



# INFRASTRUCTURE CONSULTANTS ASSOCIATION OF INDIA

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Ref. No. ICAI/Chairman/2025-26/184

Date 17.05.2025

To,  
**The Chairman,**  
National Highways Authority of India  
G-5 & 6, Sec.-10, Dwarka  
New Delhi - 110075  
Email: [chairman@nhai.org](mailto:chairman@nhai.org)

Sub: Quarterly Review Meeting with Authority's Engineer/Independent Engineer at NHAI Head Quarter on 30.04.2025.

Respected Sir,

We are grateful for inviting us during Quarterly Review Meeting with Authority's Engineer/Independent Engineer at NHAI Head Quarter on 30.04.2025 along with our Member and other consulting firms. Dr. L.N. Malviya, our Chairman attended this meeting on behalf of Association.

Firstly we appreciate your concern regarding deviations being occurred from the provisions of DPR and RFP documents on most of the projects during actual course of execution of project. It was mainly apprehended that in most of the construction projects works are being executed beyond the provision of Schedule B Development of the Project. The provisions incorporated under Schedule D Specifications and Standards, Schedule E Maintenance Requirements, Schedule H Contract Price Weightages and Schedule J Project Completion Schedule are being revised in most of the projects. It is also observed that minimum FRL as provided in Schedule B are not being maintained during execution of project. All such deviations from the provisions in schedules attached with the Construction Contract Agreements are growing requirement of Change of Scope. At many places Longitudinal and Cross sectional cracks have been observed in cement concrete roads showing their structural failure due to deficient materials and workmanship. It has also been observed that as per provision under contract agreement 75% of due running payment is not being released within 24 hours of receipt of bill. Additionally all the above aspects are delaying scheduled completion of all the projects. A need of improvement in functioning of Authority's Engineer / Independent Engineer services was also stressed accordingly.

Sir, we earnestly submit that your all the above concern can be resolved unitedly by the authorities of your organization, the consultant and the construction agency by suitably amending some of the provisions existing in the construction contract and consultancy agreements.

Dr. L.N. Malviya, our Chairman also expressed his concern about non-maintaining minimum FRL and modifications being made by the Contractors in the provision incorporated in schedules appended with the contract.

Sir, accordingly abstract of fruitful outcome of discussions held, suggestions received and decisions taken in the meeting has been abstracted by our association which are being enclosed in form of draft Minutes of Meeting as Annexure-A for your kind consideration, approval and issue to all the concern for needful. We request you to kindly instruct concerned authorities of your organization to incorporate the decisions taken during the meeting as appropriate clause in the RFP documents to be published by your organization in future for procurement of construction contracts and consultancy contracts. Apprehension about current quality of services being provided by the Authority's Engineer/Independent Engineer was expressed by your goodself during earlier meeting also held about 3 months back.

Sir, we hope that decisions taken during the meeting shall address all your concerns positively and shall streamline execution of projects of your organization within scheduled completion period.

With due regards,

Thanking you,

Yours sincerely,  
**For Infrastructure Consultants Association of India**

  
**(Dr. L.N. Malviya)**  
**Chairman**

**Encl.** As above Annexure-A.

**Copy to the:**

- 1) Shri Alok Dipankar, Member (Technical), National Highways Authority of India, G-5 & 6, Sec.-10, Dwarka, New Delhi - 110075, (Email: [membertechnical@nhai.org](mailto:membertechnical@nhai.org)).
- 2) Shri P.K. Jain, Chief General Manager, National Highways Authority of India, G-5 & 6, Sec.-10, Dwarka, New Delhi - 110075, (Email: [pkjain@nhai.org](mailto:pkjain@nhai.org)).
- 3) All esteemed members of Association.

**As discussed and decided in the Quarterly Review Meeting with Authority's Engineer/Independent Engineer held at NHA Head Quarter on 30.04.2025, the Final Outcome is as follows:**

1. Issue No.1: Growing requirement of Amendments to Schedules appended with the Construction Agreement
2. Issue No.2: Non Uniformity in reply to Prebid queries and amendments
3. Issue No.3: Preparation of Detailed Project Report
4. Issue No.4: Mandatory implementation of Detailed Project Report
5. Issue No.5: Maintaining minimum FRL
6. Issue No.6: Finalizing Change of Scope proposal
7. Issue No.7: Release of Running Payment to Contractors
8. Issue No.8: Quality of Construction Materials like Bitumen, Steel, Cement and Crash Barrier
9. Issue No.9: Resolution of Contractual issues
10. Issue No.10: Submission of Digital RFI
11. Issue No.11: Lowering Minimum Design Speed
12. Issue No.12: Replacement of Key Personnel by Consultant during Contract Negotiations
13. Issue No.13: Replacement of Key Personnel by Consultant after Original Contract period is over
14. Issue No.14: Reduction of remuneration for attendance less than 90% of Key Personnel/Sub Key Professional for civil projects
15. Issue No.15: Approval of CV of Key Personnel (Team Leader) as replacement
16. Issue No.16: Similar capacity for the position of Team Leader in Government Organizations
17. Issue No.17: Payment of Running Invoices of Consultant
18. Issue No.18: Payment of GST to Consultant
19. Issue No.19: Preparation of LA and Utility Shifting in Detailed Project Report



**Minutes of the Quarterly Review Meeting with Authority's Engineer/Independent Engineer held at NHAI Head Quarter on 30.04.2025 & Final Outcome is as follows:**

Quarterly Review Meeting was held on 30.04.2025 at NHAI Head Quarter New Delhi to discuss about proposals for improvement in quality of services being provided by the Contractors and Consultants to NHAI. Various issues were discussed at large and suggestions were obtained from the participants on all the issues. On the basis of outcome of discussions held and suggestions received the following decisions have been taken to further improve quality of services being currently provided to NHAI by Contractors and Consultants. The decisions taken shall be integral part of RFP documents to be published by NHAI in future during procurement of construction and consultancy services and issue Final MOM to all NHAI Officials & Consultants & Contractors.

**1. Issue No.1: Growing requirement of Amendments to Schedules appended with the Construction Agreement**

It was brought out that presently Detailed Project Report of various projects under the jurisdiction of any division is being prepared by the concerned division of NHAI themselves. The provisions to be made in schedules are discussed and finalized by the authorities of concerned division in consultation with the DPR Consultant. It is being generally observed that the terms and conditions being also incorporated in the schedules differ from division to division of NHAI. Accordingly it is generally being observed that the provisions in the schedules appended with the RFP document prepared for construction of project on EPC/BOT/HAM etc. mode are having different terms and conditions from division to division. Due to variation in terms and conditions of schedules growing requirement of Change of Scope in arising in most of the projects, which need to be streamlined by prioritizing these documents for each type of project to be used by all the divisions of NHAI. Hence it is decided that RFP documents for procurement of contractors and consultants on EPC/BOT/HAM projects shall be prioritized and shall be used by all the divisions of NHAI during invitation of bids.

**2. Issue No.2: Non Uniformity in reply to Prebid queries and amendments**

It was brought out that during invitation of bids for EPC/BOT/HAM etc. projects currently reply to prebid queries by the intending bidders and required amendments are being issued by a committee constituted for the project under concerned division. It is being observed that contrary decisions are taken/replied and amendments are being issued by different committees constituted under every division. And also contrary decisions are also being communicated on different packages in a single





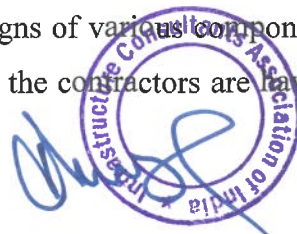
project on similar issue. As an example it was pointed out that contrary reply to prebid queries have been communicated and also amendments have been issued by two different committees on Delhi-Vadodara and Vadodara-Mumbai package of Delhi-Mumbai Expressway project. To avoid such ambiguities it was decided that one single committee shall be formed in each division to formulate & issue reply to prebid queries and required amendments for each type of project under the jurisdiction of concerned division, who shall be empowered to take decision on prebid queries and issue of amendments.

### **3. Issue No.3: Preparation of Detailed Project Report**

It was brought out that a lot of mistakes are being observed in the Detailed Project Report during actual execution of project growing demand of change in provisions of the schedules and subsequently more likely positive change of scope. It was pointed out that during scrutiny of a recently prepared Detailed Project Report of a project around 130 mistakes have been observed by the authorities of NHAI. In case of road work except quantity of earth work remaining all the layers of crust are standard as per designs and code provisions. Similarly in case of bridges span length, FRL, height, foundation, substructure and superstructure are standard as per codes. However the type of foundation, depth of foundation and span arrangement are only variable as per project site conditions. Hence the mistakes observed in any DPR are contractual. However such mistakes can be avoided if schedules appended with the Contract document are properly prepared specifying longitudinal sections, cross sections, design of crust, minimum design speed, plan & profile etc. in case of road works and type, total length, total width, minimum FRL, type of foundation etc. in case of major bridge work. It was discussed and decided that it should be specified in the schedules that contractor shall be bound to carry out construction of project as per provision incorporated under various schedules of the document. However any negative deviation, duly approved by the competent authority of NHAI, from the provision of schedules shall be treated and dealt as negative Change of Scope and any positive deviation from the provision of schedules duly approved by the competent authority of NHAI, shall not be treated and dealt as positive Change of Scope. The decision shall be incorporated as suitable clause in the RFP document of all the projects to be invited by NHAI in future.

### **4. Issue No.4: Mandatory implementation of Detailed Project Report**

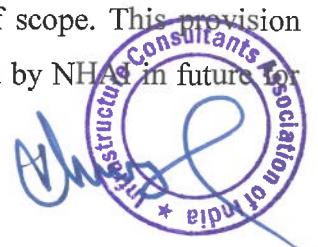
It was brought out that presently in most of the projects of NHAI it is being provided that Detailed Project Report, either made a part of the RFP document or available on official documents of NHAI, with for reference only. Accordingly the contractor is required to carry out his own field services and investigations and submit structural details, drawings & designs of various components of project for approval. Taking advantage of this provision in the contract, the contractors are having a tendency to



modify most of the provisions incorporated in the schedules such as Plan & Profile, Design of Crust, minimum Design Speed etc. in case of road works and change in span length, FRL, type of foundation, depth of foundation etc. in case of major bridge works. It is invariably observed that the variation in the provisions incorporated in the schedules are generally being made by the contractor where increase in the quantity of any item is dealt as positive Change of Scope and where decrease in quantity of any item is not considered as negative Change of Scope. Such type of provisions existing in the schedules appended with the construction contract agreements are mostly changing the original provisions made in the DPR and accordingly such changes during construction stage totally and completely defeat the purpose of the detailed project report. Hence it is decided that the approved Detailed Project Report of the project shall be mandatorily made part of the Construction Contract Agreement for EPC/BOT/HAM etc. project. It shall be specified in the RFP document that the construction of project shall be carried out as per scope of work defined in the DPR. Execution in lesser quantity of any item/component of DPR shall be covered under negative change of scope. However execution of any excess quantity of item/component of DPR shall not be dealt as positive change of scope. The decision shall be incorporated as relevant clause in the RFP document to be published in future by NHAI for procurement of contractor's EPC/BOT/HAM etc. projects.

#### **5. Issue No.5: Maintaining minimum FRL**

It was brought out that in the RFP documents currently being published by various divisions of NHAI for procurement of contractor's EPC/BOT/HAM etc. projects, different provisions are being made in the documents relating to maintaining minimum FRL during construction of bridges. In some of the documents it is mandatory provided that the Contractor shall maintain minimum FRL indicated in the document, while in some of the documents the contractor is required to propose his own structural designs and drawings of structures, where he is free to make changes in the span arrangement, superstructure, substructure, foundation as well as FRL of the structure. In some of the documents it is also provided that any change in the span arrangement/length, depth of foundation and FRL shall not be covered under Change of Scope. In such cases contractor finds liberty to reduce the span length, depth of foundation and lower FRL without any cost implication. This ambiguity in ongoing contracts of NHAI need to be streamlined. Hence it was discussed and decided that maintaining minimum FRL indicated in the contract document shall be mandatory in future projects of NHAI. The contractor is required to maintain the minimum FRL of structure indicated in the schedules. However any increase in FRL proposed by the contractor, increase in length of structure, increase in height of structure, increase in depth of foundation etc. shall not be considered under change of scope. This provision should be incorporated as suitable clause in the RFP document to be published by NHAI in future for procurement of contractors on contractor's on EPC/BOT/HAM etc. projects.



**6. Issue No.6: Finalizing Change of Scope proposal**

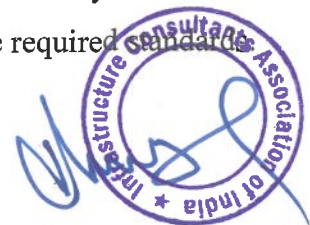
It was brought out that currently in ongoing contracts procedurally Change of Scope proposals are being routed in hard copy form by Consultant to concerned Project Director, Project Director to concerned Regional Officer and Regional Officer to NHAI Head Quarter for approval. This procedure is abnormally delaying final approval of COS proposal. Also normally positive change of scope proposals are approved within shorter period of about one month while approval of negative change of scope is abnormally delayed. The delay in approval of COS proposals affect the quality of services of contractor. It is also sometime observed that wrong COS proposals are submitted by the Contractor intentionally in terms of item, quantity and rates. Such proposals are got rectified by the Consultant/NHAI through correspondence with the Contractor. Many times ambiguities in the proposals are observed repeatedly. Hence the COS proposal is further delayed on this account. Considering the reasons of delay it was discussed and decided that a committee comprising concerned Contractor, Consultant, Project Director, Regional Officer and Chief General Manager at NHAI Head Quarter shall be formed to scrutiny and finalize COS proposals through Video Conferencing and the proposal shall be finalized by this committee within a period to be decided by the Chairman.

**7. Issue No.7: Release of Running Payment to Contractors**

It was brought out that as per provisions stipulated in the contracts 75% payment of running invoice shall be released to contractor within 24 hours. The remaining 25% payment shall be released within 30 days after due scrutiny. However in most of the cases the provision of contract are not being adhered to. Delay in release of running payments is affecting the quality of services being provided by the contractors in terms of quality and time. The matter was discussed and it was decided that payment of running invoices should be released to the contractor within the stipulated period of the contract. Suitable directives shall be issued to all the disbursement authorities by NHAI Head Quarter in this matter. It was also decided that the process of release of payment shall be uploaded on official portal of NHAI for monitoring by the concerned authorities.

**8. Issue No.8: Quality of Construction Materials like Bitumen, Steel, Cement and Crash Barrier**

There has been deep concern about the quality of construction material like steel, cement, bitumen and crash barrier being currently used on NHAI projects. It is being observed by the authorities of NHAI during site visit that materials being used on the projects are not to the required standards.



It was brought out that NHAI has circulated various office memorandums approving a list of manufacturers/suppliers of construction materials like cement, reinforcement & structural steel, bitumen, emulsion and other products. Vide OM (modified) No.NHAI/TIC/PQ/2012-13/445/E-File/2252 dated 28.02.2024 a list of company/agency/brand and name of material/product e.g. cement, reinforcement steel, bitumen/modified bitumen/emulsion prestressing steel, prestressing duct, RE wall, Geo grid/Geo textile/Geo synthetic/Bridge bag, Expansion joint and metal beam crash barrier (W-Beam)/Thrie beam etc. has been circulated in order to avoid the need of repeated source approval for same product every time in different NHAI projects. The source of each product has been approved subject to submission of manufacturer test certificate along with third party test report, field test of individual batch/lots to be carried out before the material/product to be used, supply of fresh material, non-use of any material product not meeting prescribed standards and maintenance of records of material/product before their use on project. It is also provided that any manufacturer/supplier meeting with prescribed standard can approach who shall be considered for source approval as per laid down guidelines subject to fulfillment of conditions of source approval. It was brought to knowledge that all the renowned manufacturer/supplier company/agency are maintaining continuous quality consistency in their products while some of the manufacturer/supplier company/agency have a tendency to supply materials of desired quality at first instance and their quality of material is inconsistent in further supplies affecting overall quality of finished products.

NHAI vide Policy Circular No.10.4.23/2025 dated 20.02.2025 SOP for checks & control on quality of factory manufactured material/products being used in NHAI projects have been issued. The current system of one time source approval by NHAI Head Quarter has been abolished and one time source approval list has been discontinued by this circular. A list of preferred vendors/firms for supply of reinforcement steel, cement and emulsion has been circulated as Annexure-1 stating that these firms may be given preference by AE/IE while considering source approval at site and factory visit requirement for these firms may be dispensed with.

It was suggested that it should be made mandatory for the contractors to procure materials like reinforcement steel, cement and bitumen only from the vendors included in Annexure-1 at first instance. In case of non-supply of material by these vendors, contractor should be permitted to procure materials from other vendors only on submission of Non-Availability Certificate/No Objection Certificate from these vendors. Any other manufacturer/supplier meeting the prescribed standard can be considered for source approval as per laid down guidelines under IRC codes. It was also suggested that an additional post of Material Engineer be permitted in consultancy contracts who shall be responsible for testing of materials at factory site and at site of project.





As regards crash barrier, it was further brought out that manufacturer/agency are normally supplying materials to the required standards during sampling. The quality of materials is normally deteriorated during actual supply on the project. Source approval of crash barrier manufacturing company/agency has been accorded by NHAI vide OM (Modified) No.NHAI/TIC/PQ/2012-13/445/E-5:2252 dated 25.02.2024. It was suggested that out of this list 3 to 4 renowned manufacturer/agency can preferred and it should be made mandatory for the contractor/consultant to procure crash barrier from these manufacturers/agencies only. Supply of crash barrier from any other approved source should be permitted only after receipt of Non-Availability Certificate/No Objection Certificate by these manufacturers/agencies. The proposed additional position of Material Engineer shall look after the quality of crash barrier also.

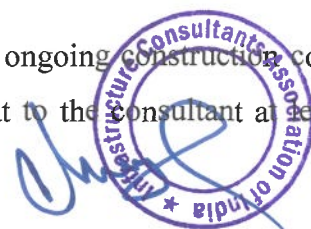
The matter was discussed at large and it was decided that it will be mandatory for the contractors/consultant to procure reinforcement steel, cement and bitumen from list of preferred vendor firms as per Annexure-1 at first instance. It will be mandatory to procure crash barrier from the manufacturer/agency to be decided by NHAI. Only after issue of Non-Availability Certificate/No Objection Certificate by these vendors source approval of other manufacturer/supplier meeting with prescribed standards as per laid down guidelines under IRC shall be considered. One additional post of Material Engineer should be permitted in the consultancy contract for material testing and visit to source.

#### **9. Issue No.9: Resolution of Contractual issues**

It was brought out that as per current procedure any contractual issue arising out of the project is generally dealt through proper channel by initiation in writing from the consultant level. It has been found to be obvious observed that any one position of either Consultant, Project Director or Regional Officer is not able to take any decision on the issue individually and resolution of issue is being abnormally delayed on this account as well as queries from any position. Delay in resolution of issues is severely affecting services being provided by contractor and the progress of project. It was discussed and decided that a committee of concerned Consultant, Project Director and Regional Officer shall be formed who shall discuss and decide any contractual issue arising on the project through Video Conferencing only within specified period to be decided by the Chairman.

#### **10. Issue No.10: Submission of Digital RFI**

It was brought out that currently it is provided under most of the ongoing construction contracts that the contractor shall submit RFI in hard copy in prescribed format to the consultant at least one day



before the proposed execution of activity for his inspection. The execution of particular component of work shall be carried out by contractor only after closure of RFI by the consultant staff. It is generally observed that RFI is not received by the consultant in time and sometime it is not at all received by the consultant. However the contractor claims submission of RFI to the consultant by retaining a copy of RFI. This procedure of personal submission of RFI due to above lacuna severely affects the timely execution and quality of work and also invites unnecessary dispute between the contractor and the consultant. The matter was discussed and it was decided that submission of digital RFI is already under consideration by NHAI which should be enforced from immediate effect. The NHAI Head Quarter shall issue necessary directives to all its executing authorities to incorporate the decision as a suitable clause in the RFP document to be published by NHAI in future for procurement of contractors for EPC/BOT/HAM etc. projects. The similar provision shall be made in the RFP document to be published by the NHAI in future for procurement of consultants.

#### **11. Issue No.11: Lowering Minimum Design Speed**

It was brought out that in most of the ongoing projects of NHAI it is stated that the alignment plan, L-section, X-section and design of crust appended with the documents are for reference only and contractor shall carry out his own traffic surveys, prepare longitudinal and cross sections, alignment survey, investigations, crust design etc.. Accordingly the contractor redesigns the project highway on the basis of his surveys and investigations. In most of the contracts maximum design speed has been specified. However taking advantage of above provision in the contract, the contractor propose changes in the provisions of various schedules and design speed forming change of scope. For example a Highway has been designed for minimum design speed of 100 Km. and IRC provides minimum design speed of 80 Km. on such project. The contractor taking advantage of above provision in the contract proposes minimum design speed of 80 Km. on the project and accordingly reduce the other structural components of Highway like Crust, Plan & Profile, FRL etc.. It is generally observed that lowering these provisions are not covered under negative Change of Scope as per current contract conditions. The reference to many circulars/guidelines/OMs issued by NHAI in this matter by the consultant are not agreed by contractor stating them not to be a part of their contract. The matter was discussed and it was decided that lowering the provisions of various schedules of the contract by reducing maximum design speed shall be covered under negative Change of Scope. This decision shall be incorporated in the current contracts by issue of suitable circular/guidelines and the provision shall be incorporated as suitable clause in the RFP documents to be published by NHAI in future for procurement of contractors and consultants on EPC/BOT/HAM etc. projects.



## **12. Issue No.12: Replacement of Key Personnel by Consultant during Contract Negotiations**

It was brought out that in ongoing contract documents of NHAI any clause relating to replacement of Key Experts on account of their unsuitability/engagement on other projects/medical grounds/non-appearance during Contract Negotiations do not exist. Hence such replacements during Contract Negotiations are being considered by the authorities of NHAI under Clause 4.5.2 with penalty and ceiling of replacement. However as per contract documents Sub Clause 4.5.2 of Clause 4.5 Removal and/or Replacement of Personnel General Conditions of Contract is applicable only after execution of Contract, while the contract is executed after Contract Negotiations and formation of final team of Key Experts after their replacements.

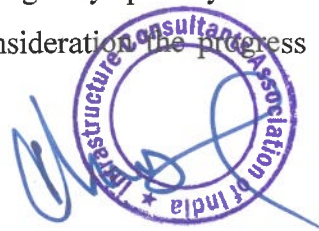
In some of the cases Key Personnel are replaced by NHAI with equal or better candidate/reduction in remuneration during contract negotiations. Thereafter a team of approved key experts has been formed before Agreement. The replacement of Key Expert during contract negotiations was approved under relevant clause of Agreement. However some of the authorities of NHAI are considering replacement of Key Experts during contract negotiations within limit of replacement specified in Sub Clause 4.5.2 of Clause 4.5 Removal and/or Replacement of Personnel General Conditions of Contract. While the limit of replacement specified under Clause 4.5.2 GCC relates to replacement of Key Experts after execution of the agreement.

The matter was discussed and it was decided that replacement of Key Personnel after execution of Contract Agreement should only be considered replacement under Sub Clause 4.5.2 of Clause 4.5 Removal and/or Replacement of Personnel General Conditions of Contract with reduction in remuneration and limit of replacement.

## **13. Issue No.13: Replacement of Key Personnel by Consultant after Original Contract period is over**

In the earlier ongoing contracts it is provided Clause 4.5 Removal and/or Replacement of Personnel Sub Clause 4.5.4 of GCC that there shall be no limit on the replacements and no reduction in remunerations shall be made. The replacement shall however be of equal or better score.

Thereafter in the ongoing contracts it is provided under Clause 4.5 Removal and/or Replacement of Personnel Sub Clause 4.5 (e) of GCC that in case of extension of contract, the Consultant can propose one time replacement of each key personnel without attracting any penalty or reduction in remuneration, subject to approval of the authority taking into consideration the progress of work at



site. Qualifications of replacements shall be better or equivalent to the original key personnel. Any further replacement will be governed as per contract provisions.

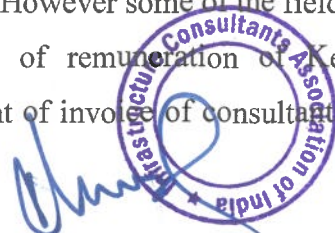
Accordingly replacement of any Key Personnel, who has completed, his assignment period as per contract agreement, should be permitted under above Clause 4.5.4 without reduction in remuneration and without any ceiling on replacement.

However some of the authorities of NHAI are wrongly considering above replacement as per provision under Clause 4.5 Sub Clause 4.5.2 of earlier agreements and Clause 4.5 Sub Clause 4.5(c) with reduction in remuneration and ceiling of replacement, while replacement of Key Personnel after completion of assignment period/original contract period should be considered under Sub Clause 4.5.4 without reduction in remuneration and ceiling of replacement.

Hence we request that replacement of any Key Personnel who has completed his assignment period as per contract agreement/ after completion of original contract period should be permitted with equivalent or better qualified Key Personnel without attracting any penalty or reduction in remuneration as per Clause 4.5.4 of GCC.

**14. Issue No.14: Reduction of remuneration for attendance less than 90% of Key Personnel/Sub Key Professional for civil projects**

NHAI vide Policy Circular No.10.2.32/2022 dated 05.12.2022 had issued clarification regarding reduction of remuneration for attendance less than 90% of Key Personnel/Sub Key Professional for civil projects. The percentage of reduction in monthly payment of all the Key Personnel in case of lesser attendance of various Key Personnel and Sub Professional staff was specified in this circular. Thereafter NHAI vide Policy Circular No.10.2.33/2023 dated 20.07.2023 further clarified that the deduction in monthly payments on account of inadequate deployment of Key Personnel/Other Key Personnel/Sub Professional shall be applied on the respective remunerative part/component of Key Personnel/Other Key Personnel/Sub Professional of the bill as per rates provided in the consultancy contract and not on the gross/total amount of bill. Accordingly it was clarified that deduction on account of inadequate deployment of any Key Personnel/other Key Personnel/Sub Professional staff shall be applied on the respective remunerative part/component of concerned Key Personnel/other Key Personnel/Sub Professional as per rates provided in the consultancy contract and hence prescribed deduction should not be applied on total amount of remuneration of the Key Personnel/other Key Personnel/Sub Professional included in the invoice. However some of the field authorities of NHAI are still applying such deductions on total amount of remuneration of Key Personnel/other Key Personnel/Sub Professional while releasing payment of invoice of consultant. Hence it was discussed

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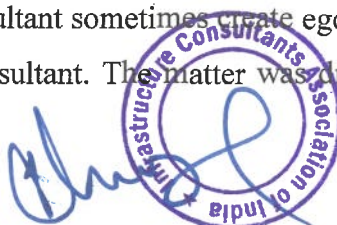
and decided that deduction of remuneration for attendance less than 90% of stipulated time during the month shall be applied to remunerative part/component of respective Key Personnel/other Key Personnel/Sub Professional only and not on the gross/total amount of bill. Suitable directives shall be issued to field authorities of NHAI by the concerned division.

**15. Issue No.15: Approval of CV of Key Personnel (Team Leader) as replacement**

It was brought out that currently CV of Key Personnel (Team Leader) proposed as replacement is submitted to NHAI Head Quarter directly by the consultant for approval. The approval of such CV is routed through the concerned Project Director and Regional Officer for their interaction with the candidate and recommendation. Current procedure of approval of CV of Key Personnel (Team Leader) is taking normally 4 to 6 months time. Delay in approval of CV of Team Leader as replacement is severely affecting the quality of services being provided to NHAI by consultants and it is observed also that the candidate proposed by consultant normally join other project offered by another consultant during this process of approval. The process of approval of such replacement need to be streamlined. Hence it was discussed and decided that if after interaction with the Project Director and Regional Officer, the proposed candidate is found to be suitable by them for the proposed position, the candidate shall be provisionally deployed on the project with remuneration for minimum period of 4 months. The final approval shall be accorded by the competent authority during the stated period. In case during final interaction/interview the candidate is found unsuitable by NHAI authorities, the consultant shall be instructed to remove immediately such candidate and propose another suitable candidate for the position on priority.

**16. Issue No.16: Similar capacity for the position of Team Leader in Government Organizations**

It was brought out that in the ongoing contracts the position of retired Superintending Engineer and above has been considered as similar capacity for the position of Team Leader. We understand that availability of candidates retired from these positions from Government organizations is much limited and also these positions are more administrative than Technical as per their defined duties and responsibilities in the department. The position of Executive Engineer is more Technical and less administrative in any Government engineering department. Also the Position of Project Director of NHAI is equivalent to the position of Execution Engineer in any Government Engineering organization. Deployment of an officer retired as Superintending Engineer or above from any Government department as Team Leader of the consultant sometimes create ego problems between the Project Director of NHAI and Team Leader of Consultant. The matter was discussed at large and it



was concluded that a candidate retired from any Government Engineering organization from the position of Executive Engineer shall be considered for the position of Team Leader of the consultant on the future projects of NHAI.

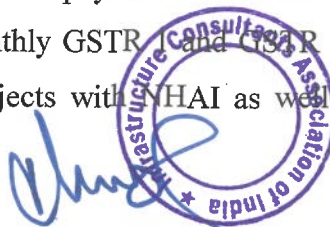
It was also brought out that the position of Assistant Engineer/Sub Divisional Officer in any Government Engineering organization is a completely technical position with duties and responsibilities of Survey & Investigations, preparation of Detailed Project Reports and supervision of Highways, Bridges, Water supply, Sanitary, Drainage etc. projects. On the basis of their longer experiences these candidates retired from any Government organization can be considered for remaining position of Key Personnel of consultant on such projects. The matter was discussed at large and it was decided in future projects of NHAI retired Assistant Engineer/Sub Divisional Officer from any Government Engineering organization shall be considered as similar capacity for all other position of Key Personnel in any consultancy contract.

#### **17. Issue No.17: Payment of Running Invoices of Consultant**

It was brought out that in the ongoing contracts the procedure for release of payment to the consultant have been defined under Clause 5 & 6 of General Conditions of Contract. Under Sub Clause 6.4 (c) Mode of Billing and Payment it is provided that 75% of bill raised by the Consultant shall be paid within 72 Hrs and remaining bill may be paid after due scrutiny. The Client shall cause the payment of the Consultants periodically as given in schedule of payment above within thirty (30) days after the receipt by the Client of bills with supporting documents. However it is a point of concern that the payment of monthly invoices to consultant are mostly delayed due to official procedures affecting quality of services of consultant. It is generally provided in the construction contracts that the contractor shall be released 90% payment of monthly invoice within 24 hours of receipt of bill by the client and remaining 10% payment shall be released within 30 days after due scrutiny. It was suggested that if this provision is applied to consultancy contract also, the quality of services can be improved. The matter was discussed at large and it was decided that Clause 6.4(c) of GCC of consultancy contract should be suitably modified and accordingly 90% of bill raised by the consultant shall be paid within 24 Hrs and remaining bill may be paid after due scrutiny. The Client shall cause the payment of the Consultants periodically as given in schedule of payment above within thirty (30) days after the receipt by the Client of bills with supporting documents.

#### **18. Issue No.18: Payment of GST to Consultant**

It was brought out that currently as per circular the payment of due amount of GST shall be released to the consultant only after submission of monthly GSTR 1 and GSTR 3B. In this connection it was submitted that the consultants are having projects with NHAI as well as other organizations also.



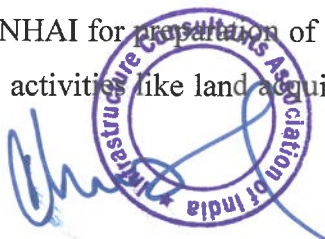
Procedurally on all the projects running account bill is submitted by the consultant to the concerned authorities for payment. The department scrutinizes the bill at various steps and the final amount due to the consultant is determined only after scrutiny, which normally takes 1-2 months. Only after determination of final amount of monthly invoice payable to the consultant and placing pass order by the department, the consultant is able to file GSTR 1 and GSTR 3B. This process normally takes 3 or more months and accordingly consultant is able to prepare and file GSTR 1 and GSTR 3B after more than 3 months of submission of monthly invoice to the client. On account of non-submission of GSTR 1 and GSTR 3B the amount of payment/reimbursement of GST is kept on hold by NHAI authorities. This situation is creating hardship to the consultant in maintaining cash flow on all the in-hand projects of NHAI and other organizations. This is in turn affecting the quality, progress and timely completion of projects. Accordingly it was prayed that at least 4 months time should be permitted to consultant for submission of GSTR 1 and GSTR 3B and pending these submissions the amount due to the consultant towards GST should be released along with monthly invoice. The matter was discussed at large and it was decided that consultant shall be permitted 4 months time for submission of GSTR 1 and GSTR 3B and due payment/reimbursement of GST amount shall not be withhold on this account till the permitted period.

**It is requested that the GST should be paid to Consultant along with the bill, if the consultant provides a CA certificate and online challan, GST should be paid to us along with the bill. If the consultant commits any default or fails to pay GST, they are solely responsible and liable for penalties, including imprisonment. Therefore, it is requested that a CA certificate could be taken from the CA and declaration from consultant, stating that if any default is detected, the consultant will be held responsible and blacklisted by NHAI. By incorporating such a provision, we can ensure that any consultant committing fraud will be blacklisted without any issues. Hence, it is requested that the GST bill be provided along with the challan and CA certificate and the consultant's details be shared accordingly.**

**Furthermore, we would like to add that we would like to add that we are also providing E-invoice, and the consultant's performance BG is also submitted with you. Therefore, we request that GST payment be made to us based on the CA certificate and GST challan, which we have paid for GST.**

#### **19. Issue No.19: Preparation of LA and Utility Shifting in Detailed Project Report**

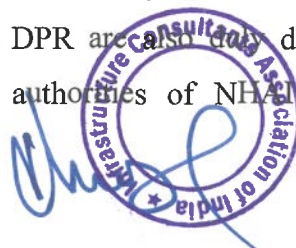
It was brought out that consultant engaged by NHAI for preparation of Detailed Project Report of any Highway project is required to carry out many activities like land acquisition proposal, utility shifting



proposal, forest land proposal etc. for which he is wholly dependent on the experts of concerned Government department. Consultant is nowhere involved in finalizing the list of affected person, khasra number and their land area & details of forest land in preparation of land acquisition proposal, planning & relocation of overhead and underground electrical utilities and planning & shifting/relocation of water supply & drainage utilities etc.. Hence consultant should not be held responsible for any discrepancy is observed during execution of project on all these accounts.

As far as acquisition of land required for the project is concerned various authorities of Revenue Department like Patwari, Revenue Inspector, SDM, CALA etc. play an important role in deciding Khasra Number, land area and ownership of the land and preparation of proposal of acquisition of land. The Ranger, SDO and District Forest Officer play an important role in preparation of proposal for transfer of Forest land. Authorities of Public Health Engineering Department, authorities of Water Resources Department, State Vidyut Vitran Company, Municipal Corporaton, Gram Panchayat etc. are responsible for preparation of estimates for shifting of underground and overhead utilities coming within the scope of project. The consultant is required to coordinate with the concerned authorities for preparation of above integral components of any DPR project. The consultant do not have any other option except to rely on the information, proposal and estimates provided by the concerned authorities of above Government departments, who are experts of their field. Accordingly it was presented that it is necessary to fix the responsibility of consultant as well as all other authorities involved in preparing of DPR. As above the responsibilities of correctness of Khasra number, Land area, Title of the land and acquisition of land coming under scope of project lies with Revenue department. The accuracy of estimate prepared for shifting of overhead and underground electrical utilities lies with the authorities of State Electricity Board/State Vidyut Vitran Company. The accuracy of estimate prepared for shifting of overhead and underground water supply utilities lies with the authorities of State Public Health Engineering Department/Gram Panchayat. The accuracy of proposal for acquisition of Forest land lies with the concerned Ranger/SDO and District Forest Officer. Hence all these authorities are only responsible for accuracy of requirement of private land & forest land, disbursement of compensation and shifting of utilities.

Initially the proposed alignment of Project Highway is approved by NHAI Head Quarter. Thereafter DPR prepared by any consultant on the basis of approved alignment is duly checked and scrutinized by the concerned Project Director and Regional Officer and recommended to NHAI Head Quarter. The Project Appraisal Committee constituted at NHAI Head Quarter further scrutinize and approve the DPR. Similarly other components proposed in DPR are also discussed and finalized by the authorities of NHAI. Accordingly concerned authorities of NHAI are equally responsible for





correctness of the provisions incorporated in the DPR. Similarly concerned authorities of State Revenue department should be made responsible for correctness of acquisition of private land and disbursement of compensation, authorities of Forest department for correctness of acquisition of forest land, authorities of State Electricity Board/Power Distribution Company for relocation and estimation of underground/overhead electrical utilities, authorities of State Public Health Engineering department/Municipal Corporation/Gram Panchayat for relocation and estimation of water supply/sanitation utilities and authorities of State Water Resources Department for relocation and estimation of water bodies etc..

It was further pointed out that alternative alignment of the project road is prepared on the basis of Topo sheets published by survey of India, which as on now does not reflect realistic ground position due to geographical and demographical changes after preparation of these toposheets. Hence many times difference is observed in the alignment proposed/finalized on the basis of these maps and reality on ground. The situation is beyond reasonable control and responsibility of any DPR Consultant. This issue can be resolved by updating current Topo sheets by Survey of India as to our knowledge revision of these Topo sheets has not been carried out since 1958.

It was also brought out that the aforesaid components of acquisition of private & forest land, currently incorporated as integral part of RFP document for preparation of DPR are expertise jobs part & parcel of the activities being regularly carried out by the employees of Revenue and Forest Department of the State. Hence it was proposed that the activity of acquisition of Private and Forest land required for any project can be deleted from the scope of work of the DPR Consultant and these activities can be carried out through local such experts retired from above departments or through any local agency already engaged in such type of activities.

**For Infrastructure Consultants Association of India**

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "Infrastructure Consultants Association of India" around the perimeter and a small star at the bottom.

**(Dr. L.N. Malviya)**  
**Chairman**