

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:2989

ANSWERED ON:24.07.2009

DELAY IN COMPLETION OF PROJECTS UNDER PMGSY

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the number of project proposals received and approved by the Union Government under the Pradhan Mantri Gram Sadak Yojana (PMGSY) and the number of projects completed by the State Governments during each of the last three years and the current year, State-wise;
- (b) whether the works on some of these approved projects have not started in time;
- (c) if so, the reasons therefor;
- (d) whether some of the projects which are being implemented are running behind schedule;
- (e) if so, the State-wise details of such projects, the likely delay in their completion and the cost escalation due to such delay; and
- (f) the corrective steps taken/being taken by the Government in this regard?

Answer

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

(a): Number of project proposals (road works) received and approved by the Government of India under Pradhan Mantri Gram Sadak Yojana (PMGSY) during the last three years and the current year upto May, 2009 are given in Annexure-I. The number of projects (road works) completed by the State Governments during the last three years and the current year upto May, 2009 are given in Annexure-II.

(b)&(c): Some of these approved works have not started in time. Major reasons for not starting in time are:

- (a) Non receipt of responsive bids in 1st or subsequent calls.
- (b) Inadequate institutional capacity and delegation of powers to State Government Officers.
- (c) Delay in obtaining forest clearance.
- (d) Enforcement of Model Code of conduct in connection with various elections.
- (e) Security related problems in some parts of the country.
- (d): Yes, Sir.

(e): As per guidelines, schedule time for completion of projects is 12 months for plain areas & 18 months for hill areas from the date of award of tender. Time of completion is varying from State to State. For majority of works completion time is 15-24 months in plain areas & 24-30 months in hill areas. The State-wise details of works not completed within expected date under PMGSY is given in the Annexure-III.

These contracts are fixed price contracts and there is no price variation clause in the contracts. However, if there is any cost escalation due to such delays, it is borne by the State Governments from their own resources.

(f): As per PMGSY Guidelines, implementation of the PMGSY is the responsibility of the State Governments. The State Governments have been advised to expedite the pace of execution of projects. On the part of the Ministry the following steps have been taken to facilitate timely completion of works under PMGSY.

In order to improve contracting capacity in states, the Standard Bidding Document (SBD) has been amended to facilitate participation of small and medium as well as large contractors.

The State Governments have been advised to deploy adequate number of dedicated Programme Implementation Units (PIUs) commensurate with their work load.

The State Governments have been advised for e-tendering the projects under PMGSY to expedite the process of tendering and also

to ensure transparency.

Performance incentive for timely completion of projects has been introduced in September, 2006 under which contractors delivering projects within schedule are accorded higher weightage in qualification assessment in future contracts.

State Governments have been advised to closely monitor the schedule of implementation and levy liquidated damages, wherever required.

Review and monitoring meetings are being held regularly for proper monitoring of the progress.

Ministry of Environment and Forest approached to simplify procedures for forest clearance. Meetings also held with the Forests Department Officials and the implementing agencies in the States of Himachal Pradesh & Uttarakhand.

Imparting training to the field personnel for building their capacity in programme implementation.