



**GOVERNMENT OF THE PUNJAB
PLANNING AND DEVELOPMENT BOARD
(ROAD SECTION)**

WORKING PAPER

PART A

Date of receipt of PC-I in P&D Board: 04-02-2025

PROJECT PROFILE:

1. Project Title: **REMODELING OF JHIKA GALI CHOWK.**
2. Location: District Murree
3. Sponsoring Agency: Communication & Works Department
4. Executing Agency: Punjab Highway Department
5. Operation & Maintenance Punjab Highway Department
6. Name of the Relevant Communication & Works Department, Finance Department
Department (s) /Pre-PDWP meeting was held on **27.02.2025** under the
Stakeholder(s) invited in chairmanship of Member (ID)
Pre-PDWP
7. Name of the Sector's P&DB Road Sector, Economic Wing
specialist / consultants /
advisor / expert / invited
in Pre-PDWP
8. Cost:

(Rs. in million)		
Original	1 st Revised	Increase
Rs. 1,795.095 (01.11.2024)	2,034.683 Proposed	239.588

9. Source of Financing Provincial ADP 2024-25 reflected at G. Sr. No. 1257
10. Allocation (2024-25) Rs. 997.200 million

11. BRIEF DESCRIPTION OF THE PROJECT:

The scheme is reflected in ADP 2024-25 under Gr. Sr No. 1257, with an indicated cost of Rs. 860.108 million for the remodelling of Jhika Gali Chowk at Murree. The initially formulated PC-I included minimal civil work provisions with the following scope:

- Widening of existing road.
- Land Acquisition cost as per marla cost by Revenue Department
- Structure Compensation by Building Department
- Retaining Structure (CR Masonary)

The scheme was presented before the PDWP in its 52nd meeting held on 03.05.2024 but was deferred for resubmission after re-evaluating the proposed widening of a 20' lane for traffic heading towards Lower Jhika Gali Road. Additionally, a detailed geotechnical investigation was required to mitigate the risk of slope failure and provide an accurate estimate for slope drainage structures.

Accordingly, consultant was engaged on a short-term consultancy basis. The intersection plan was reviewed as per the turning traffic of the junction, while geotechnical studies and a

Seismic Refraction Survey (SRS) were conducted to suggest appropriate retainage structures, considering the area's history of slope instability. NESPAK recommended the use of piles and RCC retaining walls instead of the originally proposed open-cut excavation with CR masonry retaining walls.

Based on the consultant's recommendations, the revised estimate for the remodeling of Jhika Gali was worked out. The provisions for land acquisition and structure compensation remained unchanged in the PC-I. After detailed deliberations, the revised PC-I amounting to Rs. 1,795.095 million was approved by the PDWP in its 40th meeting held on 28.10.2024. The approval was issued by the Secretary, C&W, vide letter No. SOH-II(C&W)2-13/2023 dated 01.11.2024.

The forum cleared the scheme with the condition that CWD must ensure that work orders for this scheme will only be issued after the completion of the land acquisition process, demolition of existing structures, and formal handover of the site by the District Administration, free from all encumbrances. Subsequently, the District Administration was approached to convene a meeting of the District Price Assessment Committee (DPAC), which was held on 27.11.2024. The committee assessed the estimated cost of land acquisition and structure compensation and also decided to approve the loss of business, given Jhika Gali's status as a major business hub of Murree. Based on the DPAC minutes, the Land Acquisition Collector determined the cumulative cost of land acquisition, business loss, structure compensation, and disturbance allowance to be Rs. 997.292 million. Meanwhile, the MRS quarter also changed, necessitating an urgent revision of the approved PC-I to proceed further.

Now, the C&W Department has submitted the 1st revised PC-I / cost estimate amounting to **Rs. 2,034.683 Million** for consideration of PDWP.

REASONS OF REVISION:

- i. Revision of scheme is proposed due to following reasons:

(Rs. in million)		
Sr. No	Reason of Revision	Cost Impact
1.	Due to provision of cost for "Loss of Business to Jhika Gali Affectees" as per assessment of DPAC.	432.160
2.	Due to increase in cost provision of "Resettlement cost" as per assessment of DPAC.	22.429
3.	Due to increase in cost provision of "Assessed cost of existing Buildings" as per assessment of DPAC.	0.617
4.	Due to decrease in cost provision of "Land Acquisition" as per assessment of DPAC.	-273.788
5.	Due to provision of land acquisition cost for Cantonment Land, along with its associated compensation, as per the Demand Notice (DN) issued by the Cantonment Board, Murree Hills.	130.975
6.	Due to amendments in rate of civil works based on MRS 1 st Bi-Annual 2025 rates.	-72.805
	Total	239.588

DESIGN & SCOPE:

Road Work

Widening of road	= 20 ft
Length of road	= 500 Rft

New Construction

Sub Base	= 6 inch
Base Course	= 8 inch
Carpet	= 3.5 inch (2" + 1.5")

Re-Carpeting Portion

Cold Milling	= 02 inch (L = 1000 Rft)
Carpet	= 02 inch

Slope Stabilization

Number of Piles	= 185 No
Dia of Pile	= 4 ft
Depth of Pile	= 70 ft

Road Structure

Breast Wall	= 250 Rft
Drop Structure	= 300 Rft
Construction of Drain	= 500 Rft
N-J Barrier	= 1000 Rft

Others

Land Acquisition	= 22.5 Marla
Cantonment Land	= 55.25 Marla
Compensation of Structures	= 69,302 Sft (L.F+GF+FF)

12. a) Sector Issues

Insufficient availability of funds against the ever-increasing demand of road infrastructure, resulting in generation of excessive throw forward

b) Sector Strategy

The provincial sectoral strategy envisages construction of a high quality infrastructure as planning, constructing and maintaining road network in public sector under need driven and cost effective regimes aiming at providing best possible means of communication to the general public

13. Relationship of the project with the Sectoral policy /Growth Strategy, 2023.

Project is aligned with the growth strategy, 2023

14. Alignment with the Punjab Spatial Strategy, 2047(Comments of urban unit)

N/A

15. Other major ongoing projects in the Sector

- i. REMODELING OF JHIKA GALI CHOWK, TEHSIL & DISTRICT MURREE (1ST REVISED).

16. BREAK DOWN OF THE CAPITAL COST

(Rs. in Million)

Sr. No.	Items	As per Approved PC-I	As per 1 st Revised PC-I	Difference
1.	Road Work	19.685	11.389	-8.296
2.	Road Structure	11.277	11.049	-0.228
3.	Road Furniture	0.192	0.175	-0.017
4.	Slope Stabilization of Valley	846.812	789.400	-57.412
5.	Land Acquisition	377.288	103.500	-273.788
6.	Compensation of Structure	384.077	384.694	0.617
7.	Shifting of Services	2.916	2.916	0.000
8.	Loss of Business	0.000	432.160	432.16

9.	Re-Settlement of Cost	54.510	76.938	22.428
10.	Topographic Survey	0.007	0.007	0.000
11.	Cost of Cantonment Land & Cost of Structure	0.000	130.975	130.975
12.	3% Contingency	26.339	24.360	-1.979
13.	2% Consultancy	17.559	16.240	-1.319
14.	5% P.S.T Charges	43.898	40.601	-3.297
15.	1.2% Geotechnical investigation & Design Charges	10.536	10.279	-0.257
	Total	1795.096	2034.683	239.587

17. UNIT COST

NA

18. PERIOD OF IMPLEMENTATION

15 Months (Till November 2025)

19. ANNUAL RECURRING EXPENDITURE

Rs. 0.5 Million per annum (approx.)

20. ANNUAL INCOME AFTER COMPLETION

N/A

21. REQUIREMENT OF VEHICLES/STAFF/CONSULTANCY (WITH JUSTIFICATION)

N/A

22. EXISTING FACILITIES

PART – B

23. TECHNICAL APPRAISAL

(Comments of R&B)

Pre-PDWP meeting was held on **27.02.2025** under the chairmanship of Member (ID), wherein project's salient features, design & scope was discussed. Imperative discussion was made on reasons of revision of this PC-1, Physical & financial progress of the scheme and details of price variations. Point wise discussion is listed as under:-

Sr. No.	Observation	Reply of the Department	Recommendations of pre-PDWP
1.	Provision of land acquisition charges may be justified as; i. Demarcation of area (Demarcation plan) including both private properties and cantonment land duly marked on google image along with area statement be provided.	Google map showing the private properties, MC Property and Cantonment Property is annexed.	Noted Sponsor to provide an area statement for each land unit to be acquired, along with ownership details.
2.	Sponsoring agency shall provide the total area of Cantonment Land along with the covered area of structures proposed for acquisition and compensation.	Total cantonment land has been communicated by Cantonment Executive Officer Murree Hills vide his office letter No. C.6-A dated 26-02-2025. The detail is as under:- 1. Cantonment Board Land 15042 Sft 2. Covered area of	Noted Sponsor should have included the provision in the original estimate based on site conditions. Furthermore, during the meeting, the sponsoring agency apprised that the

		structure 11534.17 Sft 3. Total number of structures = 31 Nos	demand notice is still in process at the office of the Military Land Officer and has not been finalized. Therefore, the sponsor must provide the actual cost of the provision along with the final demand notice.
3.	Cost basis for calculating provision of resettlement cost is to be provided.	As reported by LAC, Disturbance allowance/ Shifting allowance for Rs. 53.479 Million has been incorporated in the demand transmitted to Executive Engineer Highway Division Murree vide Letter No.143/ LAC dated 16.02.2025 as per Section 23 & 24, sub section 4 & 5 of Land Acquisition act, the said amount will be paid to the business owners that will be displaced.	Noted The cost provision in the instant revised estimate is for estimation purposes only, and expenditure under this head shall be subject to the demand notice of LAC.
4.	Justification for new provision related to compensation against loss of business amounting to Rs. 432.160 million in instant revised estimate.	As reported. By LAC DPAC meeting held on 27.11.2024 decided that to mitigate the impact of acquisition on local business, the provision of Loss of Business to be paid to Business owners, accordingly the provision has been incorporated in the demand generated by this office letter 16.02.2025.	Sponsor to provide the basis of making this provision in light of applicable rules, law and policy.
5.	It has been observed that the Land Acquisition Collector (LAC) issued a demand on 13.12.2024, indicating that the complete assessment of building structures had not been received. It was further conveyed that upon receipt of the assessment, additional funds would be required. In view of this, the sponsor must ensure the completion of the building structure assessment and incorporate the actual cost provision instead of a lump sum provision at	The Building department has rationalized the assessment of structure reduced from Rs. 384.69 Million to Rs. 213.91 Million, according the consolidated demand has stand reduced from Rs. 997.2 Million to Rs.796.498 M.	Noted

	this stage.		
6.	The revised PC-I includes lump sum provision of Rs. 2.916 million for the shifting of utility services. This provision must be actualized based on demand notices received from the relevant line agencies.	Provision of shifting of services is as per demand notice provided by IESCO. DN Attached	Sponsor must provide the copy of demand notice received from concerned line agency to justify/actualise this provision.

PART – C

24. ECONOMIC / FINANCIAL APPRAISAL

(Comments of Economic Appraisal Section and Finance Department)

PART – D

25. ENVIRONMENTAL APPRAISAL.

(Comments of Environment Department)

26. CONSIDERATION BY PRE-PDWP

The scheme is submitted by the C&W Department for 1st revised approval at a cost of **Rs.2,034.683 Million.**

27. RECOMMENDATIONS

- i. The scheme is placed before PDWP for consideration, at cost of **Rs.2,034.683 million.**
- ii. The provision for land acquisition, compensation for structures, loss of business, and resettlement costs included in the revised PC-I is for estimation purposes. The responsibility for determining and executing payments under these heads shall lie with the competent authority, in accordance with the applicable laws and rules prescribed under the Land Acquisition Act.
- iii. The gestation period of scheme shall be up to November, 2025.

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