

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:2805  
ANSWERED ON:15.03.2010  
REVISED RATES FOR INCOMPLETE WORKS UNDER PMGSY  
Kumar Shri Vishwa Mohan

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether the construction work of roads under Pradhan Mantri Gram Sadak Yojana (PMGSY) in the country including Bihar is hampered due to payment of old rates by National Building Construction Corporation (NBCC) and other implementing agencies;
- (b) if so, the details of works completed in each State under PMGSY during the last three years and the current year;
- (c) the details of funds allocated/utilised during the said period, State-wise and Union Territory-wise;
- (d) whether in view of current price rise, the Government intends to complete the works under PMGSY on revised rates in Bihar; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

- (a) The contracts for construction of roads under PMGSY are fixed price contracts and hence changes in prices of construction materials do not affect the contract value subsequent to award of contracts.
- (b) The length of road works completed in each State under Pradhan Mantri Gram Sadak Yojana (PMGSY) during the last three years and the current year, till January, 2010 is given at Annexure-I.
- (c) State-wise details of expenditure incurred under PMGSY during the last three years and the current year, till January, 2010 is given in Annexure-II.
- (d)&(e) Though the contracts for construction of roads under PMGSY are fixed price contracts and hence changes in prices of construction materials do not affect the contract value subsequent to award of contracts, yet revision in estimated cost of projects is permitted, on case-to-case basis, in order to accommodate increase in prices of steel, cement and bitumen upto 75 days from the date of clearance of the projects by the Ministry. This revision is allowed only for projects, which have not been awarded.