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No. RW/RM-26 (1)/84

Dated the 21st August, 1984

To

The Chief Engineers of all State Public Works
Departments (dealing with National Highways)

Subject : Revision of rates of hire charges for Central Machines

I am to draw your kind attention towards this Ministry's letter No. RM-21 (3)/75, dated the 4th May, 1978 vide which rates of hire charges of Central machines were intimated to all the States. It had been *inter alia* mentioned therein that provision in the works estimate for the usage of Central machines should be made at these rates and should be notified in the N.I.T. accordingly.

2. The present rates of hire charges prescribed by the Ministry are based on the original purchase price of the equipments and are accordingly very low. The same was to be reviewed by states once in 3 years or earlier due to increase in staff wages, cost of POL, repair expenditure etc. Ministry is now considering revision of hire charges and the revised rates will be circulated shortly. Meanwhile, some of the States have revised rates of hire-charges of road-rollers and other machines belonging to them which are also used on N.H. works due to non-availability of Central machines and the revised rates have been taken into con-

sideration in the current schedule of rates. Such State P.W.Ds. particularly where enough central machines to cope up with the requirement of N.H. works are not available, have expressed difficulties in providing in the works estimate the low rate of hire charges prescribed by the Ministry and effect recoveries from contractors etc.

3. It has, therefore, been decided that pending revision rates of hire charges of Central machines, whenever machines are intended to be given to contractor, that the States may indicate in the N.I.T. either the rates of hire charges prescribed by the Ministry, or the rates adopted for the State Government owned machines, whichever is higher. When the Central machines are given to contractor, the actual hire charges as recovered from the contractor excluding running charges should be credited to the Central Head of Account as per existing procedure. In case the State machines are given to contractor, due to non-availability of Central machines, the hire charges recovered need not be credited to the Central head of Account.