NO. 2010/Elect(G)/148/6

The General Managers,
All Zonal Railways.

Sub: Charges applicable for railways work being executed by outside agencies.

References are being received from Zonal Railways seeking clarifications regarding levy of various charges like way leave charges, traffic & power block charges, supervision charges, track/line crossing charges, Direction & General charges, Departmental charges, Maintenance charges, Surveying & Estimate charges, Tower Wagon charges, Contingency charges, Miscellaneous charges etc. from organizations like RE, RVNL, other PSUs, Government & private parties and construction organizations even for the works that is being done by these organizations for Railways. Such charges, if levied by Railways are ultimately passed back to railways with contract additions of additional organizational/ service/ supervision charges by these organizations.

As far as organizations of IR (or its units such as Zonal Rlys, RE etc.) are concerned, there is apparently no justification for levying such charges. However for organizations other than IR, attention is drawn to the Railway Board letter No. 97/LML/24/3 dated 16.11.2005 and Para 1138 of Engineering Code where it is clearly stated that these charges are levied only to protect the financial and other interests of Railways. The Zonal Railways must consider this aspect before levy of these charges for the works done for Railways by other agencies as these charges with contract additions are finally borne by the Railways.

This issues with the concurrence of Finance Directorate of Railway Board.

(Sushil Kumar)
Director Elect. Engg. (PS)
New Delhi, dated 18.10.2011