). Phasing of expenditure is as under:

Year	Cumulative progress			
	Physical	Financial (Rs. In cr.)		
		Construction	Maintenance	Total (Cr)
2025-26	0%	0	0	0

2026-27	30%	9.85	0	9.85
2027-28	100%	32.83	0	32.83
2028-29	100%	32.83	0	32.83
2029-30	100%	32.83	0.13	32.96
2030-31	100%	32.83	0.31	33.14
2031-32	100%	32.83	0.40	33.23
2032-33	100%	32.83	0.67	33.50


(Purshottam Kumar)
Superintending Engineer
For DG(RD) &SS