

Standing Committee Report Summary

Pradhan Mantri Gram Sadak Yojana

- The Standing Committee on Rural Development (Chair: Dr. P Venugopal) submitted its report on ‘Pradhan Mantri Gram Sadak Yojana’ on March 20, 2017. Pradhan Mantri Gram Sadak Yojana (PMGSY) was introduced in 2000 to provide single, all-weather road connectivity to unconnected habitations in rural areas. The Ministry of Rural Development along with state governments is responsible for the implementation of PMGSY. The salient observations and recommendations of the Committee include:
 - **Maintenance of rural roads:** For ensuring sustainability of roads built under PMGSY, each contractor has to provide for: (i) defect liability for five years, and (ii) paid routine maintenance after completion of work. The Committee noted that 21% of the completed work under PMGSY was not properly maintained. Further, only 15 states had formulated Rural Roads Maintenance Policy. Out of a target of training 7,271 persons, so far only 1,732 engineers and 1,020 contractors have been trained.
 - The Committee recommended that the Ministry should ensure that the remaining states expedite the process of formulating Rural Roads Maintenance Policy, in order for the roads built under the scheme to remain functional. A time-bound strategy should also be evolved to impart training to remaining engineers and contractors for proper maintenance of roads.
 - **Monitoring mechanism:** The Committee noted that frequent transfers of trained and experienced staff in State Rural Roads Development Agencies hampers the effectiveness of monitoring the scheme. It observed that few states don’t update the physical and financial progress of the scheme regularly on the Online Monitoring Management and Accounting System. Further, the various modules of this accounting system make updating of data difficult.
 - The Committee recommended that the staff responsible for updating data on the accounting system should be trained in the various modules of the system in a time-bound way. The physical verification process of constructed roads should also be made more robust.
 - **Physical progress:** The Committee noted that 23,673 projects across the country were behind schedule due to reasons including: (i) inadequate execution and contracting capacity, and (ii) unavailability of land and forest clearances. It observed that nine states including Bihar, Rajasthan, West Bengal and Odisha were the lagging behind in construction of roads. Further, since the inception of the program, out of 1,83,599 eligible habitations, only 1,19,156 (65%) have been connected.
- The Committee recommended that adequate number of implementing agencies should be established in states that are lagging behind. Issues such as contracting capacity, availability of raw materials, and getting relevant clearances should be addressed on a priority basis with stakeholder consultations, for timely progress of the scheme.
- **Upgradation of the scheme:** In 2013, PMGSY-II was launched, under which only upgradation of rural roads could be taken up. The Committee noted that till 2016, only eight states had transitioned into the second phase of the program. Out of a target length of 50,000 km between 2012 and 2017, 13,525 km of road length has been sanctioned and 7,701 km has been completed in these eight states up to 2016. It recommended that necessary steps should be taken to achieve targets set under the scheme.
- **Availability of funds:** The Committee recommended that with enhanced funding for the scheme from 2015-16, the Ministry should ensure that: (i) finances are utilised optimally and properly, (ii) leakages are checked, (iii) utilisation certificates are received on time, and (iv) e-payments are the preferred mode for payments to contractors.
- **Procurement process:** The Committee noted that there were issues in procurement of work in Uttar Pradesh and Manipur. Non-payment of dues to contractors was observed in Uttarakhand. Award of contracts to dubious contractors, and contractors not doing work after award of the tender was also noted.
- The Committee recommended that a national data base of corrupt and dubious contractors should be prepared, to avoid awarding tenders to them in the future. The procurement process should be upgraded to address the current issues in it. The Ministry should also ensure timely payments to contractors so that workers are paid on time.



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