



# CENTRAL PUBLIC WORKS DEPARTMENT

## OFFICE MEMORANDUM

**No.DGW/MAN/162**

**ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS**

NIRMAN BHAVAN, NEW DELHI

DATED:-

26.09.2008

**Sub : Increase in contractor's Profit and Overheads to 15 %.**

Reference is invited to the O.M. No. DGW/MAN/150 dt. 14.12.2007 vide which the decision of Directorate to increase the rate of contractor's Profit and Overhead from 10 % to 15 % was conveyed. In this regard MoUD has approved enhanced CP&OH vide their O.M. No. 2/187/2007-08 CW Bd dated 25.4.2008

Also some of the field Units has raised a doubt whether the enhanced CP&OH is applicable for Analysis of Rates of items not covered in DSR. It is clarified that the enhanced CP&OH @ 15% shall be followed for analysis of all items of work both Schedule & Non Schedule pertaining to Civil, Electrical and Horticulture works etc. for the purpose of estimation, justification and to the additional/substituted items/deviated quantities of items to be sanctioned on market rates beyond deviation limit etc. carried out under the contract wherever applicable.

However for running works where contract has a provision of 10 % CP&OH (Schedule F), only 10 % is to be considered

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Superintending

Engineer(C&M)

Issued vide file No. CSQ/CM/M/18(7)/2007

As per mailing list attached overleaf