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No. NH-11023/1/87-DO-I

Dated the 31st October, 1989.

To

The Secretaries (dealing with National Highways) Public Works Department of all States and U.Ts.;
Director General (Works), CPWD; Secretary, BRDB.

Subject: Admissibility of agency charges to the State PWDs in respect of Road Over-bridges/Road Under-bridges.

It has come to the notice of this Ministry that some of the State PWDs are projecting agency charges at 9% in respect of estimate for Road over-bridges/Road under-bridges to be constructed by the Railways as deposit works. As the Ministry of Railways is charging 12½% as Departmental charges as provided in para 1049 of the Railway Code, the admissibility of 9% agency charges claimed by some of the State PWDs has no justification. In view of persistent demand by a few State PWDs, this matter has again been examined in consultation with the Finance wing of this Ministry. Since the Departmental charges being paid to the Railways are to cover the cost of tools and plants, establishment and supervision etc., which is similar to the elements of agency charges paid to the Executing Agencies, it has been decided that payment of agency charges to the executing agencies in addition are not permissible in respect of ROB/RUBs where Departmental Charges are paid to the Railways. State PWDs are, therefor, requested not to include agency charges in the estimates for ROB/RUBs in respect of N.H. works which are executed by the Railways as Deposit Works.