

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

Letter No. 15621 /F.,
FIN-WF1-MISC-0051-2025

Date: 22.05.2025

From

Saswat Mishra, IAS
Principal Secretary to Government

To

**DC-cum-Additional Chief Secretary/
Additional Chief Secretary/
Principal Secretary/ Commissioner-cum-Secretary/ Secretary
(All Departments)**

Sub:- Revision of Supervision/Overhead Charges in respect of execution of construction works allotted to Departmental Undertakings/ Public Sector Undertakings

Madam/Sir,

In pursuance of Finance Department Letter No.25217/F. dated 30.07.2018, Construction Corporations/ Public Sector Undertakings are entitled to Supervision/ Overhead Charges@8% (of actual expenditure) for civil works awarded to them by State Government entities. Apart from this, they are also allowed additional incentive of 2% of the actual expenditure for timely completion of the awarded work.

However, Government has now been pleased to discontinue/withdraw the provision of additional incentive of 2%, as stated above, with immediate effect. On the other hand, following punitive measures will be imposed on Construction Corporations/ PSUs for delay in project completion.

In case of delay, for reasons attributable to the Construction Corporations/ Public Sector Undertakings, Supervision/ Overhead Charges will be reduced by 1% (from 8%) for delay of 12 to 15 months (i.e. No reduction for delay up to 12 months) and additionally by 0.25% for delay of every 3 months thereafter.

These guidelines shall come into force with immediate effect, but shall not be applicable to ongoing works, i.e. works for which work order has already been issued by the date of issue of this letter.

You are, therefore, requested to circulate this to all concerned working under your administrative control for strict compliance.

Yours faithfully



Principal Secretary to Government 21.05.2025

Memo No. 15622 /F.,

Date 22.05.2025

Copy forwarded to Works-II Branch for information and necessary action with reference to their Letter No.25217/F., dated 30.07.2018.


Under Secretary to Government