

National Rural Roads Development Agency
Ministry of Rural Development, Government of India

Agenda for the 17th Meeting of the General Body scheduled for
1st February, 2013

Item No.1	Confirmation of the proceedings of the 16th meeting of the General Body held on 30th July 2012				
	<p>Proceedings of the previous meeting held on 30th July 2012 are placed at Appendix-I.</p> <p>Action taken on the Minutes is as follows:</p> <table> <tr> <td><i>Item No.1</i></td><td> <p>Confirmation of the proceedings of the 15th meeting of the General Body.</p> <p><i>No further action is called for.</i></p> </td></tr> <tr> <td><i>Item No.2</i></td><td> <p>Adoption of the Audited Accounts of NRRDA for the year 2011-12.</p> <p><i>The General Body, after due deliberations, adopted the Audited Balance Sheet and Income & Expenditure Statement for the year 2011-12 and resolved that balance instalments of 2012-13 and its interest amount should be repaid to NABARD as early as possible. General Body also directed for advance repayment to NABARD for year 2013-14 from the BE 2012-13 in the light of opening balances with States, their expenditure trends and implementation capacities.</i></p> <p><i>An amount of Rs.3,700 crore due for payment to NABARD during the current financial year was pre-poned on 29th June, 2012 (Rs.2,000 crore), 20th July, 2012 (Rs.624.36 crore) and 5th October, 2012 (Rs.1,075.64 crore). Rs.643.19 crore has also been paid to NABARD as interest upto 31st December, 2012 and Rs.184.32 crore is payable on 31st March, 2013 as per provisions of Tripartite Agreement dated 27th September, 2007.</i></p> <p><i>Further, as directed by General Body, a proposal for advance payment of loan amounting to Rs.3,700 crore to</i></p> </td></tr> </table>	<i>Item No.1</i>	<p>Confirmation of the proceedings of the 15th meeting of the General Body.</p> <p><i>No further action is called for.</i></p>	<i>Item No.2</i>	<p>Adoption of the Audited Accounts of NRRDA for the year 2011-12.</p> <p><i>The General Body, after due deliberations, adopted the Audited Balance Sheet and Income & Expenditure Statement for the year 2011-12 and resolved that balance instalments of 2012-13 and its interest amount should be repaid to NABARD as early as possible. General Body also directed for advance repayment to NABARD for year 2013-14 from the BE 2012-13 in the light of opening balances with States, their expenditure trends and implementation capacities.</i></p> <p><i>An amount of Rs.3,700 crore due for payment to NABARD during the current financial year was pre-poned on 29th June, 2012 (Rs.2,000 crore), 20th July, 2012 (Rs.624.36 crore) and 5th October, 2012 (Rs.1,075.64 crore). Rs.643.19 crore has also been paid to NABARD as interest upto 31st December, 2012 and Rs.184.32 crore is payable on 31st March, 2013 as per provisions of Tripartite Agreement dated 27th September, 2007.</i></p> <p><i>Further, as directed by General Body, a proposal for advance payment of loan amounting to Rs.3,700 crore to</i></p>
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		<p><i>NABARD due for the year 2013-14 from the BE 2012-13 was sent to Ministry of Finance, which has not been agreed upon by them.</i></p>
	Item No.3	<p><i>Approval of Annual Report of NRRDA for the year 2011-12</i></p> <p><i>After the approval of General Body, the Annual Report including audited Annual Accounts have since been laid before the Houses of Parliament on 20th December 2012.</i></p>
	Item No.4	<p><i>Rationalization of terms and conditions of deputation and retired employees engaged on contract basis and fixation of consolidated service fee to support staff.</i></p> <p><i>Proposals regarding rationalization of terms and conditions of service in respect deputations, retired employees engaged in NRRDA on contract basis and support staff engaged on contract through manpower service provider as approved by the General Body have since been implemented.</i></p> <p><i>Proposal regarding grant of special allowance @ 10% of the basic pay plus Grade Pay without any ceiling but no deputation duty allowance has been referred to IFD.</i></p> <p><i>The General Body had delegated the power to Executive Committee to decide the issue regarding payment of OTA to support staff engaged through service provider. Accordingly, as decided by the Executive Committee in its meeting held on 27th November 2012, the same has since been implemented.</i></p>
	Item No.5	<p><i>Ratification of amendments in "Honorarium and TA Bye Laws for NQMs 2006"</i></p> <p><i>The General Body ratified the increase in the rates of honorarium, daily allowance and lodging charges and advised to amend relevant NRRDA's Bye-Laws. The relevant provisions of "Honorarium and TA Bye Laws for NQMs 2006" have since been amended.</i></p> <p><i>The Hon'ble Minister(RD) and President NRRDA had</i></p>

		<p><i>directed that operation area of NQMs should not remain same for more than three years to ensure bias free approach. As per the guidelines, the NQMs are not deployed for inspection of road works in the State to which they belong or from where they have retired. Further, the States and Districts allotted to NQMs are rotated frequently. This approach takes care of the directions of Minister (RD) to ensure bias-free approach in the supervisory and monitoring role of NQMs.</i></p> <p><i>The President NRRDA had further advised that NRRDA should also engage some young professionals as consultants to improve its functioning. In compliance to this, an advertisement was published in English and Hindi national dailies to engage young engineering and finance professionals. In response to this 18 applications were received out of which 2 consultants have been selected after due selection process.</i></p>
	Item No.6	<p>Any other item with the permission of the Chair</p> <p><i>i) ATR on Mckinsey Report enclosed at Appendix-II.</i></p> <p><i>ii) As a part of improvement in service terms and conditions for deputation, the General Body in its last meeting held on 30th July 2012, considering the fact that there were five Directors in NRRDA, had approved the proposal for purchase of five flats providing further funds of Rs. 13 crore in addition to the existing provisions in the BE 2012-13. Rs. 16-18 had been concurred by IFD. However, despite request to DDA to finalize the deal for purchase of five 3 BHK flats at Commonwealth Games Village, further headway in the matter could not be made as sale of flats is Sub-judice. However, other options are also being explored.</i></p>
Item No.2	Approval of RE 2012-13 and BE 2013-14	
	<p>Clause 21 (c) (ii) of NRRDA Bye laws provide that the Executive Committee shall consider the annual and supplementary budgets placed before it and pass them with such modifications as may be</p>	

deemed necessary, for submission to General Body. Accordingly, Revised Estimates for 2012-13 and Budget Estimates 2013-14 were placed before Executive Committee in its 28th Meeting held on 19th December, 2012, who recommended that the same may be placed before General Body in its next meeting for their approval. The Receipts & Expenditure under RE 2012-13 and BE 2013-14, ***at a glance***, are as under:-

(In crore of Rs)

Particulars	BE 2012-13	RE 2012-13	BE 2013-14
<u>Receipts</u>			
i) Grant from MoRD	15.00	22.49*	20.50***
ii) Receipts from GOI-WB (RRPI & II)	3.30	8.36	28.00
iii) Receipts from GOI-ADB	0.60	0.60	1.00
iv) Receipt for making repayment of loan to NABARD	3700.00	3,700.00	3,700.00
v) Receipt for making payment of interest to NABARD	941.21	826.94	747.50
Total Receipts.	4660.11	4,558.39	4,497.00
*Includes (opening balance of previous year interest and Misc. Receipts amounting to Rs. 8.49 core).			
<u>Expenditure</u>			
i) For running the office of NRRDA	16.00	**21.92	20.50***
ii) WB loan RRP I&II	3.30	8.36	28.00
iii) Consultancy under ADB	0.60	0.60	1.00
iv) Repayment of loan to NABARD	3700.00	3,700.00	3,700.00
v) Payment of Interest to NABARD	941.21	827.51	747.50
Total Expenditure	4661.11	4,558.39	4497.00

**** Note:** Rs.6 crore is being kept aside for purchase of flats for officers coming on deputation from State Governments.

*******Include Rs. 6 crore towards proposed rent for office.

Detailed Agenda is placed at **Appendix III**.

The General Body is requested to approve the Revised Estimates for

	the year 2012-13 and Budget Estimates for the year 2013-14.
Item No.3	Empanelment of new NQMs and performance review of the existing NQMs
	<p><u>Empanelment of new NQMs</u></p> <p>A Three tier Quality Control Mechanism is operational under Pradhan Mantri Gram Sadak Yojana (PMGSY). Under the Third tier of quality mechanism, National Quality Monitors (NQMs) are engaged for carrying out inspection of works. The NQMs are selected by an independent Selection Committee on the basis of laid down criteria.</p> <p>The performance of the existing NQMs is reviewed regularly by NRRDA through an independent Committee.</p> <p>NRRDA has constituted two independent Committees, one for performance evaluation and the other for selection and performance review of NQMs. The composition of both the Committees is given below:</p> <p>Performance Evaluation Committee:</p> <ol style="list-style-type: none"> 1. Officers drawn from reputed Principal Technical Agencies/ State Technical Agencies - 6 Nos. 2. One non-working NQM to help evaluation work <p><u>Selection Committee</u></p> <ol style="list-style-type: none"> 1. Secretary General, Indian Roads Congress - Chairman 2. Director, Indian Academy of Highway Engineers - Member 3. Representative of Central Road Research Institute – Head Flexible Division - Member 4. Director General (Retd.) – Shri S.C. Sharma, Ministry of Road Transport & Highways - Member 5. Dr. Praveen Kumar, Professor, Deptt of Civil Engg., Indian Institute of Technology, Roorkee - Member 6. Dr. C.S.R.K. Prasad, Head Transportation Divn., Deptt. Of Civil Engg., National Institute of Technology

	<p>Warangal - Member 7. Director (P-III), National Rural Roads Development Agency - Convener</p> <p>As indicated above, the performance of the existing NQMs is reviewed regularly. As per the criteria for rating of performance, those NQMs who secure 75% and above marks are rated as 'Outstanding', NQMs having marks between 61-75% are rated as 'Satisfactory', NQMs having marks between 50-60% are rated as 'Marginal' and NQMs having less than 50% marks are rated as 'Unsatisfactory'. NQMs rated as 'Outstanding and 'Satisfactory' are continued. However, NQMs rated as 'Marginal' are continued for the time being and their performance is evaluated after three months. Their further continuation is subject to their 'Satisfactory' rating in the subsequent review.</p> <p>The proceedings of the Performance Evaluation Committee are placed before the Selection Committee for recommendation.</p> <p>During the last two years five meetings, three of Selection Committee and two of Performance Evaluation Committee were held. During these meetings, 34 candidates have been recommended for empanelment as NQMs, 26 existing NQMs have been recommended for discontinuation based on their performance & non-adherence of guidelines and 9 candidates have been rated as 'Marginal'. NQMs rated as 'Marginal' are continued and their performance is evaluated in the subsequent review. Their further continuation is subject to their 'Satisfactory' rating in the subsequent review.</p> <p>This is for kind information of General Body.</p>
Item No.4	Revision of Honorarium and TA for Non -NRRDA professionals
	<p>The Executive Committee in its meeting held on 10.3.2006 had recommended that rates for both NQMs and Non-professionals should be at par. However, the General Body in its meeting held on 10th April, 2006 approved two sets of rates of Honorarium and TA Bye -Laws, one for NQMs and other for Non -NRRDA personnel like STA/PTA and other experts, though both categories of professionals used to be invited together in the same meetings and other programmes.</p> <p>Since April 2006, the rates of TA/ Honorarium for NQMs have been</p>

	<p>revised in September 2010 and July 2012 with the approval of General Body.</p> <p>To remove the anomaly between the rates of honorarium and TA of NQMs and other non-NRRDA professionals, a proposal is placed before the General Body to revise the existing rates of honorarium and TA of these professionals/experts to bring it at par with NQMs as detailed in Appendix IV.</p>
Item No.5	Any other Agenda with the permission of chair

**NATIONAL RURAL ROADS DEVELOPMENT AGENCY
MINISTRY OF RURAL DEVELOPMENT, GOVT OF INDIA, NEW DELHI**

**MINUTES OF THE 16th MEETING OF THE GENERAL BODY OF NATIONAL RURAL
ROADS DEVELOPMENT AGENCY HELD ON 30th JULY 2012 AT NRRDA, NEW DELHI**
(List of members present is annexed)

At the outset DG, NRRDA welcomed the Hon'ble Minister (RD) & President, NRRDA, Secretary (RD) & Vice President, NRRDA and other members. The Agenda items were then taken up for discussion as under:

Item No. 1	Confirmation of the proceedings of the 15th Meeting of the General Body held on 28th January 2012
	Director General informed that Minutes of the 15 th Meeting were circulated amongst the members and briefly explained the action taken on the proceedings of the 15 th Meeting of the General Body. He stated that no comments on the Minutes had been received from any member and therefore, proceedings as such were proposed for confirmation of the General Body, to which the General Body agreed. The Minutes of the 15 th Meeting of the General Body were confirmed.
Item No. 2	Adoption of the Audited Accounts of NRRDA for the year 2011-12.
	<p>The Director General and Director(F&A) gave a brief account of the audited Annual Accounts of the Agency for the year 2011-12 and action taken on the audit observations.</p> <p>The members also discussed the position of repayment of NABARD loan. Director (F&A) informed that in the BE 2012-13 Rs. 4,641.21 crore (Rs. 3,700 crore towards repayment of principal plus Rs.941.21 crore towards interest) had been provided for repayment. The General Body resolved that balance installments of 2012-13 and its interest amount should be repaid to NABARD as early as possible. General Body also directed for advance repayment to NABARD for year 2013-14 from the BE 2012-13 in the light of opening balances with</p>

	<p>States, their expenditure trends and implementation capacities.</p> <p>The General Body, after due deliberations, adopted the Audited Balance Sheet and Income & Expenditure Statement for the year 2011-12.</p>
Item No. 3	Approval of Annual Report of NRRDA for the year 2011-12.
	<p>The Director General gave a brief account of the activities carried out during the period under report. He informed that the Executive Committee in its 26th meeting held on 5th July 2012 had recommended the Annual Report for placing it before the General Body. It was desired by Hon'ble MRD & President that NRRDA should share the recommendations and ATR with the States and also, take steps for impact analysis of outcomes in the States like Bihar, Orissa, Jharkhand and Jammu & Kashmir, where the volume of expenditure had been on the higher side. The Secretary & Vice President suggested to incorporate the Action Taken Report on the recommendations of Mckinsey & Company suitably in the Annual Action Plan of 2012-13. The General Body also approved the draft Annual Report for the year 2011-12.</p>
Item No. 4	Rationalization of terms and conditions of deputation and retired employees engaged on contract basis and fixation of consolidated service fee to support staff.
	<p>Director (F&A) gave a brief account of proposals in respect of (i) deputations (ii) retired employees engaged in NRRDA on contract basis and (iii) support staff engaged in NRRDA on contract through manpower service provider as detailed in Appendices V, VI, VII & VIII of Agenda notes and concurred by IFD. General Body discussed and approved these proposals. To make the terms and conditions of deputation more lucrative, it was resolved that Special Allowance @ 10% of the basic pay plus Grade Pay without any ceiling but no Deputation (Duty) Allowance will be paid. In regard to payment of OTA to support staff engaged through service providers, the General Body delegated the powers to Executive Committee for deciding on the issue, which has a</p>

	representative of IFD also.
Item No. 5	Ratification of amendments in "Honarium and TA Bye Laws for NQMs 2006"
	<p>Director (F&A) explained the need for revising the rates of honorarium and TA entitlement and gave a brief account of the increase in rates of honorarium, daily allowance and lodging charges being paid to NQMs w.e.f. 1st July 2012 with the approval of Secretary (RD) and Vice President NRRDA. The Executive Committee in its last meeting held on 5th July 2012 had recommended the ratification to General Body. The General Body ratified the increase in the rates of honorarium, daily allowance and lodging charges and advised to amend the relevant NRRDA Bye laws accordingly.</p> <p>It was directed by Hon'ble MRD & Chairman NRRDA that operation area of NQMs should not remain same for more than three years to ensure bias-free approach in their supervisory and monitoring role. He advised that NRRDA should also engage some young professionals as consultants to improve its functioning.</p>
Item No. 6	Any other item with the permission of the Chair
	<p>With the permission of the Chair, Power Point presentations were made on current implementation status of PMGSY, PMGSY-II and Action Taken Report on the recommendations of M/s McKinsey & Company Report as accepted by NRRDA. The progress made was reviewed and targets in respect of PMGSY were discussed with the member States present in the meeting.</p> <p>Action Taken on McKinsey Report was discussed in the General Body Meeting. The summary of the recommendations made on the McKinsey's Report and action taken thereon are as under:</p> <p>Recommendation No. 1: Improve DPR Quality by empanelling consultants on Quality cum Cost based (QCBA) bids at State</p>

	<p>level to invite financial bids from such panel only</p> <p>The draft guidelines for empanelment of consultants by the States had been submitted for approval. The draft guidelines for performance evaluation of STAs had been approved and circulated.</p> <p>Recommendation No. 2: Develop and implement customized “DPR software” to standardize and tighten the process of DPR checking</p> <p>The new DPR template with score sheet had already been circulated to the States/UTs and is the one being used. C-DAC is developing some modules in OMMAS for generating alerts to check inconsistencies in Proposal Module. The analysis module of OMMAS will also be updated.</p> <p>Recommendation No. 3: Introduce rating system for STAs (based on objective parameters) and link compensation to the ratings at the next stage</p> <p>The annual performance review of STAs will be made operational from current financial Year and based on the performance evaluation of STAs, improved compensation from current levels will be introduced (against 0.015% to three levels 0.015%, 0.020% and 0.025% of Project cost). The draft guidelines for Technology initiatives under R&D had already been submitted for approval.</p> <p>Recommendation No. 4: Increase the use of Technology in the Quality monitoring process and surveying</p> <p>An independent Standing Advisory Committee had been constituted for suggesting latest technologies and innovative materials in the construction of rural roads under PMGSY programme. C-DAC is developing a module on OMMAS for uploading Photographs directly from the field indicating the location and time with the help of mobiles phones by NQMs.</p> <p>Recommendation No. 5: Creation of Technology cell within NRRDA to bring in latest technologies, and to support the development of software</p> <p>An R&D Cell within NRRDA comprising of officers from NRRDA</p>
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	<p>had been constituted.</p> <p>Recommendation No. 6: Annual Performance Review of SQMs</p> <p>Draft Guidelines for Review of Annual performance of SQMs had been circulated to the States for final comments.</p> <p>Recommendation No. 7: Augment SQM with a mix of private certification agencies and PSU SQMs (from CPWD/RITES)</p> <p>The action on deployment of independent consultants, private certification agencies or PSUs as SQMs had been initiated and draft ToR was under revision.</p> <p>Recommendation No. 8: Update the existing on-line reporting system enabling monitoring of the programme at the road level, automatic generation of performance reports</p> <p>MIS reports in the suggested formats are being developed by C-DAC as and when required. Up-dating of OMMAS data had been made a pre-condition for submission of proposals before the Empowered Committee.</p> <p>Recommendation No. 9: Modification in the SBD clause regarding Sub-contracting</p> <p>The proposed modification in the sub-contracting Clause 7 of Standard Bidding Document (SBD) had been approved. It was being circulated to ADB / World Bank and concerned States for comments before finalization.</p> <p>Recommendation No. 10: NRRDA might need to add 8 - 10 resources to its staff, over the next 1-2 years, to handle the additional scale and scope of work</p> <p>Efforts were being made to fill up the existing vacancies through fresh advertisements and in creation of application Bank for NRRDA. As recommended by the General Body appointed Committee chaired by the then AS&FA, proposal for creation of 11 additional posts had been sent by MoRD to Ministry of Finance for their approval. Proposals for rationalising the service terms and conditions of deputation, contractual appointment of retired employees and</p>
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	<p>engagement of support staff through service provider as recommended by the Committee chaired by the then AS&FA and concurred by IFD, were approved by the General Body (Agenda Item No. 4 refers).</p> <p>While discussing the action taken on the recommendation no. 10 regarding terms and conditions of deputation and contract appointment, Director (F&A) informed that in response to NRRDA's request DDA, New Delhi had offered 3BHK Commonwealth Games flats. He further stated that NRRDA had a sanctioned strength of 32 officers including 5 Directors against which a proposal for purchase of four flats costing around Rs. 16-18 crores had been concurred in by IFD. During deliberations on the issue, the General Body also took note of the fact that four flats may not meet requirement of the five Directors of NRRDA and therefore, one more DDA flat in addition to four be purchased. The General Body accordingly approved the proposal for purchase of total five nos., 3BHK Commonwealth Games Flats from DDA and providing further funds of Rs. 13 crores, in addition to the existing provision in the BE 2012-13 under the heads "Purchase and Renovation of Office Area".</p> <p>Other Issues Deliberated Upon:</p> <p>It was discussed that release of funds needed to be expedited to the States of Meghalaya, Gujarat and Karnataka under project head and Bihar, Jammu & Kashmir and Jharkhand under administrative head, as per requirements. Also, the pending sanctions of Andhra Pradesh, Maharashtra, Jammu & Kashmir, Chhattisgarh and Madhya Pradesh should be taken up with concerned States for timely clearance. State representatives agreed to complete the targeted length of 5,000 kms in Bihar, 3,500 kms in Orissa, 1,500 kms in Chhattisgarh, 1,000 kms in Jammu & Kashmir and 2,000 kms in Jharkhand during the current financial year 2012-13. Hon'ble MRD & President discussed and directed to collect data on 100 to 249 populations for all IAP districts.</p> <p>State representatives raised some other issues to address:</p>
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	<p>(i) Representative from Chhattisgarh, Jharkhand and Orissa raised an issue to relax clause no. 11.5 of PMGSY guideline to overcome the financial burden of the States because of time overrun. They argued that delay in completion is justifiable because of no bids after inviting the tenders for number of times or contractors not willing to complete the initially taken up projects because of security reasons. Thus the States should be allowed to use the gap of sanctioned amount and spent amount within the phase for IAP districts. It was desired by Hon'ble MRD & President to examine the issue in consultation with IFD for clarity regarding use of gap amount because of variations in sanctions and spent amount. He directed for a detailed note regarding the issue within a week.</p> <p>(ii) Member from Jammu & Kashmir requested that taking into consideration of constraints in hilly terrain, State should be allowed to get 36 months for execution of projects, rather than existing 30 months. She also requested for need of an amount 700 crore for land acquisition required for PMGSY projects. SRD & Vice President mentioned that execution time is allowed in two Stages to address the constraints of hilly areas. Hon'ble MRD & President directed her to take up the acquisition cost issue separately with Planning Commission under PMRF.</p> <p>(iii) Representative from Orissa requested for sanctions of inter State road to connect Malkangiri to Sukma. On the issue of delayed projects in IAP districts because of unwillingness of contractors, he requested to allow Orissa Construction Cooperation of State Government to take up works without tender. After detailed discussions, State was advised to send a proposal for 2 Blocks each of Malkangiri and Gajapati districts, where no tenders had been received after floating the tenders for 5 or more times.</p>
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	<p>(iv) Representative from Chhattisgarh raised 2 issues related to raising the 12.5% cap for overhead expenses, including contractor aspect in IAP districts and requested to allow road wise LD deduction within the package to facilitate small contractors. Director I NRRDA was directed to look into the guidelines and related circular to address the issues raised.</p> <p>Secretary RD desired that suitable MIS reports on financial closure of the completed roads should also be added to OMMAS. President desired that in future besides the member States, other selected States be also invited as “special invitees” on rotation basis. He desired that focused attention be paid on the problems of the individual States.</p>
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The meeting ended with the vote of thanks to the Chair.

List of Members presented in the 16th meeting of General Body

1. PPS to Hon'ble Minister MoRD & President NRRDA, New Delhi.
2. Shri S.Vijay Kumar, Secretary (RD), Ministry of Rural Development, Government of India, Krishi Bhawan, New Delhi.
3. Representative, Department of Economic Affairs, Ministry of Finance, Government of India, North Block, New Delhi.
4. Representative, Planning Commission, Room No. 222, Yojana Bhawan, New Delhi-110001.
5. Representative, Ministry of Panchayati Raj, Room No. 127, 1st Floor, Sardar Patel Bhawan, New Delhi.
6. Dr. Pramod Kumar Anand, Joint Secretary (RC) & Director General, NRRDA, Ministry of Rural Development, Krishi Bhawan, New Delhi.
7. Smt. Manju Rajpal, Dy. Secretary, Ministry of Rural Development, Krishi Bhawan, New Delhi.
8. Dr. B. Rajender, Principal Secretary, Rural Works Department, Government of Bihar, 5th Floor, Vishveshvaraiya Bhavan, Bailey Road, Patna-800015, BIHAR
9. Representative, Panchayat & Rural Development Department, Government of Chhattisgarh, , Mantralaya, Raipur- 492001. Chhatisgarh
10. Smt. Tanveer Jehan, Secretary, Public Works Department(R&B), Government of Jammu & Kashmir , New Secretariat, Jammu
11. Representative, JSRRDA, Rural Development Department, Government of Jharkhand, Ground Floor, SSP Building, HEC Building Campus, Dhurwa, Ranchi-834004, Jharkhand
12. Shri CB Chyrmang, Secretary, PWD, Govt. of Meghalaya, Administrative Branch, Meghalaya
13. Representative, Central Road Research Institute, CRRI, Delhi-Mathura Road, New Delhi.

Special invitees:

1. Shri S.N.Tripathi, Principal Secretary, Department of Rural Development, Government of Orissa, Bhubaneswar.
2. Shri N.C. Solanki, Director(P-III), NRRDA, New Delhi
3. Shri Y.S. Dwivedi, Director(RC), MoRD, New Delhi

4. Shri B.C. Behra, DS(Fin), MoRD, New Delhi

Appendix-II

Action Taken Report on Mckinsey Report

Recommendation No.1: Improve DPR Quality by empanelling 10-15 consultants on Quality cum Cost based (QCBA) bids, and mandate the states to invite financial bids from this panel only.

The guidelines for empanelment of Consultants by the States and guidelines for performance evaluation of STAs had been approved and circulated.

Recommendation No. 2: Develop and implement a customized “DPR software” to standardize and tighten the process of DPR checking.

The new DPR template with score sheet had already been circulated to the States/UTs and is being used. C-DAC has developed a programme in Proposal Module for checking the eligibility and inconsistencies in Proposals submitted by the States. A provision has been made on OMMS for selection of road works from drop down menu, using core network to avoid ineligible proposals.

Recommendation No. 3: Introduce rating system for STAs (based on objective parameters) and link compensation to the ratings at the next stage

The annual performance review of STAs will be made operational from current financial year and based on the performance evaluation of STAs.

Recommendation No. 4: Increase the use of technology in quality monitoring process and surveying:

Development of a mobile application based quality inspection reporting of PMGSY works which can be used for reporting by National Quality Monitors

NRRDA with the support of C-DAC, Pune, Maharashtra, has developed a mobile based application software for capturing the inspection details of PMGSY works along with its geo-tagged digital photographs to be uploaded in OMMAS directly by National Quality Monitors (NQMs).

The mobile based application software was launched at Pune by Secretary (RD) on 26th December, 2012.

The first batch of training for participants including National Quality monitors, Chief Engineers, State Quality Coordinators and State Quality Monitors has also been held at C-DAC, Pune during 27th – 28th December, 2012.

It is proposed to complete training of all NQMs during the current financial year and uploading of photographs through this software would be started from April, 2013.

It is also proposed that the software would be made applicable for uploading of photographs by the SQMs.

Recommendation No. 5: Creation of Technology cell within NRRDA to bring in latest technologies, and to support the development of softwares.

The R&D Cell within NRRDA comprising of officers from NRRDA has been constituted. The cell is supporting the development of OMMS software.

Recommendation No. 6: Annual Performance Review of SQMs

M/s. McKinsey made the recommendation about the performance evaluation of State Quality Monitors (SQMs) on the pattern of National Quality Monitors (NQMs). Accordingly, draft guidelines were prepared and circulated to all States for their comments. Based on the comments received from the State Govts. the Draft Guidelines have been finalized and circulated to the State Govts. to ensure performance evaluation of SQMs as per the guidelines.

Recommendation No. 7: Augment SQM with a mix of private certification agencies and PSU SQMs (from CPWD/RITES)

M/s. McKinsey recommended further augmenting the State Quality Monitoring system with a mix of Private Certification Agencies and PSUs possessing requisite technical resources. In the backdrop of this

recommendation, a Standard Document for outsourcing the 2nd tier of quality monitoring under PMGSY has been developed and prescribed.

It is now proposed to hold a workshop to further enhance this document tentatively during February, 2013 inviting officials of the State Govts. including their CEs, Consultants and SQMs to facilitate detailed discussion on the document. This will enable us to modify the Standard Document as per the requirements of the State Govts.

Recommendation No. 8: Update the existing on-line Reporting system enabling monitoring of the programme at the road level.

- Updation of OMMAS has been made a pre-condition for submission of proposals before the Empowered Committee.
- In the regional review meetings with States, OMMAS status is invariably being discussed as also the mechanism for strengthening the institutional set up required for it.
- Good progress has been noticed in reducing the data entry gaps by the States.
- States are being imparted guidance and training, wherever requests are received from.
- New MIS reports have been introduced for effective monitoring on OMMAS. Various modules of OMMAS are being enhanced as and when required.
- Upgradation of new technology of OMMAS application from ASP to ASP.NET is under development, further procurement of servers is also under process for which we have already released 50% advance payment amounting to Rs. 40 lakh to C-DAC.

Recommendation No. 9: Modification in the SBD clause regarding Sub-contracting

Amendment to the S.B.D has been issued on 22nd Oct. 2012.

Recommendation No. 10: NRRDA might need to add 8 - 10 resources to its staff, over the next 1-2 years, to handle the additional scale and scope of work'

- The proposal for creation of 11 additional posts was sent by MoRD to MoF on 31.05.2012 followed by reminder in July, 2012. MoRD has again been requested to remind MoF to expedite their approval.

- Meanwhile, the following steps have been taken to fill up the existing vacancies of technical officers in NRRDA:
 - One Director (Tech), one Joint Director (Tech) have been appointed on deputation basis after due selection process.
 - Advertisement for the posts of five Assistant Directors was published in the national dailies against which one Assistant Director has been appointed on deputation basis and for the other posts action is on the way.
- Advertisement has been published in national dailies to fill up two posts of Director (Projects). The Selection Committee has already been constituted for the selection process
- Since the proposal for additional posts is pending in Ministry of Finance, in order to speed up the World Bank Rural Roads Project-II, temporarily four Senior Consultants and five Young Engineering/ Finance Professionals are being hired. In this regard, the following action has been taken:
 - Offer of appointment to one Engineering professional (a retired Lt. Col.) has been sent for his engagement as Consultant after due selection process.
 - Advertisement was further published in national dailies to engage remaining three Senior Consultants. Based on the responses received against this advertisement two Consultants have been selected after due selection process and offers of engagement have been issued.
 - Advertisement was published in national dailies to engage five young engineering/ finance professionals (04 Civil Engineers + 01 Chartered Accountant) as Consultants in order to infuse fresh ideas on new technologies. Based on the responses received against this advertisement, two Consultants have been selected after due selection process and offers of engagement have been issued.

Revised Estimates 2012-13 & Budget Estimates 2013-14

			(Amount in rupees)	
Object Head & Purpose	BE	Actual	RE Proposed	BE Proposed
	2012-13	upto Dec., 2012	2012-13	2013-14
1	2	3	4	5
1.Receipts				
Opening Balance				
- MoRD Grant (Bank)	0	1,43,12,960	1,43,12,960	
MoRD Grant (Cash)		10,374	10,374	
- MoRD Grant (FDR)		7,05,28,175	7,05,28,175	
- NABARD		8,06,51,235	8,06,51,235	
1.1.01 Grant from MoRD	15,00,00,000	8,00,00,000	14,00,00,000	20,50,00,000
1.1.02 Interest Income		4,82,217		
1.1.03 Miscellaneous Receipts		2,685		
1.1.04 Receipts from GOI -World Bank (RRPI)	15,00,000		11,10,000	
1.1.04.01 Receipts from GOI -World Bank (RRPII)	3,15,00,000		8,25,00,000	28,00,00,000
1.1.05 Receipts from GOI-ADB	60,00,000		60,00,000	1,00,00,000
1.1.06 Loan receipt from NABARD	0			
1.1.07 Receipt from GOI- Repayment to NABARD	3700,00,37,000	3699,69,61,186	3700,00,37,000	3700,00,37,000
1.1.08 Receipt from GOI- Interest to NABARD	941,21,36,000	634,55,61,411	818,88,00,000	747,49,98,000

Total Receipts	4660,11,73,000	4358,85,10,243	4558,39,49,744	4497,00,35,000
2. Expenditure				
(1.2.1) Establishment				
(1.2.1.01) Salary and Allowance	5,15,00,000	2,15,97,949	4,05,00,000	4,05,00,000
(i) Deputationists	3,00,00,000	1,03,12,035	2,50,00,000	2500000
(ii) Retired officers	80,00,000	46,40,001	60,00,000	600000
(iii) Support Staff/ Others	1,35,00,000	66,45,913	95,00,000	950000
(1.2.1.02) Wages	0	0	0	
(1.2.1.03) Overtime Allowances	15,40,000	7,64,105	15,00,000	150000
(1.2.1.04) Expenditure on Medical Claims	10,00,000	3,00,486	10,00,000	100000
(1.2.1.05) Leave Encashment	0	0	0	
Total Establishment	5,40,40,000	2,26,62,540	4,30,00,000	4,30,00,000
(1.2.2) Administrative Expenses				
(1.2.2.01) Office Maintenance/Taxes and Duties	16,00,000	5,08,115	16,00,000	16,00,000
(1.2.2.02) Domestic Travel Expenses	25,00,000	24,16,149	50,00,000	50,00,000
(1.2.2.03) Foreign Travel Expenses	3,00,000	66,679	1,00,000	3,00,000
(1.2.2.04) Hiring of Vehicles	23,00,000	17,40,666	25,00,000	25,00,000
(1.2.2.05) Printing and Stationary	12,00,000	8,54,321	15,00,000	15,00,000
(1.2.2.6) Meetings Expenses	3,00,000	1,45,607	3,00,000	3,00,000
(1.2.2.07) Fee Paid to the Auditors	5,00,000	3,06,337	5,00,000	5,00,000
(1.2.2.08) Telephone-Office	9,00,000	4,85,440	9,00,000	9,00,000
(1.2.2.09) Telephone-Residential & Mobile	5,00,000	1,04,255	5,00,000	5,00,000
(1.2.2.10) Vehicle Maintenance	6,00,000	3,27,365	6,00,000	6,00,000
(1.2.2.11) Electricity Expenses	13,00,000	13,50,843	20,00,000	20,00,000
(1.2.2.12) Postage Expenses	3,00,000	1,45,211	3,00,000	3,00,000
(1.2.2.13)Repairs and	7,00,000	4,30,066	15,00,000	15,00,000

Maintenance				
(1.2.2.14) Insurance Charges	10,000	0	10,000	10,000
(1.2.1.15) Other office expenses	10,00,000	10,68,343	15,00,000	15,00,000
(1.2.1.16) Rent, Rates & Taxes			0	6,00,00,000
Total Administrative Expenses	1,40,10,000	99,49,397	1,88,10,000	7,90,10,000
(1.2.3) R&D and HRD				
(1.2.3.01) Training	75,00,000	24,30,958	65,00,000	75,00,000
(1.2.3.02) Tech.Dev.and Research work	30,00,000	0	10,00,000	50,00,000
(1.2.3.03) Workshops and Conferences	35,00,000	59,12,412	85,00,000	1,25,00,000
(1.2.3.04) Contribution to Professional bodies	5,00,000	3,87,349	5,00,000	5,00,000
(1.2.3.05) Professional Services	20,00,000	1,28,320	10,00,000	20,00,000
Total R&D and HRD	1,65,00,000	88,59,039	1,75,00,000	2,75,00,000
(1.2.4) Publications, Adv.& Publicity				
(1.2.4.01) Publications	3,00,000	1,08,445	3,00,000	3,00,000
(1.2.4.02) Advertisement and Publicity	10,00,000	3,31,503	10,00,000	10,00,000
(1.2.4.03) Books Perio.and Audio Visual Mat.	2,00,000	10,809	2,00,000	2,00,000
Total Publications, Adv and Publicity	15,00,000	4,50,757	15,00,000	15,00,000
(1.2.5) STAs, PTAs and NQMs				
(1.2.5.01) Honorarium to NQMs	1,50,00,000	78,54,824	1,50,00,000	1,50,00,000
(1.2.5.02) Travelling Expenses of NQM's	1,50,00,000	93,80,306	1,50,00,000	1,50,00,000
(1.2.5.03) Payment to Principal Technical Agencies.		0	0	
(1.2.5.04) Payment to State Technical Agencies	1,50,00,000	1,30,09,922	1,50,00,000	1,75,00,000

Total STAs, PTAs and NQMs	4,50,00,000	3,02,45,052	4,50,00,000	4,75,00,000
(1.2.6) OMMS and Computerization				
(1.2.6.01) Dev.and Maint.of online manag.sys.	2,70,00,000	1,53,58,449	2,95,00,000	37,00,000
(1.2.6.02) Hiring of computers and peripherals			0	
(1.2.6.03) Dev. and Maint. Of e-Procurement	0	0	0	
Total OMMS and Computerization	2,70,00,000	1,53,58,449	2,95,00,000	37,00,000
(1.2.8)Technical assistance from ADB				
(1.2.8.01) Consultancy	60,00,000	48,40,533	60,00,000	1,00,00,000
(1.2.8.02) Others			0	
Total Technical assistance from ADB	60,00,000	48,40,533	60,00,000	1,00,00,000
(1.2.9) World Bank Loan (RRP I)				
(1.2.9.01) Capacilty Building	15,00,000	3,39,954	11,10,000	
Total World Bank Loan (RRP I)	15,00,000	3,39,954	11,10,000	
(1.2.10) World Bank Loan (RRP II)				
(1.2.10.01) Research & Development	15,00,000	1,35,05,360	2,85,00,000	11,50,00,000
(1.2.10.02) Independent verification of Performance & Financial Audit	1,00,00,000	7,75,660	15,00,000	6,50,00,000
(1.2.10.03) Training	2,00,00,000	2,70,91,648	5,25,00,000	10,00,00,000
Total World Bank Loan (RRP II)	3,15,00,000	4,13,72,668	8,25,00,000	28,00,00,000
(1.3.) Loan- NABARD				

(1.3.01) Transfer of Funds to States	0			
(2.3.1) Interest payment to NABARD	941,21,36,000	643,19,26,876	827,50,77,000	747,49,98,000
(2.3.2) Principal Repayment	3700,00,37,000	3700,00,36,600	3700,00,37,000	3700,00,37,000
Total Loan -NABARD	4641,21,73,000	4343,19,63,476	4527,51,14,000	4447,50,35,000
(2.2) Capital Expenditure				
(2.2.01) Purchase/renovation of Office Area	0		6,00,00,000	
(2.2.02) Furniture and Furnishing of the office	4,00,000	2,000	6,00,000	6,00,000
(2.2.03) Purchase of Vehicles			10,00,000	
(2.2.04) Purchase of Equipments & Machinery	7,50,000	3,92,411	15,00,000	15,00,000
(2.2.05) Purchase of Computers & peripherals	8,00,000	1,59,465	8,00,000	8,00,000
Total Capital Expenditure	19,50,000	5,53,876	6,39,00,000	29,00,000
Total Expenditure	4661,11,73,000	4356,65,95,741	4558,39,34,000	4497,01,45,000

Appendix-IV

Revised rates of honorarium, TA/DA , lodging charges etc. for NQMs

S.No.	Item	Bye-law No.	Existing Rates	Revised for NQMs same is proposed *
1.	Honorarium	12	Rs.1500/-	Rs. 3500/-
2.	Taxi/own car charges	5	Rs. 8.00 per km	Rates approved by Government of India
3.	Mileage Allowance	6	Rs. 250/-per journey	Rs. 350-per journey
4.	Daily Allowance	7	Rs. 250/-per day	Rs. 400/- per day
5.	Lodging Charges	8	Rs. 1500/- for principal cities and Rs.750/-in other cities subject to production of receipts	RS. 3500/- for principal cities and Rs. 2500/- in other cities subject to production of receipts.

*The same is proposed for non-NRRDA professionals/experts

The revised rates for NQMs, as approved by the General Body in its last meeting held on 30th July, 2012, are proposed to be made applicable to non-NRRDA professionals as well.