

No. RBD/POM/e-file/16/2026/3376(1)/Section C

Government of Gujarat
Roads & Building Department,
Block No.14/2, Sachivalaya, Gandhinagar
Date:- /05/2026

Reference:

1. Office order of even number dated 23/04/2026 for committee formed to decide the suggested procedure for calculating price escalation for road works, taking into account the increased prices of bitumen.

Subject:Cost Escalation Compensation Mechanism for State Government Projects due to surge in fuel, construction material prices, and logistics cost reg.

With a view to ensure uninterrupted execution and maintenance of Construction Projects in the State of Gujarat, the following measures are hereby adopted for implementation in all applicable works under **State government, Municipal Corporation, Municipality, Board and Corporation of State government.**

1. Relaxation in Schedule-H for EPC projects and Schedule-G for HAM Projects to enable monthly payment to Contractors/Concessionaires for work executed and complying with quality specifications & standards.
 2. Price adjustment in EPC projects, WPI for (a) Construction Machinery, (b) Ordinary Portland Cement, (c) for all commodities, (d) Mild Steel, may be taken for one month prior to the relevant Interim Payment Certificate (IPC) month in place for three months prior to the relevant IPC month. Similarly, in case of price adjustment for bitumen, the official retail price of bitumen may be taken as the first day of the month, one month prior to the IPC month, in place of first day of the month three months prior to the relevant IPC month.
 3. Price Adjustment under EPC contracts may be paid along with the monthly payments and price escalation, in HAM contracts, calculated using the Price Index Multiple (PIM) may be paid along with monthly payments.
2. These measures have been put in place for a period of 3 months w.e.f. ૧૬ April 2026 i.e. up to 30th June, 2026 or till the global situation improves.
3. This issues with the approval of Competent Authority.

(H L Suthar)

Officer on Special Duty (S.P.)
Road and Building Department
Gandhinagar

To,

1. Additional Principal Secretary to Hon'ble Chief Minister, Swarnim Sankul, Secretariat, Gandhinagar
2. Additional Chief Secretary, Finance Department, Secretariat, Gandhinagar
3. Additional Chief Secretary, Industries and Mines Department, Secretariat, Gandhinagar
4. Additional Chief Secretary, Health and Family Welfare Department, Secretariat, Gandhinagar
5. Additional Chief Secretary, Education Department and Secretary, Roads and Buildings Department, Secretariat, Gandhinagar
6. Principal Secretary, Ports and Transport Department, Secretariat, Gandhinagar
7. Principal Secretary, Home Department, Secretariat, Gandhinagar
8. Principal Secretary, Urban Development Department, Secretariat, Gandhinagar
9. Secretary, Narmada, Water Resources, Water Supply and Kalpsar Department, Secretariat, Gandhinagar
10. Special Secretary, Roads and Buildings Department, Secretariat, Gandhinagar
11. Special Secretary, Narmada Water Resources, Water Supply and Kalpsar Department, Secretariat, Gandhinagar
12. Accountant General (A&E), Race Course, Rajkot

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Approved By: CE (N.G.) and A.S,RBD_CEAS1,RBD

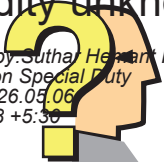
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13. Accountant General (Audit-II), Ahmedabad
14. *Secretary, Gujarat Vigilance Commission, Gandhinagar (By Letter)
15. All Chief Engineers, Roads and Buildings Department, Secretariat, Gandhinagar
16. All Superintending Engineers of R&B Circle / Panchayat (R&B) Circle / National Highway (R&B) Circle / State Highway Project Circle / Project Circle / Electrical Circle / Design Circle, with a request to circulate to all subordinate offices under their jurisdiction
17. Director, GERI, Vadodara
18. Financial Advisor, Roads and Buildings Department, Secretariat, Gandhinagar
19. All Project Branches, Roads and Buildings Department, Secretariat, Gandhinagar
20. Section Officer, Privatization Branch, with a request to upload the Resolution on the Department's website
21. Select File – 2026

Validity unknown

Signed by: Sutha Hemant Kumar L
Officer on Special Duty
Date: 2026.05.06
18:14:18 +5:30



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