



**AGENDA FOR THE TENTH MEETING**

**OF THE**

**GENERAL BODY**

**OF**

**NATIONAL RURAL ROADS DEVELOPMENT AGENCY**

**ON 3<sup>RD</sup> NOVEMBER, 2008**

**AT 3.00 PM**

**UNNATI**  
**KRISHI BHAWAN**

**NATIONAL RURAL ROADS DEVELOPMENT AGENCY**  
**MINISTRY OF RURAL DEVELOPMENT**  
**GOVERNMENT OF INDIA**

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

**Agenda for the 10<sup>th</sup> Meeting of the General Body on 3<sup>rd</sup> November 2008**

***Item No. 1      Confirmation of the proceedings of the ninth meeting of the General Body held on the 26<sup>th</sup> March 2008***

The proceedings of the previous meeting held on 26<sup>th</sup> March 2008 are placed at **Appendix I**.

The General Body may confirm the proceedings of previous meeting.

***Item No 2      Approval of the Annual Report for 2007-08***

The Draft Annual Report for 2007-2008 is placed at **Appendix II** for consideration and approval of the General Body

***Item No 3      Adoption of the Audited Accounts for the year 2007-08***

The accounts of the agency have been audited by M/s. Sandeep Ramnivas Gupta appointed from the panel of auditors sent by the office of the Comptroller and Auditor General of India and are placed at **Appendix III**. During the year an expenditure of Rs.73.52 crores was incurred from the funds received from the Government of India including interest payment to NABARD, Rs 9.18 crores under Technical Assistance from World Bank and Rs 4,499.99 crores from the NABARD loan

The General Body is requested to consider the Audited Balance Sheet and Income and Expenditure Statement and to adopt the same.

***Item No. 4      Approval of the Revised Estimates for 2008-09***

The Budget Estimates for 2008-09 had been approved by the General body in its 9<sup>th</sup> Meeting. The General Body had been informed that no provision for the likely increase on account of pay commission recommendations and the maintenance costs of OMMAS had been made. The GB had advised that the revised estimates should be projected at the time of the first supplementary. Accordingly, the revised estimates have been prepared taking into account

the actual expenditure upto August 2008, the commitments upto March 09 and any other projected increase. The Revised Estimates are placed at **Appendix IV** . The reasons for increase have been given in the margin of the statement. No additional funds have been requested under the grant from MoRD but separate release is required from MoRD for payment of ADB consultancies and World Bank capacity building. Till date no funds have been released by the Ministry for ADB related expenditure. The funds for World Bank will be required only if the training programme is approved by World Bank and DEA

The General Body is requested to approve the Revised Estimates for 2008-09.

***Item No 5      Memorandum submitted to 13<sup>th</sup> Finance Commission on “ Assistance for maintenance of rural roads”***

It is common knowledge that maintenance of roads in general and that of the rural road sin particular, is not carried out as required. This has resulted in huge backlog in the periodic maintenance in all the States. The main reason attributed for this by the States is the inadequacy of available resources.

Keeping in view the criticality of the issue, Ministry of Rural Development had submitted a memorandum for extending assistance for maintenance of rural roads to the 12<sup>th</sup> Finance Commission, who for the first time allotted an amount of Rs 15,000 crore for the **maintenance of state roads including rural roads**. However, in order to ensure timely and need based maintenance of rural roads, a memorandum was submitted to the 13<sup>th</sup> Finance Commission, requesting for **exclusive assistance for rural roads maintenance**. The amount sought is Rs 8,400 crores per annum for 4 years. This assistance is linked to systematic development of institutional and operational arrangements by the States as a pre-requisite and yearly releases linked to the performance of States on the maintenance of rural roads in the previous year.

For the information of the General Body

***Item No 6      Quality monitoring***

Monitoring of first and second tier of quality mechanism is now being done by NRRDA. As per the feedback furnished by the States, the status of first and second tier of quality

mechanism is given in **Appendix V** and **VI**. The action taken reports on the observation of National Quality Monitors is being regularly monitored by NRRDA and the details of action taken reports are given in **Appendix VII**.

***Item No 7      Status of drawal and disbursement of RIDF loan from NABARD***

During the period 1<sup>st</sup> April 2008 till date ( 20<sup>th</sup> October 2008) an amount of Rs 377 crores has been drawn from NABARD under the RIDF window and disbursed to the States as per the details in **Appendix VIII**. It is proposed to draw Rs 7000 crores during the current year. Submitted for the information of the General Body.

***Item No 8      Any other item with the permission of the chair***

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

**Minutes of the 9<sup>th</sup> Meeting of the General Body of National Rural Roads Development  
Agency held on March 26, 2008 at UNNATI, Krishi Bhawan,  
New Delhi.**

(List of members present is annexed)

The Director General welcomed the Hon'ble Minister of Rural Development and President, NRRDA, Secretary, Department of Rural Development, and Vice President, NRRDA, and other members of the General Body. He indicated that this meeting has been primarily convened to approve the budget estimates of the Agency for 2008-09. With the permission of the chair the agenda items were taken up for discussion:

**Item No. 1: Confirmation of the proceedings of the 8<sup>th</sup> meeting of the General Body held  
on 24<sup>th</sup> October, 2007**

- The Director General informed the General Body about the action taken on various issues raised during the last meeting. The General Body confirmed the proceedings of the meeting.

**Item No. 2: Approval of the Revised Estimates for 2007-08 and Budget Estimates for  
2008-09.**

- Revised Estimates 2007-08 and Budget Estimates 2008-09 were placed before the General Body. It was indicated that these estimates were discussed and finalized in the meeting of the Executive Committee held on February 18, 2008. However, no provision has been made in the BE of 2008-09 for salary revision on account of implementation of recommendations of the Sixth Pay Commission. Besides, likely enhancement in the maintenance costs of OMMS by EDAC (which is not under negotiation) has not been provided for. Additional requirement upto Rs.1 crore may be required for these purposes which may be projected at the time of first supplementary.

➤ Special Secretary & FA observed that abnormal increase has been proposed under foreign travel, training, professional service charges and payment to STAs. Responding to the observations of SS&FA, DG explained the position as follows:

- (i) Provision for foreign travel has been made as the TA (World Bank) has ended on 31<sup>st</sup> December, 2007, and keeping in view the expenditure on travel during RRP-I for negotiations, similar exercise may have to be taken up for RRP-II. Thus, a provision of Rs.5 lakhs only has been made for this purpose.
- (ii) Training expenses were hitherto being borne under the World Bank's Technical Assistance which has ended in December, 2008. In order to continue support to states for capacity building Rs.50 lakh has been provided out of the Ministry's grant to NRRDA for training.
- (iii) Increase in professional service charges is on account of the payment for maintenance audit to be carried out in the States. It is proposed to cover 2-4 districts in each State covering 6-8 roads. The EOI for the same has already been floated and the amount assessed for this study is over Rs.1 crore. In addition, balance payments have to be made for studies being carried out for RRP-II.
- (iv) Payment to STAs has increased as it is based on the assumption that all the proposals for Bharat Nirman shall be checked and cleared by the STAs during the year and payment released. It has been estimated by Technical Division that proposals over Rs.15,000 crore shall be checked by the STAs during 2008-09.

The General Body approved the Budget Estimates for 2008-09.

### **Item No. 3: Loan from NABARD**

The Director General briefed the General Body about the status of loan taken under the RIDF from the NABARD. As on 26<sup>th</sup> March, 2008 about Rs.4000 crores had been drawn and balance Rs.500 crores were to be drawn by the end of



the week. He explained that there was no parking of funds and they were transferred to the States within 24 hours after receipt of cheque from NABARD.

#### **Item No. 4: Quality Monitoring**

- Director (P-III), NRRDA, briefed the General Body about the status of operationalisation of 1<sup>st</sup> & 2<sup>nd</sup> tier of quality monitoring mechanism in the States and measures taken by NRRDA to strengthen the monitoring system. He indicated that NRRDA is regularly and closely monitoring working of the first two tiers in the states and also submission of ATRs by states on the inspections made by NQMs.
- The representative from the Ministry of Finance observed that percentages of completed as well as ongoing works rated as unsatisfactory in certain states are very high. Systemic deficiencies in the states needs to be analysed and technical guidance provided for improving quality of the projects being executed in these States.
- Director General explained that necessary technical guidance and capacity building support is being provided to the States particularly those with weak institutional capacity for quality enhancement. Besides, on the advice of Special Secretary & FA, adequate submission of ATRs by states is being considered as a criterion for release of funds.

#### **Item No.5: Other Issues**

- Additional Chief Secretary, Government of Madhya Pradesh, observed that since cement concrete roads have substantial cost advantage over conventional BT roads on the basis of life cycle costing. Hence, NRRDA should incentivise and promote construction of cement concrete roads. Secretary(RD) and Vice President, NRRDA also reinforced this view and suggested that construction of cement concrete roads should be mainstreamed in the policy and programme guidelines of PMGSY. It was indicated by Director General that the Ministry has already a policy in place for promoting construction of cement concrete roads under which the differential cost (extra cost of cement concrete roads over comparable cost of

BT roads) is to be shared by the Ministry and the concerned states. Additional Chief Secretary, Government of Madhya Pradesh, suggested that this existing policy should be reviewed and states should bear only the cost savings on account of reduced maintenance cost.

- Additional Chief Secretary, Government of Madhya Pradesh, raised the issue of frequent changes in the prices of critical construction material like cement, steel and bitumen, and suggested that appropriate provision for price variations should be incorporated in the Standard Bidding Document (SBD) of PMGSY. President, NRRDA advised to examine this issue in consultation with other states.
- Minister(RD) and President, NRRDA, in his concluding remarks observed that NRRDA has set distinct technical and management standards for implementation of PMGSY which is a flagship programme with a massive outlay. So far as execution of projects are concerned, NRRDA should continue to focus on timely completion of projects with assured quality conforming to the standards and specifications prescribed. Whenever projects are concerned found to be deficient in terms of quality, State governments should be advised to fix responsibility and take stringent penal action against the officers/agencies responsible for delivering poor quality. In this context he further observed that whenever a project is rated 'unsatisfactory' on the basis of inspections by the NQM, causes of failure of the first and second tier of quality monitoring should be looked into and responsibility should be fixed. Minister(RD) also stressed on joint inspection of PMGSY projects by the field engineers and steps should be issued as per the guidelines issued by the Ministry. Operationalisation of this system would enhance the level of transparency and people's representation in quality monitoring. Since construction of rural roads under PMGSY has already started making visible socio-economic impact in the targeted habitations, efforts should be made by NRRDA and states to systematically document and disseminate benefits of the programme.

The meeting ended with a vote of thanks to the Chair.

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# ANNUAL REPORT

(2007 - 2008)

## 1.0 INTRODUCTION

1.1 The primary functions of transportation include mobility, connectivity and accessibility. Road transport in general and rural transport in particular provides door to door service, thus ensures accessibility to nooks and corners of the country. It has been realized that the absence of All Weather Roads connectivity is a major impediment in the development of rural areas, since lack of access results in isolation and remoteness of rural masses and thereby depriving them of opportunities of employment, health care and education. Over and above, lack of connectivity increases the vulnerability of such communities during episodes of natural disaster. Government of India, having realized that providing rural accessibility serves as a means for poverty alleviation, launched Pradhan Mantri Gram Sadak Yojana (PMGSY) as a fully funded centrally sponsored plan on 25<sup>th</sup> December, 2000, with the primary objective of providing All Weather Road Connectivity to all habitations of 500 and above population in plains and 250 and above population in hill states, desert and tribal areas. Upgradation of selected major rural roads is also envisaged in this programme for ensuring *full farm to market connectivity*.

1.2 At the time of launching of PMGSY nearly 40% of habitations were not connected by All Weather Roads. Having gone through a systematic preparation of District Rural Roads Plan (DRRP) and identifying the Core Network, that ensures single All Weather Connectivity to all the eligible habitations, 167 lakhs habitations are targeted for New Connectivity with an estimated road length of 3.66 lakh km. Simultaneously, a length of about 3.73 lakh km of existing roads are proposed for upgradation. The total investment under the scheme has been estimated at about 1.32 Lakh Crores (2003-04 prices).

1.3 Government of India has announced a time bound business plan - Bharat Nirman with a view to augmenting rural infrastructure. It has six components including rural connectivity. Under Bharat Nirman, it is targeted to provide all weather connectivity to all habitations having population of 1000 or more (500 and more in hill States, tribal and desert areas) by 2009. It is estimated that under Bharat Nirman 59564 habitations would be provided new connectivity with road length of 1.46 lakh kms. Besides, 1.94 lakh kms. of existing through routes would be upgraded/renewed. The total investment during 2005-09 on rural connectivity under Bharat Nirman has been estimated at Rs.48,000 crore.

1.4 The National Rural Roads Agency (NRRDA) was established on 14<sup>th</sup> January, 2002 under the Societies Registration Act – XXI of 1860 to extend support to the programme through advice on technical specifications, project appraisal, quality monitoring and management of monitoring systems. The agency has been conceived as a compact, professional and multi-disciplinary body to provide requisite technical and management support to the Ministry of Rural Development and to the State Governments for effective implementation of the programme.

## **2.0 OBJECTIVES OF NRRDA**

The National Rural Roads Development Agency was set up primarily with the following objectives:

- (i) To discuss with different Technical Agencies and arrive at appropriate Designs and Specifications of Rural Roads and, thereafter, to assist the Ministry of Rural Development in prescribing the Designs and Specifications of Rural Roads, including Bridges and Culverts.
- (ii) To determine the tasks to be performed by the Principal Technical Agencies and State Technical Agencies.
- (iii) To appoint reputed Technical Institutions as Principal Technical Agencies and State Technical Agencies to perform the tasks to be entrusted to them.
- (iv) To render assistance to States or Union Territories in preparing District Rural Roads Plans.
- (v) To scrutinize or arrange to scrutinize the proposals received from States and Union Territories for consideration by the Ministry of Rural Development.
- (vi) To oversee and inspect or arrange to inspect through Independent Monitors, the execution of the road-works cleared by the Ministry and being implemented by States or Union Territories through their Executing Agencies.
- (vii) To appoint serving or retired Engineers, Academicians, Administrators and other Agencies, with experience in Rural Roads, as Independent Monitors to ensure proper execution of road works by the State Agencies.
- (viii) To Monitor the progress of the road-works with particular reference to time frame for completion, Technical Specifications, Project Appraisal and Quality Control methods.
- (ix) To set up an “On-line Management and Monitoring System”, incorporating both intranet and internet-based system, for obtaining updated information to facilitate a ready viewing and screening of data.
- (x) To send periodic reports to the Ministry of Rural Development on the progress of implementation of road works by the States or Union Territories.
- (xi) to Monitor the planning for and plantation of fruit bearing and other suitable trees on both sides of the rural roads undertaken by the States or Union Territories, under the Pradhan Mantri Gram Sadak Yojana.
- (xii) To Monitor the expenditure incurred by the States or Union Territories in implementation of the Pradhan Mantri Gram Sadak Yojana, with reference to the funds released by Ministry of Rural Development through expenditure reports obtained from the States or Union Territories and through ‘On-line Management and Monitoring System.
- (xiii) To take up Research activities relating to Rural Roads, including execution of Pilot Projects.
- (xiv) To Study and Evaluate different Technologies in respect of Rural Roads and to take up pilot projects involving different technologies
- (xv) To enter into collaboration with Institutions, Agencies or Bodies of repute, both national and international, in respect of Rural Roads
- (xvi) To arrange suitable Training Programmes for officers of the Ministry as well as the State Governments or Union Territories concerned with the implementation of the Rural Roads Programme in reputed institutions
- (xvii) To Advise on Measures to improve the Quality and Cost-norms of the Rural Roads.
- (xviii) To publish books, literature, take up or arrange for production of publicity material, print, audio or audio-visual in respect of the Pradhan Mantri Gram Sadak Yojana.
- (xix) To organise and sponsor Workshops and Seminars in respect of Rural Roads.

- (xx) To purchase, lease and hire equipment or machinery required in the construction of rural roads.
- (xxi) To take up such activities as necessary to further the objective of the Programme and assist the Ministry of Rural Development in Planning and Implementation of the Pradhan Mantri Gram Sadak Yojana and such other related Programmes as may be taken up.

### 3.0 ORGANISATIONAL ARRANGEMENTS

3.1 The Rules and Regulations of the NRRDA state that the General Body shall comprise 21 members. These include representatives of Central, State Governments or any other Government authority as Ex-officio Members, registered bodies, institutions engaged in any activity connected with rural roads or any of the objectives of the National Rural Roads Development Agency and persons possessing special expertise, ability or experience relevant to the furtherance to the objectives of the Agency.

Shri Raghuvansh Prasad Singh, Hon'ble Minister for Rural Development is the ex-officio President of NRRDA. Dr Subas Chandra Pani functioned as Vice President NRRDA till 31<sup>st</sup> December 2007. Dr Rita Sharma took charge as Secretary, Rural Development and ex-officio Vice- President NRRDA w.e.f. 2<sup>nd</sup> January 2008.

No.	Name	Occupation & Address	Designation I n NRRDA
1.	Dr. Raghuvansh Prasad Singh	Minister of Rural Development Government of India, Krishi Bhavan, New Delhi	President (ex-officio)
2.	Dr Subas Chandra Pani/Mrs Rita Sharma	Secretary, Ministry of Rural Development, Government of India, Krishi Bhavan, New Delhi	Vice-President (ex-officio)
3.	Shri Atul Chaturvedi	Additional Secretary & Financial Advisor, Ministry of Rural Development, Government of India, Krishi Bhavan, New Delhi	Member
4.	Shri J.K. Mohapatra	Joint Secretary, Ministry of Rural Development, Government of India Krishi Bhavan, New Delhi	Director- General (ex-officio)
5.	Shri Jitendra Kumar	Director (RC), Ministry of Rural Development, Government of India, Krishi Bhavan, New Delhi	Member
6	Shri B.N. Puri	Adviser (Transport), Room No. 264, Yojana Bhavan, Planning Commission, New Delhi – 110 001	Member
7	Smt Sindhushree Khullar	Additional Secretary, Department of Economic Affairs, Ministry of Finance, Government of India	Member

No.	Name	Occupation & Address	Designation I n NRRDA
8		Director General (RD) & Special Secretary, Ministry of Road Transport and Highways, Transport Bhawan, Parliament Street, New Delhi	Member
9	Shri A.S Sahota	Joint Secretary, Ministry of Panchayati Raj, Krishi Bhawan, New Delhi	Member
10		Principal Secretary, Rural Development, Lucknow, Uttar Pradesh	Member
11	Shri C.S. Rajan	Principal Secretary, Public Works Department, Jaipur, Rajasthan	Member
12	Shr Pradip Bhargava	Principal Secretary, Panchayat & Rural Development Deptt., Bhopal - 462004, Madhya Pradesh	Member
13	Shri M.C Boro	Secretary cum Commissioner, Public Works Department, Government of Assam, Dispur, Guwahati-781006, ASSAM	Member
14	Shri M. Samuel	Principal Secretary, Rural Development, Hyderabad, Andhra Pradesh	Member
15	Shri Anup Mukherjee	Secretary, Rural Engineering Organization, Govt. of Bihar, Patna, Bihar	Member
16	Shri P.K. Nanda	Acting Director, CRRI, Delhi – Mathura Road, New Delhi – 110020	Member
17	Shri Subhash Patel	President, IRC, Sector – 6, Near RBI Colony, Kamakoty Marg, R.K. Puram, New Delhi 110 022	Member
18	Dr. B.K Gairola	Director General, National Informatics Centre, 3 <sup>rd</sup> Floor, NIC Head Quarter, A Block, CGO Complex, Lodhi Road, New Delhi – 03	Member
19	Shri S.C.Sharma	Retd. DG, MoRTH, 175, Vigyapanlok, Mayur Vihar, Phase-I, Delhi – 110091	Member
20	Sh. C.K. Singh	Retd. Engineer-in-Chief, House No. M-10 (D.S.), Hermu Housing Colony, Ranchi – 834002, Jharkhand	Member
21	Prof. P.K.Sikdar	Department of Civil Engineering, Indian Institute of Technology, Powai, Mumbai – 400 076	Member

The seventh, eight and ninth General Body meetings with the above members were held on 16<sup>th</sup> April 2007, 24<sup>th</sup> October 2007 and 26<sup>th</sup> March 2008 respectively. The meetings were presided over by Shri Raghuvansh Prasad Singh, Hon'ble Minister. During the meeting, apart from the review of the activities of NRRDA, the annual report for the year 2006-07 was

approved, the audited accounts for the year 2006-07 were adopted and the budget estimates for the year 2008-09 passed.

3.2 The Executive Committee of the NRRDA comprises Director-General, NRRDA who is the ex-officio Chairman, and upto seven Members to be appointed by the President NRRDA. Of these, one is Finance Member and four are to be from among the Principal Technical Agencies. In addition, two officials of the Agency may be nominated by the President.

3.3 The Organisational Structure as approved by the General Body consists of 5 divisions. The present deployment is given at **Annexure I**. The following was the staff position during 2007-08.

1. Shri J.K Mohapatra, Joint Secretary (RC) and Director General (NRRDA) (ex-officio).
2. Dr. B.P. Chandrasekhar, Director (Technical).
3. Shri H. K. Srivastava, Director (Projects-I).
4. Mr A.D Kapaley Director (Projects-II)
5. Smt. Gargi Kaul, Director (Finance & Administration).
6. Shri Prabha Kant Katore, Chief Quality Co-ordinator and Director (Projects-III).
7. Shri R.K Nagayech, Deputy Director (Projects-II) upto 9<sup>th</sup> May 2007
8. Shri R.K Sharma Asst Director ( Projects- I)
9. Smt. Madhavi Vedula, Technical Officer, Tech. Division.
10. Shri C.P. S. Yadav, Technical Officer (Project-I).
11. Shri Rajumon K.V, Draughtsman, (Project-III).

Routine functions are outsourced through service providers.

#### **4.0 PRADHAN MANTRI GRAM SADAK YOJANA**

##### **4.1 PLANNING**

4.1.1 **District Rural Roads Plans and Core Network:-** The Core Network is that network of rural roads that is essential to provide basic access to all habitations. Basic access is defined as the single all weather road connectivity to a habitation. The Core Network consists of existing roads as well as roads to be constructed to eligible un-connected habitation. All State Govts. were requested to prepare District Rural Road Plans and identify the Core Network for future planning under the PMGSY.

4.1.2 Further, the States were advised to finalize the DRRP and Core network data after making necessary corrections, if any, and freeze the data. After freezing the data, all the States were requested to send the final Core network data both in hard and soft copies, to MoRD/ NRRDA for further use. The final Core Network data has been received from all the States. However, some States expressed the need to review the Core Network for modifications in the structure or changing the connectivity status of habitations after a through inventory and ground truthing. Andhra Pradesh, Bihar and West Bengal started the exercise already and the finalization is expected shortly. Though Kerala obtained permission, further progress is yet to be given.

## **4.2 TECHNICAL SUPPORT:-**

**4.2.1 Principal Technical Agencies:-** Since the beginning, with the approval of President NRRDA 7 Principal Technical Agencies (PTAs), primarily Indian Institutes of Technology/other Premier Technical Institutions were appointed to provide technical support and take up research projects, study and evaluate different technologies and advise on measures to improve the quality and cost norms of rural roads. List of PTAs is at **Annexure II**.

**4.2.2 State Technical Agencies:-** The STA's scrutinise the project proposals prepared by the State Government and provide technical support to the State Governments. The scrutiny by the STAs expedites the process of project clearance, establishes a certain degree of technical discipline and rigour in the implementation of PMGSY. At the same time, it is administratively convenient for State authorities. List of State Technical Agencies as on 31.03.2008 is at **Annexure III**

### **4.2.3 Procurement of Works**

The Programme Guidelines of PMGSY provides for a well established procedure of tendering through competitive bidding for all projects under the programme. A Standard Bidding Document (SBD) was developed and prescribed for the programme in March, 2003. The template Standard Bidding Document (SBD) was adopted by all the States and the works under the programme are being executed on the basis of this document.

Keeping in view the size of the investment envisaged under Bharat Nirman, a massive expansion is needed in the contracting capacity of States, particularly those with large targets under the new connectivity and up-gradation components. These States are required to scale up their annual expenditure by 4 to 5 times. In order to facilitate enhancement of contracting capacity of States, a Technical Committee was constituted to review various provisions of the SBD and on the basis of recommendations of this committee, Joint Ventures were allowed, States were advised to tender works in packages upto 10 Crores on experimental basis, requirement of annual turnover was rationalized for three categories of works, a preference of 20% in assessing annual turnover and experience of similar work was provided as an incentive to those contractors who have performed well in PMGSY and release of retention amount was rationalized.

As per the provisions of the SBD, performance security of 5% was obtained from contractors at the time of execution of the agreement and another 5% was deducted from their running bills. With a view to enhance the liquidity and thereby augment contracting capacity in the States, the Standard Bidding Document has been amended and upfront performance security amount to be obtained from the contractor has been reduced to 2.5%. The balance amount of 7.5% would be deducted from the running bills of the contractor.

### **4.2.4 Time period allowed for completion of projects:**

PMGSY is being implemented in accordance with the programme guidelines. In plain areas, the projects are to be completed within a period of 9 working months from the date of issue of the work order. In case the period for execution is likely to be adversely affected by monsoon or other seasonal factors, the time period for execution is extended up to 12 calendar months.



Time period for completion of projects in hilly areas (Stage I and CD works) under PMGSY has recently been modified. The time limit up to 18 calendar months has been permitted for completion of Stage-I works of hill roads (in hill States). Similarly, time period of 18-24 months has been permitted for completion of cross drainage works exceeding 25 meter length, depending on site conditions.

### **4.3 Project Scrutiny and Clearance**

The project proposals after approval by the State Technical Agencies are submitted to NRRDA where a test check is carried out and further scrutiny done to ensure that the proposals have been prepared keeping in view the programme guidelines. These are then put up before the Empowered Committee for consideration. Proposals of Rs 9118.3 crores, Rs 19384.67 crores and Rs 24374.50 were examined and cleared by the Empowered Committee during 2005-06, 2006-07 and 2007-08 respectively. The State –wise details are in **Annexure IV**

## **5. QUALITY ASSURANCE MECHANISM UNDER PRADHAN MANTRI GRAM SADAK YOJANA**

PMGSY is implemented in accordance with the prescribed guidelines which provide that ensuring the quality of the road works is the responsibility of the State Governments, who are implementing the programme. To this end, all works are required to be effectively supervised.

The management systems under the programme are oriented towards principles of quality assurance. A system of *three-tier* of quality mechanism was adopted which includes the process of in-house quality control at the field level followed by independent quality monitoring at the State level and Central level is adopted. On the basis of feedback, this management mechanism is being improved regularly.

The *first tier* of this mechanism is in-house quality control by way of ensuring mandatory tests, under the supervision of officers of Programme Implementation Unit (PIU), on quality of material and workmanship through establishment of field laboratory by the Contractor. Essential provisions have been made in Standard Bidding Document to enforce quality standards through provisions of contract in respect of quality testing, deployment of machinery and equipments necessary for achieving required quality standards and deployment of technical personnel by the Contractor. It was decided to review the implementation of first tier quarterly at NRRDA also accordingly reporting formats have been prescribed and implementation is reviewed.

The second and third tiers of this mechanism are independent monitoring of quality. In the *second tier*, quality monitoring is envisaged through deployment of State Quality Monitors, independent of executing machinery. In this tier, the State Government is required to ensure inspection of each work at three stages, i.e., initial stage, middle stage and final stage of construction. NRRDA has started close monitoring of this tier of QM also.

In the *third tier*, quality monitoring is envisaged through deployment of independent National Quality Monitors (NQMs) by the National Rural Roads Development Agency. The

quality monitoring in this tier is not envisaged as mechanism to provide guidance to the field functionaries rather than fault finding. The NQMs are required to inspect the works on random basis and to identify the deficiencies in quality of works. The observations of NQMs are sent for action to the State Governments and Action Taken Reports (ATRs) are monitored at NRRDA.

As an endeavour to continuously improve upon the delivery systems and on the basis of feedback received from various States and implementing agencies including the observations of Audit, the following improvements have been effected in the quality monitoring mechanism:

**(i) Revised Quality Assurance Handbook for Rural Roads (QAHB) :** A careful study of the in-house quality control mechanism revealed that there was a gap in accountability of field functionaries in respect of ensuring quality of various items of work. It emerged that frequency of mandatory tests was on high, making it impractical and also that the compiled documentation for testing procedures required under the rural roads was not readily available. Therefore, a Quality Assurance Handbook for rural roads has been developed, in which some basic changes have been effected.

QAHB has been developed with the help of Indian Roads Congress and is being provided to the field functionaries. The main features of Quality Assurance Handbook are:

- (i) Quality control requirements have been clearly laid down.
- (ii) Detailed description of equipments and test procedure has been compiled in one volume for the benefit of testing personnel.
- (iii) The requirements about the frequencies of quality control testing have been thoroughly examined and now practicable frequency of tests has been provided.
- (iv) For ensuring clear accountability, the quality control tests for material and workmanship at various levels have been introduced with a view to passing the relevant stage of work.

**(ii) Restructuring of the Third tier of Quality Mechanism:** Experience of quality monitoring at the third tier indicated that observations of NQM should be objective and based on defined methods of field testing. It was also felt that this monitoring should focus on quality of work rather than other aspects, NQMs should be made more accountable and the conduct of NQMs should be more ethical. Accordingly, the guidelines for third tier of quality mechanism have been revised. The code of conduct has been prescribed for NQMs and methods of observations and field testing have been prescribed for every item of work involved in road construction. The NQMs have been provided with clear and objective format for reporting and the quality grading of work is being done by the NQMs on the basis of defined parameters. The process of taking action on the observations of NQMs have been made more objective and process of grade improvement of quality has been introduced, wherein, the action taken report is verified by another independent monitor before the improvement of quality grading of work.

The statement showing the state-wise inspection of works, quality grading and position of submission of Action Taken Reports from March, 2002 to March, 2007 is given in **Annexure V**

## 6 MONITORING

### 6.1 ON-LINE MANAGEMENT, MONITORING AND ACCOUNTING SYSTEM (OMMAS)

The Online Management & Monitoring System constitutes a core component of PMGSY. In order to effectively monitor the entire programme and bring about greater efficiency, accountability and transparency in implementation, this web enabled application software has been developed by the Centre for Development of Advanced Computing (C-DAC) for the Ministry of Rural Development. The software is available through the PMGSY website [www.pmgsyonline.nic.in](http://www.pmgsyonline.nic.in).

During the year, at the request of the Ministry and NRRDA, CDAC enhanced the exiting modules and also added and modified reports for Bharat Nirman, physical and financial performance monitoring and stabilized the accounting module. Action was taken to ensure that the reliability and integrity of the data was maintained. Trainings were conducted wherever required, through CDAC and the identified Master Trainers.

### 6.2 Review Meetings

To monitor the implementation of the projects by the State Governments, Review Meetings are held in various States either region-wise or State-wise. The meetings held during the year 2007-08 were as follows:-

#	Date	Venue	Topic of Meeting	Participation
1.	13.04.2007	Habitat Centre	Review Meeting of PMGSY	All States
3.	06.07.2007	Krishi Bhawan	Review of implementation of PMGSY through NEAs in Bihar by Hon'ble MRD	All NEAs
4.	30-31.07.2007	Kolkata	Review meeting of PMGSY	West Bengal
5.	23.08.2007	Maharshtara	Review meeting of PMGSY	Maharashtra
6.	06.09.2007	Krishi Bhawan	Review Meeting of Bharat Nirman	Assam, Chhattisgarh, Jammu & Kashmir, Jharkhand, Orissa, Tripura, Uttar Pradesh, Uttarakhand & West Bengal.
7.	18.09.2007	Bhubneshwar Orissa	Regional Review Meeting	Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Karnataka, Kerala, Orissa, Tamil Nadu & West Bengal, Pondicherry
8.	25.09.2007	Jaipur, Rajasthan	Regional Review Meeting	Maharashtra, Goa, Gujarat, Madhya Pradesh, Uttar

				Pradesh, Uttarakhand, Rajasthan, Haryana, Himachal Pradesh, Punjab, Jammu & Kashmir.
9.	19.10.2007	Krishi Bhawan	Review of implementation of PMGSY through NEAs in Bihar by Hon'ble MRD	All NEAs
10.	17-18.01-2008	New Delhi	Performance Review Committee Meeting	All States

The above meetings were attended by State Secretaries of Nodal Departments, CEO of SRRDA, State level senior technical officers such as Engineer-in-Chief, Chief Engineer, State Quality Coordinator, Financial Controller and IT Nodal Officers. The STAs, PTAs and NQMs also participated in regional review meetings.

Physical and financial progress of works, issues pertaining to forest clearance, maintenance, data entry on OMMAS, institutional and capacity, quality, DPR preparation, and core network etc. were reviewed during the above meetings. Presentations about deficiencies in quality noticed during inspection of works, DPR preparation etc. were made and details about these aspects were also discussed. In the context of the Bharat Nirman Programme, detailed discussion about progress of works and the steps taken by the States to meet the targets was held in these meetings.

### 6.3 Transparency and Citizen Monitoring

The Citizen Information Board has been designed to provide details of actual work proposed at the site. Details relating to width of each layer of the pavement along with the quantity of the materials required to be used in each of the layers are displayed in the board. State Governments have been advised to fix Citizen Information Boards on every PMGSY road in local language with a view to share information with the citizen and enhance transparency in the programme implementation.

In order to further enhance transparency in the programme, State Governments have been advised to arrange joint inspection of ongoing as well as completed works under PMGSY by Hon'ble MPs, Hon'ble MLAs and functionaries of Panchayati Raj Institutions. The arrangements of joint inspection are as under:-

- The Superintending Engineer concerned of the zone/region will request Hon'ble MP and Zilla Pramukh representing that zone/region once in six months to select any PMGSY project(s) for joint inspection. The schedule of joint inspection will be fixed as per the convenience of Hon'ble MP/Zilla Pramukh.
- The Executive Engineer incharge of a division will request Hon'ble MLA/Chairperson of the Intermediate Panchayat concerned once in three months for joint inspection of any PMGSY project(s) as per their choice and according to their convenience.
- Similarly, the Assistant Engineer in charge of the sub-division will request the concerned Sarpanch of the Gram Panchayat once in two months to select any PMGSY project(s) for

joint inspection. Joint inspection of the project(s) may be arranged as per their convenience.

## 7. RESEARCH & DEVELOPMENT

The NRRDA has taken R&D initiatives in the following areas: -

- Use of Jute Geo Textiles.
- Rural Roads Pavement Performance Study.
- Traffic Volume Studies on completed PMGSY Roads
- Cement Concrete Pavements
  
- **Use of Jute Geo Textiles in Rural Roads:** – Cost of road construction being higher in poor soil, R&D findings on the benefits of using Jute to improve soil strength is being further investigated. In order to prove the efficacy at field level of the use of Jute Geo Textiles in Rural Road Construction, a Pilot Project has been initiated and the Jute Manufactures Development Council (JMDC), an Agency of Ministry of Textiles was identified as the nodal agency for the Pilot Project which in turn has retained Central Road Research Institute (CRRI), New Delhi as Technical Consultant. A MoU has been signed between NRRDA and JMDC. Roads for the Pilot Project have been selected in 5 States.

The Detailed Project Reports for the selected road works, prepared by JMDC under the guidance of CRRI, have been cleared by Empowered Committee. The SRRDAs have already awarded the works following the provisions of SBD with necessary special conditions. All works are at different stages of progress, many of them being near completing stage.

- **Rural Roads Pavement Performance Study:** – Rural Roads Pavement Performance Study has been initiated on the recommendations of the Workshop conducted for STAs, in order to enable the evaluation of the following:
  - (i). Efficacy of the current design procedures for sustainability.
  - (ii). Trends in the growth pattern of the traffic plying on the roads under different socio-economic environments.
  - (iii). The progression of deterioration of the pavements over a period of time under different field conditions.

Institutions for carrying out Rural Roads Pavement performance Study have been identified and MoU have been signed. All the institutes are in the process of periodical data collection. The guidelines for analysis are being finalized for uniform performance evaluation and drawing useful conclusions.

- **Traffic Volume Studies on completed PMGSY Roads:-** Traffic expected to use the road during the design life period of the road is one of the key parameters in the design of the pavement. Currently, for the new roads, a heuristic judgment of the base year traffic is made based on the experience of the existing roads under similar conditions and then projected with an assumed growth rate of 6%. For the roads taken for upgradation, the base year traffic is assessed through Traffic Counts.

In order to verify whether the assumed based year traffic and / or the assumed growth rate is reflected in the traffic plying on the road after its completion, it is proposed to conduct Traffic Volume Surveys on representative roads taking one per block in the set of roads completed before December, 2003, preferably of Phase-II. The task was assigned to STAs, who selected the roads in consultation with the respective SRRDAs. About 12 Institutes have collected the data and submitted which is being reviewed for drawing conclusion.

- **Cement Concrete Pavements:-** Cement Concrete Pavement are best suited on the soils of poor bearing capacity and also at the sites where exist severe drainage problems. However, the initial cost of construction of the Cement Concrete Roads will be normally higher compared to the conventional bituminous pavement. It was indicated by Cement Manufactures' Association (CMA) that the benefits in the form of reduced routine maintenance costs and the elimination of renewal and rehabilitation cost of bituminous Pavements will offset the high initial cost, if Cement Concrete Pavement are constructed, even in rural roads.

In order to field test the above, it is proposed to construct Cement Concrete Pavements under PMGSY. It has been decided that Cement Concrete Pavements can be proposed upto 10% of the roads under PMGSY from each State with the condition that 50% of the differential cost between the rigid pavement and flexible pavement for the road would be borne by the State, the balance 50% being funded under PMGSY. All States have been requested to send the proposals for taking up roads with Cement Concrete Pavement, which incidentally will also facilitate the use of fly ash replacing a part of the cement to be used in the Cement Concrete Pavements.

CMA is following up with the States for the preparation of proposals for this Technology Demo Project and also working the details of training modules.

## **8. EXTERNALLY AIDED PROJECTS**

- 8.1** Since resources available from the cess High Speed Diesel (HSD), levied under the Central Road Fund Act, are inadequate to finance a programme of this size, the Ministry of Rural Development is authorized to take appropriate steps in coordination with the Ministry of Finance to generate additional financial resources including by way of borrowings from External Funding Agencies such as the World Bank and the Asian Development Bank. The NRRDA provides technical and operational support for project preparation and execution. Performance of these projects is also monitored by NRRDA in accordance with the framework envisaged in the loan/project agreements.

### **8.2 World Bank Project**

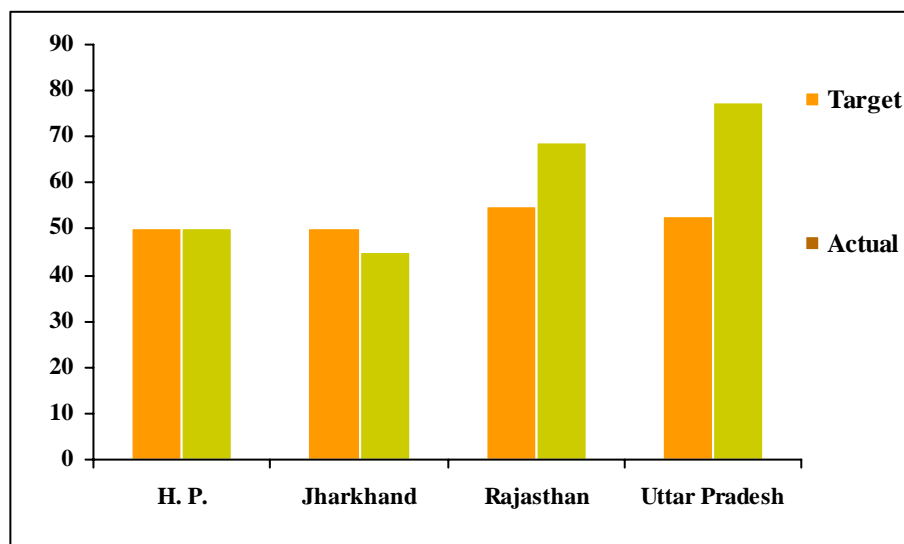
**Rural Road Project – I.** A USD 400 million loan from World Bank was taken for Himachal Pradesh, Jharkhand, Rajasthan and Uttar Pradesh during 2004-05 . NRRDA, on behalf of the Ministry monitors the project, co-ordinates with World Bank, the States, carries out studies, processes claims and prepares the quarterly reports.

Implementation review was undertaken by the Bank mission with the participation of NRRDA in September 2007 and in April 2008. Overall progress and achievement of objectives was found satisfactory, progress in Jharkhand & Himachal Pradesh required to

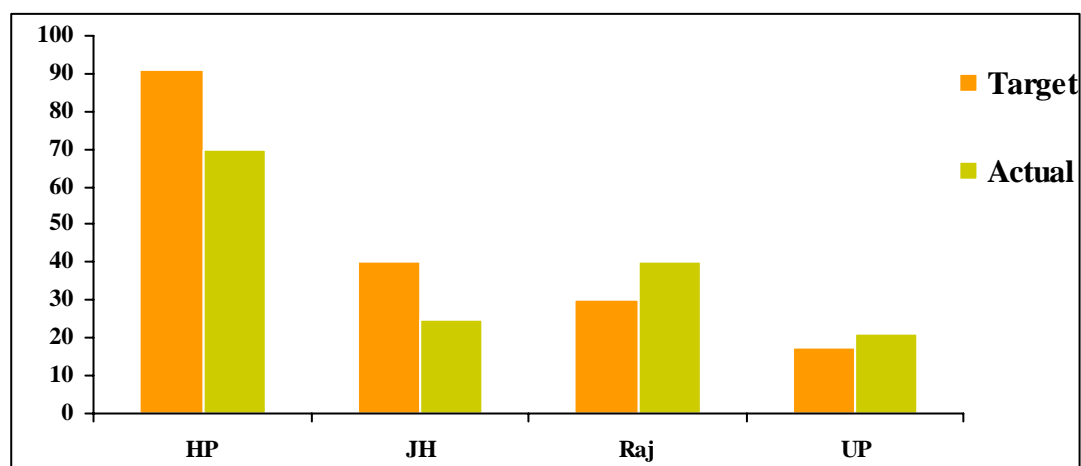
be speeded up. It was considered necessary to strengthen institutional component at the State and National level for achieving the overall objectives and targets during balance loan period. Need was also highlighted for training on Financial, Social & Environmental issues.

Performance against key performance indicators laid down in the project appraisal document are indicated below:

**Performance Indicator**  
**Habitation coverage (%)**



**Performance Indicator**  
**% of core rural roads network subject to routine maintenance**



### Progress for World Bank Funded PMGSY with reference to Targets

States	Length in Km. (Cumulative)	
	Targets ( upto March 08)	Achievement upto March 08
Himachal Pradesh	700	640.01
Jharkhand	550	68.15
Rajasthan	1800	4419.74
Uttar Pradesh	2100	970.47
<b>Total</b>	<b>5150</b>	<b>6098.37</b>

### Financial Disbursement

Particulars	Disbursement ( March – 08)
Target \$ mn ( cumulative)	275
Disbursement \$ mn	202.7

Arrangement for training of 13 officers from States, NRRDA/MoRD of Restructuring Road Management and Road Maintenance Management from 29<sup>th</sup> April to 11<sup>th</sup> May 2007 at University of Birmingham was made by NRRDA as a part of Institutional Capacity Building under the loan.

**Second Rural Road Project:** The Government of India, (DEA, Ministry of Finance) approached the World Bank during November 2005 for assistance to speed up the implementation of PMGSY under Bharat Nirman in the States of Arunachal Pradesh, Bihar, J&K, Mizoram and Uttaranchal. The proposals of GoI has been accepted in concept by the World Bank during November itself. The task team from the World Bank has also undertaken identification missions & project preparation missions to each of the proposed States during the year. The size of proposed loan assistance is USD 500m.

Project proposals for tranche-I has been considered and cleared for all the participating state. Loan Negotiation are yet to be held.

## 8.3 Asian Development Bank

### Rural Roads Sector I Projects (RRSIP)

ADB has been providing support under Rural Roads Sector Programme (RRSP-I) in Madhya Pradesh and Chattisgarh. The project is intended to fund the construction of 5500 Km of rural roads under PMGSY in each State with a funding of US \$ 400 million. The funding of ADB is limited 76% of the construction cost of projects. The loan became effective from 25<sup>th</sup> January 2005 and the revised loan closure date is 30<sup>th</sup> June 2009. As per ADB's Guidelines, NRRDA is assisted by a Project Management Consultant (PMC) in implementation of the project in Chattisgarh and Madhya Pradesh. Total length of project sanctioned in Madhya Pradesh and Chattisgarh has been 5935 Km and 5165 Kms respectively. 1634 km and 1092 km roads were constructed in Madhya Pradesh and Chattisgarh respectively during the year



In addition draft roads safety audit guidelines for rural roads was prepared by PMC and two workshops with field demonstration of road safety audit were held in both states in the month of October'07. PMC studied the maintenance mechanism in both the States and concept document for the maintenance, Service Quality Level benchmarks and draft amendments for maintenance in Standard Bidding Document, where prepared. Draft road safety campaign material and draft work plan for rural road execution have also been prepared which are to be finalized. PMC has conducted two rounds of surveys in social economic impact assessment on PMGSY roads in both states.

<p><i>Reimbursement claims for US\$ 136.45 million were submitted to ADB against target of US \$123 million during the calendar year 2007</i></p>
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## **Rural Roads Sector II Projects (RRSIIP)**

ADB, in the second phase is supporting PMGSY in the states of Assam, Orissa and West Bengal through a Multi-tranche Financing Facility (MFF) Loan of 750 M US\$. The First Periodic Request (PFR) of 180 M US\$ for RRSIIP has been sanctioned by ADB with a date of loan effectiveness as 18<sup>th</sup> October, 2006 and loan closing date as 31<sup>st</sup> December, 2008. The share of Bank financing is 80% of the construction cost of the sub-projects and remaining cost is to be borne by Govt. of India. As per provisions of ADB, Technical Support Consultant (TSC) has been engaged to assist NRRDA and SRRDAs for preparation of sub-project proposals, social and environmental safeguards and training interventions. ADB Batch I includes 924 km in Assam, 1042.7 km in Orissa and 805.25 km in West Bengal, out of which 295 km roads in Assam, 306 km roads in Orissa and 303 km roads in West Bengal have been completed during the year. A Technical Support Consultant has been hired to assist NRRDA and SRRDA in sub-project preparation, social environmental safeguards and road safety provisions. Each state has also engaged Project Implementation Consultant for implementation of ADB Projects.

During the year sub-project preparation and social and environmental safeguard compliance of ADB Batch II in the state of Orissa, Assam and West Bengal has been completed. During the year Orissa completed 361 kms of road length at a cost of Rs. 213.66 crores. Preparation of sub-project and process of procurement for 3<sup>rd</sup> tranche under ADB Batch II in Assam and West Bengal were initiated during the year. Assam has proposed 1000.78 km of road length at Rs 573.46 crores and West Bengal has proposed 908.09 km of road length at Rs. 329.71crores. Road Safety Audit workshops were conducted in Orissa during the year.

<p><i>Reimbursement for US\$ 68.51 M could be claimed from ADB against target of US\$ 64.10 M in loan no. 2248 during the CY 2007.</i></p>
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## **8.4 Technical Assistance from World Bank.**

World Bank is supporting India's economic reforms by extending technical and financial assistance in various sectors. NRRDA is also a participating entity in this assistance through the Ministry of Rural Development. The TA project ended in December 2007. The status of funds received under the various components and the expenditure against them upto December 2007 is as follows:-

	Activity	Budget (Rs in crores)	Expenditure (Rs in crores)
1	Preparation of Manuals, Pilot Projects, Studies	4.00	3.4
2	Training Activities and Workshops	11.05	11.73
3	International Exposures	6.09	4.37
4	Special Equipment	17.82	19.74
<b>Total:</b>		38.96	39.24

**The activities taken up under the Project during 2007-08 were follows:-**

**I Preparation of Manuals, Pilot Projects, Studies**

- ***Development of pilot basis of Geographical Information System (GIS)*** : For effective management of PMGSY and various State level programmes for construction, improvement, maintenance and monitoring of rural roads, a Geographical Information System (GIS) component was developed through Centre for Development of Advanced Computing (C-DAC) , Pune in the two pilot States of Rajasthan and Himachal Pradesh wherein, a digital database for rural roads in GIS environment was developed and made operational. The digital database has been linked to OMMS and a web based GIS enabled Road Information Management and Monitoring System- GRIMMS has been developed. Total cost of project is Rs 270 .00 lacs.
- ***Preparation of Manual on use of Steel Structure for PMGSY Rural road in Bridges & Culvert:*** The preparation of manual on use of Steel Structure for PMGSY rural road in bridges & culvert has been worked out by the Institute for Steel Development and Growth (INSDAG), Kolkata for an amount of Rs 5.06 lacs.
- ***“Rural Road Vision Plan: 2025”:*** As prepared by IRC and core group was dedicated to nation in Seminar held at Vigyan Bhavan on 23-24 May 2007 by Dr. Manmohan Singh Hon’ble Prime Minister of India. The major areas covered in the Rural Road Development Plan: 2025 relate to preparation of district rural roads plans, targets of connectivity to all unconnected habitations of the country going beyond the PMGSY norms, preservation of rural roads assets, emphasis on engineered roads and quality construction with judicious blend of labour and light machinery so that roads being constructed are durable on the one hand and use of local materials and local skills is maximized on the other hand. This document would guide the Centre and the States in their efforts to formulate and implement the long term plans for the development of rural roads.

## II Training Activities and Workshops

During the year around 55 training programmes of 2 to 6 days duration were conducted for engineers & accounts personnel involved in PMGSY at various levels. The training programmes have been conducted successfully covering 1817 engineers.

## III Survey, Lab Equipment and I.T. Equipment

- Quality Control and Field Survey Equipments: In order to ensure sustained quality improvement in the PMGSY road construction process, States were encouraged to upgrade their testing facilities. Proposals of fifteen States were approved during the year for procurement of equipments/ IT Equipment as per details given below:

State	Details of Sanctioned ( Rs. In Lacs)			Establishment/ Strengthening of Lab./IT Equipments	
	Lab Equipment	IT Equipment	Others	PIU Lab	Zonal
Arunachal Pradesh		20.97	8.10 (total station)	2	
Bihar	228			38	11
Chhattisgarh	49.43	42.13	10.00 road design software		
HP			3.74 GIS Strengthening		
J&K		5.49			
Kerala		6.61			
Karnataka	16.78			21	
MP	56.56				
Maharashtra	81.01	4.58		33	
Manipur	29.32	4.48			
Orissa	55.16	16.10		23	
Rajasthan			4.95		
Tamilnadu	53.15			29	
Uttaranchal	7.92				2
West Bengal	19.03			19	1
	568.64	100.36	26.79	165	14

## IV International Exposures

**During year 2007-08, three delegations went abroad as per details below:**

Country/Institutions visited	Number of Participants	Duration	Brief Description
Royal Melbourne Institute of Technology, Melbourne, Australia	11	28 <sup>th</sup> April – 5 <sup>th</sup> May 2007	Study Tour organised by the RMIT and Vic Roads covering Road Asset Management, Low Traffic Pavement Design Practices, Unsealed roads, Road Safety etc
Royal Melbourne Institute of Technology, Melbourne, Australia	17	12 <sup>th</sup> May – 26 <sup>th</sup> May 2007	Training Programme organised by the RMIT and Vic –roads covering road Asset Management, Low Traffic Pavement Design Practices, Unsealed Roads, road Safety etc.
Republic of Indonesia	11	24 <sup>th</sup> June – 30 <sup>th</sup> June 2007	Technical Exposure visit to Indonesia

*The TA has been very effective in capacity building of the state rural road agencies implementing PMGSY. Funds have been fully utilized for the purpose for which they were made available. The achievement of TA objectives can be rated highly satisfactory*

### 9.0 PARTICIPATION IN INDIAN ROADS CONGRESS

The 68th Annual Session of Indian Roads Congress (IRC) was held during 16-19 November, 2007 at Jaipur, Rajasthan . Officers of NRRDA and selected Engineers and members of STA from all the States involved in the PMGSY attended the annual session. An exhibition depicting the objectives and scope of PMGSY, processes and procedures for the construction of good quality rural roads and their maintenance, achievements and impact of PMGSY, was organised and kept open for the delegates through out the session. Officers of NRRDA had also presented their papers on different subjects during course of session.

### 10.0 WORKSHOPS AND SEMINARS

#### 10.1 National Conference and exposition on rural roads

National Conference and Exposition on rural roads was organized from 22nd to 24th May, 2007 at Vigyan Bhavan, New Delhi, in which field level and other senior officers from the States/UTs/Agencies, quality monitors and representatives from various stakeholders in the programme participated. A technical exhibition was also organized displaying achievements in PMGSY, materials and machineries used in construction of rural road etc. through photographs, posters, models.

Dr. Manmohan Singh, Hon'ble Prime Minister of India graced the inaugural session of the conference and release the 'Rural Roads Plan: Vision 2025'. The valedictory session was addressed by Shri Bhairon Singh Shekhawat, Hon'ble Vice President of India. The 'Quality Assurance Hand Book for Rural Roads' was also released by Hon'ble Vice President on this occasion.

The work of organizing this conference was handled by the National Rural Roads Development Agency and the Construction Industry Development Council (CIDC).

Key experts on policy, planning and decision making from Central and State Governments, funding organizations, research institutions, field level officers of the States, technical institutions termed as Principal Technical Agencies and State Technical Agencies for PMGSY, independent quality monitors, material and machinery manufacturers and suppliers, contractors and consultants involved in the rural roads construction participated in the conference. A technical exhibition to exhibit various materials and machinery etc and showcasing the achievements in the flagship rural roads development programme was very successfully put up during the conference.

*National Bank for Agriculture and Rural Development (NABARD) sponsored the event as Gold Sponsorer followed by National Buildings Construction Corporation Ltd. (NBCC) and National Hydro Electric Power Corporation (NHPC) as Silver Sponsorer. The Principal Sponsorship for the event was provided by Hindustan Petroleum Corporation Ltd (HPCL), National Project Construction Corporation (NPCC), IRCON, Shell Bitumen India (P) Ltd. The sponsorers to the event were AIMIL, State Bank of India Bhubneshwar, Cement Manufacturers Association (CMA), State Bank of India Chennai and NIIT.*

The main objective of the Conference was to review the existing status and refine the roadmap for the future. The deliberations in the conference on the subject and recent developments brought out new thoughts and methods/ strategies to address the rural roads and infrastructural issues more efficiently and effectively. The deliberations facilitated further refinement in execution of Bharat Nirman and to disseminated appropriate messages to all concerned.

### **Technical and Special Sessions**

The conference was planned with 4 Technical Sessions and 2 Special Sessions. The Technical Sessions were on the following identified themes:

- |          |   |
|----------|---|
| Theme 1: | Planning and Design of Rural Roads  |
| Theme 2: | Construction of Rural Roads   |
| Theme 3: | Maintenance and Management of Rural Roads   |
| Theme 4: | Allied Topics covering financing, traffic safety, impacts of Rural Roads, community participation in Rural Roads planning, construction and Maintenance and sustainable issues. |

**Theme 1** included a key note address and ten technical papers covering alternative strategies for planning of rural roads, GIS applications in planning, performance criteria for designs, subgrade characterization, pavement overlay design, prediction of CBR values through correlation and the experiences of outsourcing.

**Theme 2** on Construction of rural roads attracted attention of large number of authors covering a wide variety of issues in construction. The session included a key note address on the theme

and twenty other technical papers. The topics of the technical papers included experience of a pilot project with jute geo textile in rural road construction, various techniques of soil stabilization and use of locally available materials, techniques for long life pavement, cost effectiveness in rural road construction, use of plastic modified bitumen, culverts and small bridges, construction with interlocking concrete block pavements, problems in mobilizing man and material in rural roads construction, and comparative study of different types of cross drainage system.

**Theme 3** on maintenance and management of rural roads focuses on asset maintenance and preservation. In addition to the key note address, seven technical papers of research value illustrating the strategies for maintenance and management of rural roads were included in the session. The topics covered in the technical papers included development of pavement performance models, asset management, GIS based data mining for condition monitoring, concepts in maintenance management system, interactions with PIUs on management issues and calibration of highway design and management models which is policy sensitive for investigating alternate strategies of pavement management.

**Theme 4** covered several areas of financing, impacts of rural roads construction, community participation in planning, construction and maintenance of rural roads and road safety. Keeping in view the areas to be covered two key note speakers were invited to highlight the issues and challenges. Nine technical papers were received covering the topics such as socio – economic impacts of rural roads, quantification of benefits, impact of PMGSY on travel characteristics, issues in the sustainability of rural roads, application of information technology, financial management systems and technology demonstration projects under R&D.

The experience sharing special sessions covered the following areas:

1. Experience sharing by the implementing agencies of PMGSY.
2. Presentations by industry on latest technologies and materials and instrumentation.

During the **Experience Sharing Session** various issues like institutional development, capacity building for executing agencies and contractors, e-procurement, monitoring and management of the programme at state level and special problems faced by some of the States due to their geographical location, terrain and the environmental conditions were raised.

During the **Session on Presentations by the Industry** new technologies, product ranges and their suitability for sustainable development of rural roads were presented by the representatives of both public and private sector organizations to inform the field engineers various options they can adopt, based on the site conditions in different states under varied conditions of constructing rural roads.

Key experts on policy, planning and decision making from Central and State Governments, funding organizations, research institutions, field level officers of the States, technical institutions termed as Principal Technical Agencies and State Technical Agencies for PMGSY, independent quality monitors, material and machinery manufacturers and suppliers, contractors and consultants involved in the rural roads construction participated in the conference.

**Recommendations** -The recommendations made on the basis of the deliberations held during the session were as follows-

***Theme 1***

1. The current approach and criteria adopted for preparation of District Rural Roads Plan and Core Network needs re-examination

- Optimal networks should be selected to serve maximum population at minimal cost.
  - A separate criteria is to be evolved for hill areas with dispersed settlements.
  - Need for considering provision of multiple connectivity to increase the economic activity of areas already provided with basic connectivity.
3. Needs of different segments of rural population are different. Roads leading to facility locations such as school, dispensary, drinking water, community center should be considered in the network approach. Consideration should be given to community participation and stakeholder consultation in planning and prioritizing of accessibility interventions.
  4. Application of tools such as Geographical Information System (GIS) will enable different agencies make efficient use of the information available in the data base. The database will also help in preparing master plans for other sectors, as well.
  5. Due consideration should be given to the fact that several habitations (especially in thinly populated areas) will remain unconnected until 2022 (as envisaged in Vision 2025 document). The possibility of providing basic connectivity to all habitations much earlier needs to be examined. This can be achieved by scaling down the specifications and other associated activities suiting to the needs of traffic using them and resulting in low-cost construction while connecting habitations with lower population.
  6. These roads may be planned for stage construction with provision for subsequent upgradation.
  7. Design for flexible pavements of rural roads, as currently prescribed in the Rural Roads Manual has been revised and the new design guidelines are likely to be published shortly. This provides for performance based designs using equivalent axle load applications. NRRDA may consider instituting a regular system of monitoring performance data of rural roads constructed on the basis of such designs through academic institutions and research centers to enable review of design approaches.
  8. The recent initiative taken by NRRDA for collecting performance data on PMGSY roads was acknowledged with appreciation. Such studies on all Rural Roads are to be taken in order to capture relevant data on performance of the roads constructed with different specifications.
  9. Inadequate drainage is one of the fundamental causes of premature failure of all roads and rural roads are no exception. Provision of adequate drainage measures including subsurface drains and drainage structures should receive full attention of the practicing engineers while preparing the project estimates for construction of rural roads.
  10. The concept of planning and design for rural roads under the PMGSY programme should apply to all rural roads so that requisite engineering inputs are ensured for the rural roads constructed under other programmes are also equally durable.
  11. While designing overlays for improvement of existing rural roads to meet the needs of projected traffic, it is desirable to undertake proper evaluation of the

existing pavement condition. For this, assistance of research laboratories or academic institutions may be sought, if necessary.

## ***Theme 2***

1. There is a need to improve the compaction specifications for Rural Roads- advisable to adopt compaction requirements based on modified proctor density.
2. Innovative construction techniques need to be adopted. For promoting their use, some projects may be executed on experimental basis. There is need for making available schedule of rates for such items.
3. In case of upgradation of existing pavements with poor drainage and inadequate crust thickness, it is suggested to raise the formation level above HFL and reconstruct the pavement as per Rural Roads Manual.
4. Full compliance of the requirements of Rural Roads Manual for roads in Village limits to have better drainage system and concrete block pavement.
5. Geotextiles, especially Jute and Coir, can be effectively used in rural roads as they improve the strength, drainage and prevent soil erosion. Pilot projects may be taken up in several parts of the country.
6. Rounded aggregates can be used in combination with crushed aggregates in lower pavement layers. Pilot Projects may be taken up on experimental basis.
7. Fly Ash with fibre can also be effectively used in the sub-base layers. Pilot Projects may be taken up.
8. Permeability characteristics of soil, especially lateritic soils, can be improved for use as a drainage layer through mechanical stabilization by mixing with waste materials. Pilot Projects may be taken up in States where such materials are available.
9. Interlocked Cement Block Pavements (ICBP) have low life cycle costs- standardized design and specifications for rural roads are available and need to be adopted.
10. Cellular Concrete Pavements can be adopted for rural roads; the cellular concrete pavements have lower life cycle costs. Pilot Projects may be taken up.
11. There is urgent need to conserve the natural resources through cost-effective soil stabilization techniques in rural road construction.
12. Low end technology equipment may be effectively utilized in construction of soil stabilization layers to reduce the dependence on heavy sophisticated machinery.
13. There is need to consider construction of brick masonry arch culverts to encourage use of available materials to cut down on costs. Training of masons in this regard is also important.
14. Appropriate technology with judicious blend of labour and light machinery may be encourage, so long as there is no compromise on quality of construction.
15. Each State should endeavor to construct at least 10 percent of the projects with cost effective alternative technologies. PTAs and STAs have to provide requisite technical support from concept to commissioning of these projects.



Theme 3.

1. Drainage is the principal requirement to ensure good quality and long life for road pavements. Hence, it is necessary to take this into consideration not only during design and construction stages but also during maintenance stage
2. Creation of dedicated and non lapsable State Road Funds for Road Maintenance is to be given priority.
3. Rural Roads maintenance may be contracted out based on performance based specifications. The NRRDA may take a lead in evolving a basic framework with the support of the Indian Roads Congress.
4. Maintenance must be taken up at the right time to increase the service life of the pavements.
5. Guidelines regarding **“when, what and how of maintenance”**, need to be developed.
6. Clear guidelines for prioritization of maintenance interventions should be developed based on simplified system of road condition indices and importance of road. The methodology developed by the ILO for inventory and condition survey of rural roads in Madhya Pradesh may be considered with suitable modifications as necessary by the States.
7. NRRDA has to take initiative in funding research & development of appropriate technologies and procedures for better construction and up - keep of rural roads.
8. Development of GIS based information system for monitoring of rural roads for sustainable system of providing connectivity to the rural India.
9. PIUs are experiencing difficulties in implementation. Training and support from the experts will help them in overcoming these difficulties. There is need to take up strengthening of the operational capacity of the road agencies responsible for rural roads for improving delivery of maintenance works.
10. Calibration and development of various performance models and pavement management system will help in proper monitoring and taking up timely maintenance.
11. Maintenance of rural roads particularly routine maintenance is labour intensive. These requirements atleast in case of non-core roads can be considered as part of rural employment guarantee schemes of the States.
12. A detailed study of funds required for maintenance of rural road on realistic basis is needed in each State, so as to arrive at fund requirements and rational norms for routine and periodic maintenance of different types of pavements in different regions.
13. Preventive maintenance can significantly reduce the future maintenance and rehabilitation cost. The key for this is to identify the appropriate treatment and its timing. There is need to develop guidelines for this.
14. The option of projectizing maintenance in PMGSY may be explored with suitable cost sharing mechanism by centre and states.
15. The Ministry of Rural Development may constitute a Standing Committee on maintenance of rural roads comprising senior officers of the Central and State Governments, a few experts from academia and research agencies to identify implementable strategies in financial, institutional and operational aspects in

our milieu. Best practices-both national and international should be taken into consideration in arriving at menu suitable for India.

***Theme 4-***

1. There is an urgent need for moderation of geometric standards and design options for cost optimization, particularly in difficult terrains and connectivity to low size habitations.
2. The thesis of poverty reduction through PMGSY needs to be validated by scientific bench mark and long term studies.
3. Rural road network planning is to be integrated into overall planning exercise involving all stakeholders.
4. There is need to identify process to synergize the community participation in improving quality, pavement maintenance and road safety.
5. Socio-economic impacts of rural roads may be quantified systematically through scientific studies.

***Special session-***

1. Inadequacy in the trained manpower is affecting the progress of implementation and this needs to be addressed and remedial measures taken.
2. It is necessary to sensitize the community with reference to road safety and asset ownership.
3. It is thought appropriate to adopt E-Procurement in all the States due to its advantage. NRRDA should issue necessary framework guidelines to facilitate the states.
4. Project Management is to be taken seriously at all levels and appropriate MIS is to be put in place for effective implementation of PMGSY.
5. The difficulties in carrying out road construction in difficult areas, particularly hills, call for a thorough study to put in place necessary strategies and techniques.
6. Involvement of senior administrators / engineers will help in meeting the targets, however stiff they may be.
7. Delegation of financial powers at appropriate level will help in quick decision making in the procurement of works.

A **Technical Exposition** to exhibit various materials and machinery etc and showcasing the achievements in the flagship rural roads development programme was also organized alongside the National Conference. Exposition was inaugurated by Hon'ble Minister for Rural Development on 22<sup>nd</sup> May, 2007. The Achievements of PMGSY in the various States was showcased in the Exposition. NABARD, Central Rural Roads Institute, AIMIL, Jute Manufacturers Development Council were amongst the participants in the Exposition.

**10.2. Regional Workshops for Quality Assurance Hand Book for Rural Roads and IRC SP:72.**

A Quality Control Hand Book for Rural Roads was brought out in 2002 covering various tests to be conducted for flexible pavement as a first step towards institutionalizing

quality assurance in the programme implementation. Based on the feedback received from executing agencies etc. and consequent to publication of Specifications for Rural Roads, revisions have been carried out including rationalization of frequencies of mandatory tests. The revised handbook has been entitled as 'Quality Assurance Hand Book for Rural Roads'. IRC SP:72, 'Guidelines for the design of flexible pavements for low volume rural roads' has been issued by IRC. With a view to sensitizing the field engineers about the provisions of these two publications, Regional Workshops were conducted during December, 07 and January, 08 at Thiruvananthapuram, Guwahati and Bhopal.

## **11.0 BUDGET**

The approved revised budget estimates for the financial year 2007-2008 and the expenditure against it is given at **Annexure VI**. The receipts for the year as grant from the Ministry were Rs 72.73 crores, Rs 11.42 crores was Technical Assistance from World Bank carried over from 2006-07 and loan of Rs 4499.99 crores from NABARD in addition to the interest and miscellaneous receipts

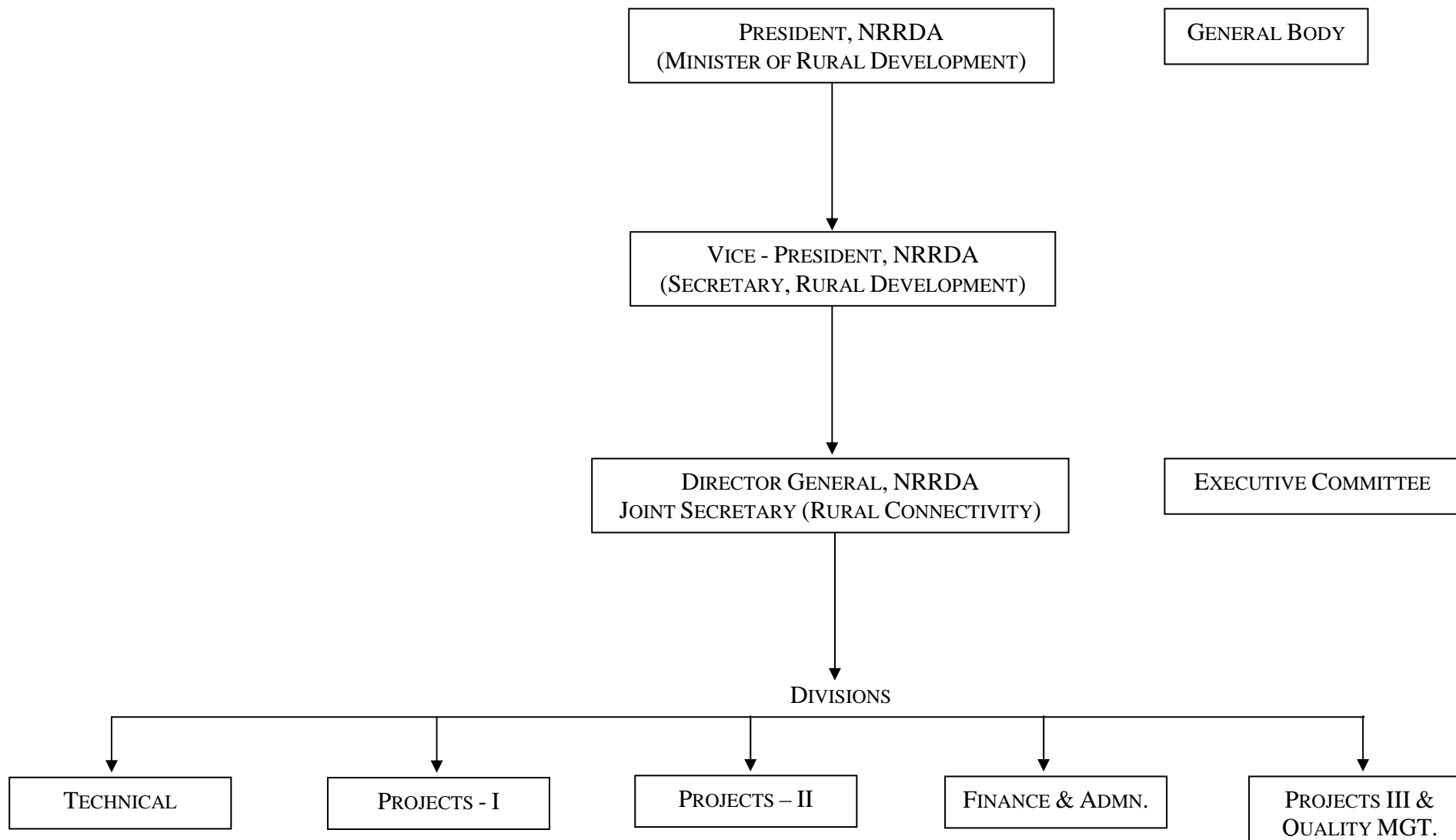
## **12.0 ACCOUNTS & AUDITS**

During the year an expenditure of Rs.73.52 crores was incurred from the funds received from the Government of India including interest payment to NABARD, Rs 9.18 crores under Technical Assistance from World Bank and Rs 4,499.99 crores from the NABARD loan

The accounts of the agency have been audited by M/s. Sandeep Ramnivas Gupta and Company Chartered Accountants appointed for the purpose.

The audited accounts in the form of balance sheet, receipt and payment account, income and expenditure Account, for the year 2007-08 and related notes are enclosed as **Annexure VII(A) (B) (C) (D) and (E)**, respectively

***ORGANISATIONAL STRUCTURE OF NRRDA***



In addition the National Informatics Centre (NIC) provides IT support: Smt. Anubha Goyal, Principal Systems Analyst.

**List of Principal Technical Agencies (PTAs)**

<b>Sl.No</b>	<b>Name of the PTA</b>	<b>States Covered</b>
<b>1.</b>	Central Road Research Institute (CRRI), New Delhi	Union Territories
<b>2.</b>	Indian Institute of Technology, Roorkee	Uttaranchal, Uttar Pradesh, Bihar and Jharkhand
<b>3.</b>	Indian Institute of Technology, Mumbai	Maharashtra, Gujarat and Madhya Pradesh
<b>4.</b>	National Institute of Technology, Warangal	Andhra Pradesh, Orissa and Chattisgarh
<b>5.</b>	Birla Institute of Technology and Science, Pilani	Rajasthan, Punjab, Haryana, Jammu & Kashmir & Himachal Pradesh
<b>6.</b>	College of Engineering, Bangalore University, Bangalore	Karnataka, Tamilnadu, Kerala and Goa
<b>7.</b>	Indian Institute of Technology, Kharagpur	North Eastern States of Assam, Arunachal Pradesh, Manipur, Mizoram, Meghalaya, Nagaland, Sikkim, Tripura and West Bengal

*List of State Technical Agencies (STAs)*

S.No	State	STAs
1	Andhra Pradesh	(i) National Institute of Technology Warrangal-506004 (ii) J.N.T. University, Kukatpalli Hyderabad-500072 (iii) College of Engineering, Andhra University Visakhapatnam (iv) University College of Engineering, Osmania University Hyderabad-500007
2	Arunachal Pradesh	(i) North-Eastern Regional Inst. of Science & Technology Nirjuli-791109 (ii) Jorhat Engineering College Jorhat-785007
3	Assam	(i) Indian Institute of Technology Guwahati (ii) Assam Engineering College, Jalukbari Guwahati-781013
4	Bihar	(i) National Institute of Technology Patna University, Patna- 800005 (ii) Muzaffarpur Institute of Technology Muzaffarpur-842003 (iii) Bhagalpur College of Engineering Bhagalpur-813210
5	Chattisgarh	(i) National Institute of Technology, GE Road. Raipur-492010
6	Goa	College of Engg. Farmagudi-403401
7	Gujarat	National Institute of Technology Ichcharath, Surat-395007
8	Haryana	(i) National Institute of Technology Kurukshetra-136119
9	Himachal Pradesh	National Institute of Technology Hamirpur-177005
10	Jammu & Kashmir	(i) NIT Srinagar-190006 Srinagar, J&K (ii) Govt. College of Engineering & Technology, Jammu Jammu-Tawai-180001

S.No	State	STAs	
11	Jharkhand	(i) Birla Institute of Technology (ii) National Institute of Technology, Jamshedpur	Mesra-835215 (Ranchi) P.O. -R.I.T. Jamshedpur Pin Code- 831014
12	Karnataka	(i) Bangalore University (ii) National Institute of Technology, Surathkal (iii) P.D.A. College of Engineering, Gulbarga (iv) IR Rasta, Road Institute	Bangalore-560056 P.O. Srinvasnagar, Mangalore-575025 Aiwan-E-Shahi, Station Area, Gulbarga Bangalore-560058, Karnataka
13	Kerala	(i) College of Engineering (ii) National Institute of Technology, Calicut	Trivandrum-695016 Kerala
14	Madhya Pradesh	(i) Maulana Azad National Institute of Technology (ii) Govt. Engineering College (iii) SGS Institute of Technology & Sciences	Bhopal-462007 Jabalpur-482011 Indore
15	Maharashtra	(i) Visvesvaraya National Institute of Technology. (ii) Indian Institute of Technology (iii) Govt college of Engineering, Aurangabad (iv) Govt. College of Engineering, Shivajinagar.	South Ambazariwad, Nagpur-440011 Powai, Mumbai Aurangabad-431005 Pune-05
16	Manipur	National Institute of Technology	Silchar-788010
17	Meghalaya	Indian Institute of Technology	Guwahati
18	Mizoram	Indian Institute of Technology	Kharagpur-721303
19	Nagaland	Jorhat Engineering College	Jorhat-785007

S.No	State	STAs	
20	Orissa	(i) National Institute of Technology (ii) College of Engg. & Technology (iii) University College of Engineering (iv) Indira Gandhi Institute of Technology, Sarang	Rourkela-769008 Bhubaneswar Burla Sarang-759146 Dist- Dhenkanal (Orissa)
21	Punjab	(i) Punjab Engineering College (ii) Giani Zail Singh College of Engg. & Tech. (iii) Thapar Institute of Engineering & Tech.	Sector-12, Chandigarh-160012 Dabwali Road, Bhatinda-151001 Patiala-147004
22	Rajasthan	(i) Malaviya National Institute of Technology (ii) MBM Engineering College (iii) University College of Engineering, Rajasthan Technical University	Jaipur-302017 Jodhpur-342011 Kota-324010
23	Sikkim	Govt. Engineering College	Jalpaiguri-735102
24	Tamil Nadu	National Institute of Technology	Tiruchirapalli-620015
25	Tripura	National Institute of Technology	Agartala-799055
26	Uttar Pradesh	(i) MNNIT Engineering College (ii) Indian Institute of Technology (iii) Kamla Nehru Institute of Technology (iv) Hurcourt Butler Technological Institute (v) Institute of Engineering & Technology (vi) Institute of Technology, Banaras Hindu University	Allahabad-211004 Roorkee-247667 Sultanpur-228118 Kanpur Sitapur Road, Luknow-226021 Varanasi-221005
27	Uttaranchal	Indian Institute of Technology	Roorkee-247667



S.No	State	STAs	
28	West Bengal	(i) Indian Institute of Technology	Kharagpur-721302
		(ii) Govt. Engineering College	Jalpaiguri-735102
		(iv) Bengal Engineering and Science University, Shibpur	Howrah-711103
		(v) Jadavpur University	S C Mallik Road, Kolkata- 700032

## Annexure -IV

## Proposals cleared under PMGSY during 2005-06, 2006-07 and 2007-08.

#	State	2005-06				2006-07				2007-08			
		Value in Crores	No of road Works	Length in Km	Habitat ions Covered	Value in Crores	No of road Works	Length in Km	Habitation s Covered	Value in Crores	No of road Works	Length in Km	Habitation s Covered
1	Andhra Pradesh	369.24	607	2638.84	0	350.212	340	1829.32	2	527.57	366	2071.63	0
2	Arunachal Pradesh	106.22	64	340.041	72	413.028	116	898.605	81				
3	Assam	927.01	486	2060.51	1272	1548.598	417	2853.395	2518	570.12	139	984.27	607
4	Bihar	733.01	252	2291.92		1483.69	430	3703.55	723	3231.41	1531	7624.82	2266
5	Chattisgarh	1035.73	990	4467.5	2182	1102.27	924	3847.94	1690	1978.06	1251	6836.67	2335
6	Goa												
7	Gujarat	121.38	370	763.72	348	224.02	449	1298.66	340	235.46	390	1362.23	230
8	Haryana	84.25	26	361.93	0	199.64	47	618.83	0	446.82	108	1085.23	0
9	Himachal Pradesh	279.81	210	1234.71	575	968.64	639	4559.746	977	366.37	165	1564.97	146
10	Jammu & Kashmir					676.81	251	1566.17	465	184.64	25	334.55	0
11	Jharkhand	113.78	102	479.395	277					499.49	353	1679.78	593
12	Karnataka	212.05	190	1273.26	0	422.42	256	2114.57	0	633.75	313	2450.06	0
13	Kerala					48.43	84	163.919	61	294.21	322	733.27	0
14	Madhya Pradesh	1114.32	1191	5625.67	1724	3152.12	2971	13088.74	4190	3395.17	2953	12083.40	1702
15	Maharashtra					1107.92	1559	6079.08	258	1475.48	441	4626.21	47
16	Manipur					152.23	59	556.19	93				
17	Meghalaya	30.05	30	93.101	30	39.6153	26	105.591	38				
18	Mizoram	121.99	34	494.13	21					147.15	30	399.40	35
19	Nagaland	70.2	23	390.38	28					126.26	29	467.00	14
20	Orissa	983.726	827	3351.69	1040	1093.65	851	3121.37	1082	2670.21	1689	6617.05	2069

21	Punjab					569.26	119	1525.16	0	344.21	63	763.90	0
22	Rajasthan	976.17	1579	5445.63	1815	1833.02	3634	10768.2	4085	2916.33	2321	14546.99	1763
23	Sikkim	63.1	34	144.49	53	149	67	323.27	80	94.08	39	206.73	33
24	Tamil Nadu					174.31	379	849.23	398				
25	Tripura	39.58	36	80.92	36	525.2063	266	861.362	713	703.11	332	1148.71	706
26	Uttar Pradesh	1007.76	2301	4230.69	2659	2289.76	2881	8093.773	2700	2177.76	817	6364.42	83
27	Uttaranchal	103.34	79	595.47	197	203.04	102	890.31	189	236.88	94	790.61	179
28	West Bengal	625.61	284	1974.85	1788	657.78	236	1692.79	1807	1119.96	444	3035.80	2044
<b>Total</b>		<b>9118.33</b>	<b>9715</b>	<b>38338.85</b>	<b>14117</b>	<b>19384.67</b>	<b>17103</b>	<b>71409.77</b>	<b>22490</b>	<b>24374.50</b>	<b>14215</b>	<b>77777.69</b>	<b>14852</b>

**State-wise Statement of Quality Grading  
July, 2004 to March 2008**

#	State	Total Works	Grading						ATRs in respect of Unsatisfactory	
			Completed Works			Ongoing Works			ATR Required	ATR Accepted
			Total	S	U	Total	S	U		
1	Andhra Pradesh	1387	679	643	36	708	658	50	591	449
2	Arunachal Pradesh	149	73	28	45	76	67	9	86	51
3	Assam	952	156	136	20	796	632	164	408	169
4	Bihar	412	171	42	129	241	58	183	312	157
5	Bihar (NEA)	532	61	54	7	471	325	146	288	133
6	Chhattisgarh	1157	410	363	47	747	575	172	440	278
7	Gujarat	773	393	355	38	380	329	51	363	252
8	Goa	0	0	0	0	0	0	0	0	0
9	Haryana	173	55	51	4	118	110	8	87	23
10	Himachal Pradesh	677	164	142	22	513	297	216	281	99
11	Jammu & Kashmir	216	12	5	7	204	115	89	126	96
12	Jharkhand	634	199	131	68	435	294	141	404	255
13	Karnataka	1069	421	389	32	648	567	81	393	250
14	Kerala	338	85	79	6	253	193	60	155	74
15	Madhya Pradesh	2518	746	734	12	1772	1707	65	864	673
16	Maharashtra	1358	385	343	42	973	793	180	668	299
17	Manipur	147	36	20	16	111	70	41	84	37
18	Meghalaya	190	35	21	14	155	51	104	123	14
19	Mizoram	194	46	20	26	148	92	56	108	39
20	Nagaland	83	25	3	22	58	26	32	70	30
21	Orissa	1838	608	544	64	1230	777	453	755	421
22	Punjab	407	120	106	14	287	221	66	128	65
23	Rajasthan	2785	1400	1383	17	1385	1362	23	732	678
24	Sikkim	165	27	23	4	138	101	37	87	47
25	Tamil Nadu	1182	408	258	150	774	407	367	574	119
26	Tripura	145	44	31	13	101	47	54	72	7
27	Uttar Pradesh	3439	1645	1340	305	1794	1144	650	1189	644
28	Uttaranchal	366	53	34	19	313	140	173	220	0
29	West Bengal	1273	459	403	56	814	647	167	364	141
	<b>Total</b>	<b>24559</b>	<b>8916</b>	<b>7681</b>	<b>1235</b>	<b>15643</b>	<b>11805</b>	<b>3838</b>	<b>9972</b>	<b>5500</b>

### Actual Expenditure 2007-08

Object Head & Purpose	RE 2007-08	Actuals upto March 2008	variation excess/ (savings)
<b>1.Receipts</b>			
Opening Balance			
- MoRD Grant	15,814,932	15,814,932	
- World Bank- TA	114,174,208	114,174,208	
- Interest			
1.1.01 Grant from MoRD	100,000,000	100,000,000	
1.1.02 Interest Income	2,971,363	3,185,319	
1.1.03 Miscellaneous Receipts	164,732	164,782	
1.1.04 Receipts from GOI -World Bank (T.A)			
1.1.05 Receipts from GOI-ADB	0		
1.1.06 Loan receipt from NABARD	45,000,000,000	44,999,998,000	
1.1.07 Receipt from GOI- Repayment to NABARD			
1.1.08 Receptit from GOI- Interest to NABARD	857,279,933	647,279,933	
<b>Total Receipts</b>	<b>46,090,405,168</b>	<b>45,880,617,174</b>	
<b>2. Expenditure</b>			
<b>(1.2.1) Establishment</b>			
(1.2.1.01) Salary and Allowance	6,294,075	5,355,192	(938883)
(1.2.1.02) Wages			0
(1.2.1.03) Overtime Allowances	29,950	19,800	(10150)
(1.2.1.04) Expenditure on Medical Claims	300,000	272,926	(27074)
(1.2.1.05) Leave Encashment	0		0
<b>Total Establishment</b>	<b>6,624,025</b>	<b>5,647,918</b>	(976107)
			0
<b>( 1.2.2) Administrative Expenses</b>			0
(1.2.2.01) Office Maintenance/Taxes and Duties	1,700,000	1,692,771	(7229)
(1.2.2.02) Domestic Travel Expenses	2,500,000	2,200,374	(299626)
(1.2.2.03) Foreign Travel Expenses	150,000	149,572	(428)
(1.2.2.04) Hiring of Vehicles	1,400,000	1,444,548	44548
(1.2.2.05) Printing and Stationary	600,000	570,630	(29370)
(1.2.2.6) Meetings Expenses	500,000	287,837	(212163)
(1.2.2.07) Professional Services to the office	9,200,000	9,182,162	(17838)
(1.2.2.08) Telephone- Office	580,000	607,085	27085
(1.2.2.9) Telephone- Residential & Mobile	201,000	198,651	(2349)
(1.2.2.10) Vehicle Maintenance	240,000	223,556	(16444)
(1.2.2.11) Electricity Expenses	742,000	662,821	(79179)
(1.2.2.12) Postage Expenses	550,000	675,910	125910
(1.2.2.13)Repairs and Maintenance	820,000	860,381	40381
(1.2.2.14) Insurance Charges	10,000		(10000)
(1.2.1.12) Other office expenses	14,000,000	18,935,215	4935215
<b>Total Administrative Expenses</b>	<b>33,193,000</b>	<b>37,691,513</b>	4498513
			0
<b>(1.2.3) R&amp;D and HRD</b>			0
(1.2.3.01) Training	1,000,000	443,169	(556831)
(1.2.3.02) Tech.Dev.and Research work	600,000	600,000	0
(1.2.3.03) Workshops and Conferences	13,000,000	13,459,941	459941
(1.2.3.04) Contribution to Professional bodies	300,000	235,900	(64100)
(1.2.3.05) Professsional Services	2,600,000	1,964,731	(635269)
<b>Total R&amp;D and HRD</b>	<b>17,500,000</b>	<b>16,703,741</b>	(796259)
(1.2.4.01) Publications	5,000,000	4,659,532	(340468)
(1.2.4.02) Advertisement and Publicity	2,000,000	1,521,539	(478461)
(1.2.4.03) Books Perio.and Audio Visual Mat.	800,000	602,855	(197145)

<b>Total Publications, Adv and Publicity</b>	<b>7,800,000</b>	<b>6,783,926</b>	(1016074)
			0
<b>(1.2.5) STAs, PTAs and NQMs</b>			0
(1.2.5.01) Honararium to NQMs	8,531,646	8,043,060	(488586)
(1.2.5.02) Travelling Expenses of NQM's	8,816,971	9,301,967	484996
(1.2.5.03) Payment to Principal Technical Agencies.	0		0
(1.2.5.04) Payment to State Technical Agencies	15,000,000	26,415,676	11415676
<b>Total STAs, PTAs and NQMs</b>	<b>32,348,617</b>	<b>43,760,703</b>	<b>11412086</b>
			0
<b>(1.2.6) OMMS and Computerization</b>			0
(1.2.6.01) Dev.and Maint.of online manag.sys.	7,000,000	5,986,254	(1013746)
(1.2.6.02) Hiring of computers and peripherals			0
			0
<b>Total OMMS and Computerization</b>	<b>7,000,000</b>	<b>5,986,254</b>	<b>(1013746)</b>
			0
<b>(1.2.7) Technical assistance from World Bank</b>			0
(1.2.7.01) Training	16,658,359	16,395,542	(262817)
(1.2.7.02) Pilot Studies	4,647,636	4,647,636	0
(1.2.7.03) Workshop and Conferences			0
(1.2.7.04) Professional Services	513,495	513,495	0
(1.2.7.05) Domestic Travel Expenses			0
(1.2.7.06) Foreign Travel Expenses	12,853,456	12,845,118	(8338)
(1.2.7.07) Laboratory Equipment	61,006,780	55,109,845	(5896935)
(1.2.7.01.08) Purchase of Computers and Peripherils	2,360,120	2,360,120	0
			0
<b>Total Technical assistance from World Bank</b>	<b>98,039,846</b>	<b>91,871,756</b>	<b>(6168090)</b>
			0
<b>(1.2.8) Technical assistance from ADB</b>			0
(1.2.8.01) Consultancy	17,100,000	15,756,298	(1343702)
(1.2.8.02) Others			0
			0
<b>Total Technical assistance from ADB</b>	<b>17,100,000</b>	<b>15,756,298</b>	<b>(1343702)</b>
			0
<b>(1.2.9) World Bank Loan</b>			0
(1.2.9.01) Capacilty Building	10,000,000	4,067,836	(5932164)
			0
<b>Total World Bank Loan</b>	<b>10,000,000</b>	<b>4,067,836</b>	<b>(5932164)</b>
			0
<b>(1.3.) Loan- NABARD</b>			0
(1.3.01) Transfer of Funds to States	45,000,000,000	44,999,998,000	(2000)
(2.3.1) Interest repayment to NABARD	603,361,759	597,914,916	(5446843)
(2.3.2) Principal Repayment			0
<b>Total Loan -NABARD</b>	<b>45,603,361,759</b>	<b>45,597,912,916</b>	<b>(5448843)</b>
<b>(2.2) Capital Expenditure</b>			
(2.2.01) Purchase/renovation of Office Area	0	0	0
(2.2.02) Furniture and Furnishing of the office	170,000	110,243	(59757)
(2.2.03) Purchase of Vehicles			0
(2.2.04) Purchase of Equipments & Machinery	203,000	229,388	26388
(2.2.05) Purchase of Computers & peripherals	400,000	535,048	135048
<b>Total Capital Expenditure</b>	<b>773,000</b>	<b>874,679</b>	<b>101679</b>
			0
			0
<b>Total Expenditure</b>	<b>45,833,740,247</b>	<b>45,827,057,540</b>	<b>(6682707)</b>

NATIONAL RURAL ROADS DEVELOPMENT AGENCY  
5th Floor, 15 NBCC Tower, Bhikaji Cama Place, New Delhi.  
BALANCE SHEET AS AT 31st MARCH 2008

(Amount - Rs.)

<b><u>CAPITAL FUND AND LIABILITIES</u></b>	<b>Schedule</b>	<b>Current Year</b>	<b>Previous Year</b>
Capital Fund	1	65,906,903.00	73,473,238.00
General Fund	2	71908159.29	208,613,517.08
Loan from NABARD		44,999,998,000.00	-
Current Liabilities and Provisions	3	212,189,836.00	7,215,300.30
<b>Total (Rs.)</b>		<b>45,350,002,898.29</b>	<b>289,302,055.38</b>
<b><u>FIXED ASSETS</u></b>			
Gross Block	4	110,776,895.00	109,877,343.00
Less:- Accumulated Depreciation		44,869,992.00	36,404,105.00
Net Block		65,906,903.00	73,473,238.00
Current Assets, Loans and Advances	5	284,097,995.29	215,828,817.38
Grant-in-Aid Disbursed to States (Pending for Utilisation)		44,999,998,000.00	-
<b>TOTAL (Rs.)</b>		<b>45,350,002,898.29</b>	<b>289,302,055.38</b>
Significant Accounting Policies	12		
Contingent Liabilities and Notes on Accounts	13		
<p>Annexure to our report of even date  <b>For SANDEEP RAMNIWAS GUPTA &amp; CO.</b>  Chartered Accountants</p> <p>--Sd-  <b>(SANDEEP GUPTA) - FCA</b>  M. No.-075269  Partner  Date: 11<sup>th</sup> August 2008  Place: Ghaziabad</p> <p style="text-align: center;"><b>For National Rural Roads Development Agency</b></p> <p>--sd--  <b>(Gargi Kaul)</b>  Director (F&amp;A)</p> <p style="text-align: right;">--sd--  <b>(J .K Mohapatra)</b>  Director General</p>			

## NATIONAL RURAL ROADS DEVELOPMENT AGENCY, NEW DELHI

**SCHEDULE-12****SIGNIFICANT ACCOUNTING POLICIES**

1. Significant Accounting Policies adopted in the presentation of the accounts are as under:-

**a. Accounting Policies (AS-1)**

During the year the Agency has followed accrual accounting with applicable accounting principles in India, the accounting standard issued by the ICAI and relevant provisions.

**b. Fixed Assets (AS-10)**

Fixed assets are stated at cost less Depreciation. Cost comprises cost of acquisition, cost of improvement and any attributable cost of bringing the asset to condition of its intended use.

**c. Depreciation (AS-6)**

Depreciation has been provided on written down value method at the rate as prescribed in Income tax Act, 1961

**d. Grant (AS-12)**

Grant in Aid are received for the specific purposes i.e. Revenue and purchase of Fixed Assets.

The accounting treatment of Revenue is recognized on a systemic basis in the Income and Expenditure account over the period necessary to match with the related costs which are intended to be utilized. Such grant is shown separately as Grant-in Aid under income head.

The accounting treatment of grant for the purchase of depreciable Fixed Assets are shown under capital fund. Such grant is allocated to income over the period and in the proportion in which depreciation to these assets is charged.

**For Sandeep Ramniwas Gupta & Co.  
Chartered Accountants**

**National Rural Roads Development Agency**

--sd--

--sd--

--sd--

**(Sandeep Gupta) - FCA**  
Partner  
Place:- Ghaziabad  
Dated:-11<sup>th</sup> August 208

**Director (F&A)**

**Director General**



## NATIONAL RURAL ROADS DEVELOPMENT AGENCY, NEW DELHI

**SCHEDULE-13****NOTES TO ACCOUNTS**

1. National Rural Roads Development Agency is a society registered under the Societies Registration Act on 14-01-2002. The Agency received Grant-in-aid and assistance from Ministry of Rural Development, Government of India and World Bank.
2. During the year, The Agency received loan of Rs. 4499,99,98,000.00 (with interest payable @6.5% p.a.) from National Bank for Agricultural and Rural Development (NABARD) under a tri-partite agreement of Ministry of Rural Development, National Rural Road Development Agency and NABARD under Rural Infrastructure Development Fund (RIDF) towards payment for works taken up under Pradhan Mantri Gram Sadak Yojana (PMGSY). The said loan was disbursed as Grant-in-aid to various States during the year. The Utilization Certificates are yet to be received from various States.
3. The Agency has paid interest of Rs.59,79,14,916/- to NABARD during the year out of grant received from Ministry of Rural Development against loan taken of Rs.44,99,99,98,000.00.
4. Office accommodation of Rs.7,88,30,479/- is yet to be registered before the Authority. The Sub Lease Deed is pending with Land and Development Officer, Ministry of Urban Development, Nirman Bhawan, New Delhi.
5. Sundry Debtors / Loans and Advance in the nature of loans given and advance received are subject to Confirmation and Reconciliation.
6. Advance Payment amounting to Rs.70,63,193/-, Rs.9,40,440/-, Rs.4,20,166/-, Rs.8,80,000/- on account of Technical Development and Research Work, Work Shop and Conference, Equipments, Payments to State Technical Agency respectively is shown as outstanding under the head "Advances and other amounts recoverable in cash or in kind or for value to be received" due to non receipt of Utilization Certificates.

**For Sandeep Ramniwas Gupta & Co.**  
Chartered Accountants

**National Rural Roads Development Agency**

-----sd---

(Sandeep Gupta) –FCA  
Partner  
Place:-Ghaziabad

--sd--

**Director (F&A)**

--sd--

**Director General**

**Dated:- 11<sup>th</sup> August 2008**

**NATIONAL RURAL ROADS DEVELOPMENT AGENCY**

**Annexure VII ( D )**

5th Floor , 15 NBCC Tower, Bhikaji Cama Place, New Delhi

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2008**

	FUND-WISE BREAK UP			TOTALS	
	NABARD	MoRD	MoRD (WORLD BANK)	Current Year	Previous Year
<b><u>INCOME</u></b>					
Grant Received	647,279,933.00	100,000,000.00	-	747,279,933.00	80,000,000.00
Interest Received	-	983,095.11	2,502,224.29	3,485,319.40	5,637,731.03
Misc. Receipt	-	24,648.00	81,544.00	106,192.00	99,262.00
Capital Fund Written back to the extent of Depreciation	-	8,465,887.00		8,465,887.00	10,426,118.00
<b>TOTAL ( A )</b>	<b>647,279,933.00</b>	<b>109,473,630.11</b>	<b>2,583,768.29</b>	<b>759,337,331.40</b>	<b>96,163,111.03</b>
<b><u>EXPENDITURE</u></b>					
Establishment Expenses	-	4,646,192.00	-	4,646,192.00	5,563,912.00
Technical Assistance Expenses	-	-	156,680,552.08	156,680,552.08	104,107,012.74
Direct Administrative Expenses	-	127,435,590.15	-	127,435,590.15	137,940,437.76
Depreciation	-	8,465,887.00	-	8,465,887.00	10,426,118.00
Interest paid to NABARD	597,914,916.00	-	-	597,914,916.00	-
<b>TOTAL ( B )</b>	<b>597,914,916.00</b>	<b>140,547,669.15</b>	<b>156,680,552.08</b>	<b>895,143,137.23</b>	<b>258,037,480.50</b>
Balance being Excess of Income/Exp.over Exp./Income (A-B)	49,365,017.00	(31,074,039.04)	(154,096,783.79)	(135,805,805.83)	(53,422,816.35)
Transferred to Capital Fund	-	899,552.00	-	899,552.00	1,067,042.00

Transferred to/from General Fund	49,365,017.00	(31,973,591.04)	(154,096,783.79)	(136,705,357.83)	(54,489,858.35)
<div> <div> <b>AS PER OUR REPORT OF EVEN DATE</b>  <b>For SANDEEP RAMNIWAS GUPTA &amp; CO.</b>  Chartered Accountants   -----sd-----  <b>(SANDEEP GUPTA) - FCA</b>  Partner  M.No.-075269  Date : 11<sup>th</sup> August 2008  Place : Ghaziabad </div> <div> <b>FOR NATIONAL RURAL ROADS DEVELOPMENT AGENCY</b>     ---sd-----  <b>(Gargi Kaul )</b>  DIRECTOR (F&amp;A) </div> <div>     ---sd---  <b>(J.K Mohapatra)</b>  DIRECTOR GENERAL </div> </div>					

**NATIONAL RURAL ROADS DEVELOPMENT AGENCY**

5th Floor , 15 NBCC Tower, Bhikaji Cama Place, New Delhi

**Annexure VII ( E)**

**RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDED 31st MARCH 2008**

-	FUND-WISE BREAK UP			TOTALS	
	NABARD	MoRD	MoRD (WORLD BANK)	Current Year	Previous Year
<b>Receipts</b>					
<b>a) Opening balance of the funds</b>	-	15,858,699.07	114,174,207.86	130,032,906.93	237,402,288.79
<b>b) Fund Received during the year :</b>					
i) Donations/grants	647,279,933.00	100,000,000.00	-	747,279,933.00	80,000,000.00
ii) Loan received from NABARD	44,999,998,000.00	-	-	44,999,998,000.00	
iii) Fund transfer from a/c 2971 to 3152		24,000,000.00		24,000,000.00	
iv) Income from Investments made on account of fund	-	683,095.11	2,502,224.29	3,185,319.40	5,837,731.03
v) Misc. Receipt	-	24,648.00	81,544.00	106,192.00	99,262.00
<b>TOTAL (a+b)</b>	<b>45,647,277,933.00</b>	<b>140,566,442.18</b>	<b>116,757,976.15</b>	<b>45,904,602,351.33</b>	<b>323,339,281.82</b>
<b>Payments</b>					
<b>c) Payments made during the Year:</b>					
<b>i) Capital Expenditure</b>					
- fixed Assets purchased	-	899,552.00	-	899,552.00	1,067,042.00

<b>ii) Revenue Expenditure (Schedule-9 &amp; 10)</b>	-	132,081,782.15	156,680,552.08	288,762,334.23	247,611,362.50
<b>iii) Grant in Aid tfd to States</b>	44,999,998,000.00	-	-	44,999,998,000.00	-
<b>iv) Interest paid to NABARD</b>	597,914,916.00	-	-	597,914,916.00	-
iii) Fund transfer from a/c 2971 to 3152		-	24,000,000.00	24,000,000.00	
<b>TOTAL ( c )</b>	<b>45,597,912,916.00</b>	<b>132,981,334.15</b>	<b>180,680,552.08</b>	<b>45,911,574,802.23</b>	<b>248,678,404.50</b>
INCREASE/ DECREASE IN CURRENT ASSETS(Sch-11)		(339,386.00)	(65,873,016.45)	(66,212,402.45)	(53,422,816.35)
INCREASE/ DECREASE IN CURRENT LIABILITIES(Sch-11)	210,320,000.00	(4,595,978.26)	(749,486.00)	204,974,535.74	1,949,213.26
<b>NET BALANCE AS AT THE YEAR-END</b>	<b>259,685,017.00</b>	<b>3,328,515.77</b>	<b>1,200,954.52</b>	<b>264,214,487.29</b>	<b>130,032,906.93</b>
<div> <div> <b>AS PER OUR REPORT OF EVEN DATE</b>  <b>For SANDEEP RAMNIWAS GUPTA &amp; CO.</b>  Chartered Accountants   ---sd----  <b>(SANDEEP GUPTA) - FCA</b>  Partner  M.No.-075269  Date : 11<sup>th</sup> August 2008  Place : Ghaziabad </div> <div> <b>NATIONAL RURAL ROADS DEVELOPMENT AGENCY</b>   <div> ---sd-----  <b>(Gargi Kaul )</b>  DIRECTOR (F&amp;A) </div> <div> ---sd----  <b>(J.K Mohapatra)</b>  DIRECTOR GENERAL </div> </div> </div>					

## AUDITOR'S REPORT

We have examined the Balance Sheet of **NATIONAL RURAL ROADS DEVELOPMENT AGENCY (A Society registered under The Societies Registration Act, 1860), 5<sup>th</sup> FLOOR, 15-NBCC TOWER, BHICAJI KAMA PLACE, NEW DELHI-11066 PAN : AAAAN2684E, Circle-II AYAKAR BHAWAN, IIIrd FLOOR, LAXMI NAGAR, DELHI-92** as at 31st March, 2008, the Income and Expenditure Account and the Receipt & Payment Account for the year ended on that date which are in agreement with the books of account maintained by the said institution. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted the audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion proper books of account have been kept by the head office and the branches of the above named institution and proper returns adequate for the purposes of audit have been received from branches not visited by us.

In our opinion and to the best of our information, and subject to the comments given in the Notes to the Accounts, the said accounts give a true and fair view-

- (i) In the case of the Balance Sheet, of the state of affairs of the above name Institution as at 31st March, 2008 and
- (ii) In the case of the Income and Expenditure Account, of the deficit for the accounting year ending on 31st March, 2008.
- (iii) In the case of the Receipt & Payment Account, for the accounting year ending on 31<sup>st</sup> March, 2008.

The prescribed particulars are annexed hereto.

For **SANDEEP RAMNIWAS GUPTA & CO.,**  
Chartered Accountants,

Place: Ghaziabad  
Dated: 11<sup>th</sup> August, 2008

----Sd-----  
(**SANDEEP GUPTA**) F.C.A.  
Partner

**SCHEDULE-11**

Change in Current Assets (MoRD)			
Particulars	Current Year	Previous Year	Change
Advance Payment to Income Tax Department	10,000,000.00	-	10,000,000.00
Advance Payment to State Technical Agencies	880,000.00	10,309,394.00	(9,429,394.00)
Advance for Tech. Dev. and Research Work	7,063,193.00	7,889,913.00	(826,720.00)
Advance for Capacity Building	-	15,640.00	(15,640.00)
Advance for Meeting	-	2,500.00	(2,500.00)
Advance for Workshop & Conference	940,440.00	943,308.00	(2,868.00)
Advance for Dr. B.P. Chandershakher	8,028.00	-	8,028.00
Security Deposits	89,040.00	69,040.00	20,000.00
Prepaid Expences	16,854.00	90,046.00	(73,192.00)
Capacity Building debited in World Bank Account	(17,100.00)	-	(17,100.00)
<b>Total</b>	<b>18,980,455.00</b>	<b>19,319,841.00</b>	<b>(339,386.00)</b>
Change in Current Assets (World Bank)			
Particulars	Current Year	Previous Year	Change
Advance Payment for Training under Technical Assistance	165,787.00	9,530,190.75	(9,364,403.75)
Advance for Lab Equipment	420,166.00	50,065,629.00	(49,645,463.00)
Advance for Foreign Tour	-	453,022.70	(453,022.70)
Advance for Computers	-	2,752,151.00	(2,752,151.00)
Advance for Pilot Studies	-	119,000.00	(119,000.00)
Advance for Domestic Travel	-	426,796.00	(426,796.00)
C-DAC	-	3,129,280.00	(3,129,280.00)
Capacity Building from MoRD Account	17,100.00	-	17,100.00
<b>Total</b>	<b>603,053.00</b>	<b>66,476,069.45</b>	<b>(65,873,016.45)</b>
Change in Current Liabilities (World Bank)			
Particulars	Current Year	Previous Year	Change
Prov. For Training (1.2.7.1)	-	715,867.00	(715,867.00)
Sundry Creditors	-	30,000.00	(30,000.00)
TDS Payable	-	3,619.00	(3,619.00)
<b>Total</b>	<b>-</b>	<b>749,486.00</b>	<b>(749,486.00)</b>
Change in Current Liabilities (MoRD)			
Particulars	Current Year	Previous Year	Change
Sundry Creditors	1,246,759.00	2,956,024.26	(1,709,265.26)
Security Deposits	165,967.00	158,742.00	7,225.00
Expences Payable	457,110.00	3,351,048.00	(2,893,938.00)
<b>Total</b>	<b>1,869,836.00</b>	<b>6,465,814.26</b>	<b>(4,595,978.26)</b>
For SANDEEP RAMNIWAS GUPTA & CO. Chartered Accountants		For National Rural Roads Development Agency.	
(SANDEEP GUPTA) - FCA Partner		(J.K Mohapatra) Director General	

## NATIONAL RURAL ROADS DEVELOPMENT AGENCY, NEW DELHI

### SCHEDULE-12

### SIGNIFICANT ACCOUNTING POLICIES

1. Significant Accounting Policies adopted in the presentation of the accounts are as under:-

**a. Accounting Policies (AS-1)**

During the year the Agency has followed accrual accounting with applicable accounting principles in India, the accounting standard issued by the ICAI and relevant provisions.

**b. Fixed Assets (AS-10)**

Fixed assets are stated at cost less Depreciation. Cost comprises cost of acquisition, cost of improvement and any attributable cost of bringing the asset to condition of its intended use.

**c. Depreciation (AS-6)**

Depreciation has been provided on written down value method at the rate as prescribed in Income tax Act, 1961

**d. Grant (AS-12)**

Grant in Aid are received for the specific purposes i.e. Revenue and purchase of Fixed Assets.

The accounting treatment of Revenue is recognized on a systemic basis in the Income and Expenditure account over the period necessary to match with the related costs which are intended to be utilized. Such grant is shown separately as Grant-in Aid under income head.

The accounting treatment of grant for the purchase of depreciable Fixed Assets are shown under capital fund. Such grant is allocated to income over the period and in the proportion in which depreciation to these assets is charged.

**For Sandeep Ramniwas Gupta & Co.  
Chartered Accountants**

**National Rural Roads Development Agency**

--sd----

**(Sandeep Gupta) - FCA**

Partner

Place:- Ghaziabad

Dated:- 11<sup>th</sup> August 2008

--sd--

**Director (F&A)**

--sd---

**Director General**



## **NATIONAL RURAL ROADS DEVELOPMENT AGENCY, NEW DELHI**

### **SCHEDULE-13**

#### **NOTES TO ACCOUNTS**

1. National Rural Roads Development Agency is a society registered under the Societies Registration Act on 14-01-2002. The Agency received Grant-in-aid and assistance from Ministry of Rural Development, Government of India and World Bank.
2. During the year, The Agency received loan of Rs. 4499,99,98,000.00 (with interest payable @6.5% p.a.) from National Bank for Agricultural and Rural Development (NABARD) under a tri-partite agreement of Ministry of Rural Development, National Rural Road Development Agency and NABARD under Rural Infrastructure Development Fund (RIDF) towards payment for works taken up under Pradhan Mantri Gram Sadak Yojana (PMGSY). The said loan was disbursed as Grant-in-aid to various States during the year. The Utilization Certificates are yet to be received from various States.
3. The Agency has paid interest of Rs.59,79,14,916/- to NABARD during the year out of grant received from Ministry of Rural Development against loan taken of Rs.44,99,99,98,000.00.
4. Office accommodation of Rs.7,88,30,479/- is yet to be registered before the Authority. The Sub Lease Deed is pending with Land and Development Officer, Ministry of Urban Development, Nirman Bhawan, New Delhi.
5. Sundry Debtors / Loans and Advance in the nature of loans given and advance received are subject to Confirmation and Reconciliation.
6. Advance Payment amounting to Rs.70,63,193/-, Rs.9,40,440/-, Rs.4,20,166/-, Rs.8,80,000/- on account of Technical Development and Research Work, Work Shop and Conference, Equipments, Payments to State Technical Agency respectively is shown as outstanding under the head "Advances and other amounts recoverable in cash or in kind or for value to be received" due to non receipt of Utilization Certificates.

**For Sandeep Ramniwas Gupta & Co.**  
**Chartered Accountants**

---sd---

**(Sandeep Gupta) –FCA**  
**Partner**

Place:-Ghaziabad

Dated:- 11<sup>th</sup> August 2008

**National Rural Roads Development Agency**

--sd--

**Director (F&A)**

--sd--

**Director General**

Revised Estimates 2008-2009

Object Head & Purpose	BE 2008-09	Actuals upto August 2008	required amount	RE 2008-09	variation excess/ (savings)	Reasons for variation
<b>1.Receipts</b>						
Opening Balance						
- MoRD Grant	9,356,236	4,529,471	0	4,529,471	-4,826,765	As per actuals
- World Bank- TA	0		0	0	0	
- Interest	253,918,174	259,685,000	0	259,685,000	5,766,826	As per actuals
1.1.01 Grant from MoRD	120,000,000	60,000,000	60,000,000	120,000,000	0	
1.1.02 Interest Income		216,465	0	216,465	216,465	
1.1.03 Miscellaneous Receipts	20,000,000	10,300,038	0	10,300,038	-9,699,962	TA money was utilised and not refunded as anticipated
1.1.04 Receipts from GOI -World Bank			100,000	100,000	100,000	Not provided for in the BE separately
1.1.05 Receipts from GOI-ADB	25,500,000	0	0	27,500,000	2,000,000	
1.1.06 Loan receipt from NABARD	70,000,000,000	3,085,610,900	66,914,389,100	70,000,000,000	0	
1.1.07 Receipt from GOI- Repayment to NABARD					0	
1.1.08 Receipt from GOI- Interest to NABARD	6,183,753,059	464,777,575	3,622,611,965	4,087,389,540	-2,096,363,519	
<b>Total Receipts</b>	<b>76,612,527,469</b>	<b>3,885,119,449</b>	<b>70,597,101,065</b>	<b>74,509,720,514</b>	<b>-2,102,806,955</b>	
<b>2. Expenditure</b>						
<b>(1.2.1) Establishment</b>						
(1.2.1.01) Salary and Allowance	5,000,000	2,593,621	4,686,894	7,280,515	2280515	Pay commision imapct, including arrears for officers
(1.2.1.02) Wages					0	who have left.
(1.2.1.03) Overtime Allowances	20,000	4,901	15,099	20,000	0	
(1.2.1.04) Expenditure on Medical Claims	300,000	463,143	136,857	600,000	300000	Increase on account of surgery of one officer
(1.2.1.05) Leave Encashment	0			0	0	
<b>Total Establishment</b>	<b>5,320,000</b>	<b>3,061,665</b>	<b>4,838,850</b>	<b>7,900,515</b>	<b>2580515</b>	
<b>(1.2.2) Administrative Expenses</b>						
(1.2.2.01) Office Maintenance/Taxes and Duties	1,800,000	817,481	1,182,519	2,000,000	200000	
(1.2.2.02) Domestic Travel Expenses	2,500,000	552,481	1,947,519	2,500,000	0	
(1.2.2.03) Foreign Travel Expenses	500,000	0	150,000	150,000	(350000)	
(1.2.2.04) Hiring of Vehicles	1,520,000	675,434	945,608	1,621,042	101042	As per actuals upto august
(1.2.2.05) Printing and Stationary	800,000	301,282	298,718	600,000	(200000)	
(1.2.2.6) Meetings Expenses	500,000	253,536	246,464	500,000	0	
(1.2.2.07) Professional Services to the office	10,500,000	4,314,029	6,185,971	10,500,000	(0)	
(1.2.2.08) Telephone- Office	650,000	286,471	401,059	687,530	37530	Increase of staff, CDAC team who have to interact with all the Stat
(1.2.2.09) Telephone- Residential & Mobile	250,000	52,053	77,947	130,000	(120000)	
(1.2.2.10) Vehicle Maintenance	300,000	108,019	156,981	265,000	(35000)	
(1.2.2.11) Electricity Expenses	800,000	356,246	498,744	854,990	54990	As per actuals.
(1.2.2.12) Postage Expenses	600,000	190,085	266,119	1,656,204	1056204	On account of courier charges for despatch of manuals to all PIUs
(1.2.2.13)Repairs and Maintenance	900,000	347,200	486,080	833,280	(66720)	
(1.2.2.14) Insurance Charges	10,000		0	0	(10000)	
(1.2.1.12) Other office expenses	1,500,000	566,022	933,978	1,500,000	(0)	
<b>Total Administrative Expenses</b>	<b>23,130,000</b>	<b>8,820,339</b>	<b>13,777,707</b>	<b>23,798,046</b>	<b>668046</b>	
<b>(1.2.3) R&amp;D and HRD</b>						
(1.2.3.01) Training	5,000,000	387,068	4,612,932	5,000,000	0	
(1.2.3.02) Tech.Dev.and Research work	8,000,000	222,852	5,000,000	5,222,852	(2777148)	
(1.2.3.03) Workshops and Conferences	5,000,000	1,135,951	1,614,049	2,750,000	(2250000)	
(1.2.3.04) Contribution to Professional bodies	300,000	160,000	140,000	300,000	0	
(1.2.3.05) Professional Services	16,000,000	908,240	11,242,520	12,150,760	(3849240)	
<b>Total R&amp;D and HRD</b>	<b>34,300,000</b>	<b>2,814,111</b>	<b>22,609,501</b>	<b>25,423,612</b>	<b>(8876388)</b>	
<b>(1.2.4) Publications, Adv.&amp; Publicity</b>						

Object Head & Purpose	BE 2008-09	Actuals upto August 2008	required amount	RE 2008-09	variation excess/ (savings)	Reasons for variation
(1.2.4.01) Publications	2,000,000	10,112	1,289,888	1,300,000	(700000)	
(1.2.4.02) Advertisement and Publicity	2,000,000	44,774	65,226	110,000	(1890000)	
(1.2.4.03) Books Perio.and Audio Visual Mat.	1,000,000	0	100,000	100,000	(900000)	
<b>Total Publications, Adv and Publicity</b>	<b>5,000,000</b>	<b>54,886</b>	<b>1,455,114</b>	<b>1,510,000</b>	<b>(3490000)</b>	
					0	
<b>(1.2.5) STAs, PTAs and NQMs</b>					0	
(1.2.5.01) Honararium to NQMs	8,000,000	3,153,799	4,946,201	8,100,000	100000	increase in the number of NQM's and inspection
(1.2.5.02) Travelling Expenses of NQM's	8,600,000	3,892,218	6,107,782	10,000,000	1400000	and national quality graders for Bihar
(1.2.5.03) Payment to Principal Technical Agencies.	700,000	0	0	0	(700000)	
(1.2.5.04) Payment to State Technical Agencies	45,000,000	10,525,170	22,000,000	33,025,170	(11974830)	
<b>Total STAs, PTAs and NQMs</b>	<b>62,300,000</b>	<b>17,571,187</b>	<b>33,053,983</b>	<b>51,125,170</b>	<b>(11174830)</b>	
					0	
<b>(1.2.6) OMMS and Computerization</b>					0	
(1.2.6.01) Dev.and Maint.of online manag.sys.	8,500,000	0		14,790,600	6290600	Under provision at the BE stage
(1.2.6.02) Hiring of computers and peripherals					0	
<b>Total OMMS and Computerization</b>	<b>8,500,000</b>	<b>0</b>	<b>0</b>	<b>14,790,600</b>	<b>6290600</b>	
					0	
<b>(1.2.7) Technical assistance from World Bank</b>					0	
(1.2.7.01) Training		0	0		0	
(1.2.7.02) Pilot Studies		0	0		0	
(1.2.7.03) Workshop and Conferences		0	0		0	
(1.2.7.04) Professional Services		0	0		0	
(1.2.7.05) Domestic Travel Expenses			0		0	
(1.2.7.06) Foreign Travel Expenses		0	0		0	
(1.2.7.07) Laboratory Equipment		0	0		0	
(1.2.7.01.08) Purchase of Computers and Peripherals		0	0		0	
<b>Total Technical assistance from World Bank</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
					0	
<b>(1.2.8) Technical Assistance from ADB</b>					0	
(1.2.8.01) Consultancy	25,500,000	5,147,138	22,352,862	27,500,000	2000000	Actual expenditure is less as PMC contract has been closed
(1.2.8.02) Others					0	but a disputed liability of Rs 1 crore is to be decided. A provision
<b>Total Technical Assistance from ADB</b>	<b>25,500,000</b>	<b>5,147,138</b>	<b>22,352,862</b>	<b>27,500,000</b>	<b>2000000</b>	has been made
					0	
<b>(1.2.9) World Bank Loan</b>					0	
(1.2.9.01) Capacity Building	10,000,000	0	10,000,000	10,000,000	0	
<b>Total World Bank Loan</b>	<b>10,000,000</b>	<b>0</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>0</b>	
					0	
<b>(1.3.) Loan- NABARD</b>					0	
(1.3.01) Transfer of Funds to States	70,000,000,000	3,085,610,900	66,914,389,100	70,000,000,000	0	
(2.3.1) Interest repayment to NABARD	6,437,671,233	729,246,543	3,617,827,997	4,347,074,540	(2090596693)	
(2.3.2) Principal Repayment					0	
<b>Total Loan -NABARD</b>	<b>76,437,671,233</b>	<b>3,814,857,443</b>	<b>70,532,217,097</b>	<b>74,347,074,540</b>	<b>(2090596693)</b>	
					0	
<b>(2.2) Capital Expenditure</b>					0	
(2.2.01) Purchase/renovation of Office Area	0	0	0	0	0	
(2.2.02) Furniture and Furnishing of the office	50,000	234,800	100,000	334,800	284800	Redesigning of rooms to accommodate more staff/CDAC team
(2.2.03) Purchase of Vehicles			0		0	and to provide storage space
(2.2.04) Purchase of Equipments & Machinery	200,000	13,438	56,562	70,000	(130000)	
(2.2.05) Purchase of Computers & peripherals	500,000	423,685	200,000	623,685	123685	upgradation of old hardware and procurement of additional

Object Head & Purpose	BE 2008-09	Actuals upto August 2008	required amount	RE 2008-09	variation excess/ (savings)	Reasons for variation
Total Capital Expenditure	750,000	671,923	356,562	1,028,485	278485	machines for new officers/staff/CDAC team
Total Expenditure	76,612,471,233	3,852,998,692	70,640,661,675	74,510,150,967	(2102320266)	
Excess/savings	56,236			-430,453		

## Quality Grading of Road Works by NQMs - July, 2004 to July, 2008

#	State	Inspections	Completed		On-going		ATR	
			Total	U%	Total	U%	Req.	Sub.
1	Andhra Pradesh	1141	617	6%	524	5%	491	452
		343	94	1%	249	13%	144	87
2	Arunachal Pradesh	92	62	32%	30	23%	60	49
		71	12	8%	59	2%	38	26
3	Assam	694	128	16%	566	18%	262	211
		335	39	3%	296	7%	183	67
4	Bihar	412	171	75%	241	76%	312	162
5	Bihar (NEA)	254	15	0%	239	22%	109	89
		312	46	9%	266	13%	168	106
6	Chattisgarh	896	368	8%	528	21%	322	278
		347	54	11%	293	15%	163	52
7	Gujarat	611	324	10%	287	15%	300	252
		212	91	5%	121	14%	103	35
8	Goa	0	0	0%	0	0%	0	0
		0	0	0%	0	0%	0	0
9	Haryana	75	27	11%	48	10%	25	23
		112	30	3%	82	6%	71	4
10	Himachal Pradesh	560	142	15%	418	48%	236	108
		187	39	3%	148	9%	73	5
11	Jammu & Kashmir	137	9	78%	128	63%	88	69
		123	9	0%	114	8%	61	34
12	Jharkhand	532	185	35%	347	31%	339	262
		124	19	0%	105	10%	80	32
13	Karnataka	895	386	2%	509	4%	323	296
		220	46	2%	174	4%	77	49
14	Kerala	264	79	0%	185	11%	113	96
		110	10	0%	100	33%	57	25
15	Madhya Pradesh	1913	657	1%	1256	3%	693	663
		765	96	7%	669	5%	200	68

#	State	Inspections	Completed		On-going		ATR	
			Total	U%	Total	U%	Req.	Sub.
16	Maharashtra	795	360	9%	435	17%	321	262
		694	43	7%	651	14%	424	277
17	Manipur	100	36	44%	64	42%	50	12
		58	2	100%	56	36%	43	25
18	Meghalaya	149	31	39%	118	74%	99	14
		41	4	50%	37	46%	24	0
19	Mizoram	123	45	58%	78	51%	66	39
		76	2	0%	74	22%	48	5
20	Nagaland	65	25	88%	40	75%	52	31
		38	0	0%	38	21%	34	0
21	Orissa	1416	504	13%	912	45%	562	455
		549	127	0%	422	12%	254	111
22	Punjab	201	79	15%	122	47%	85	67
		246	63	3%	183	3%	61	15
23	Rajasthan	2297	1259	1%	1038	2%	612	585
		623	189	2%	434	1%	159	112
24	Sikkim	98	22	18%	76	34%	64	47
		83	5	0%	78	19%	38	1
25	Tamil Nadu	1044	363	40%	681	53%	509	375
		179	77	5%	102	4%	82	52
26	Tripura	126	41	29%	85	47%	56	11
		29	3	0%	26	19%	16	5
27	Uttar Pradesh	2733	1373	17%	1360	34%	879	860
		853	344	11%	509	14%	417	236
28	Uttaranchal	315	49	27%	266	39%	125	82
		97	7	0%	90	21%	80	29
29	West Bengal	992	398	11%	594	22%	302	182
		352	68	0%	284	4%	78	1
Total 07/04 - 12/06		18930	7755	13%	11175	26%	7455	6032
Total 01/07 - 06/08		7179	1519	5%	5660	11%	3176	1485

**NABARD LOANS****Statement showing funds released State-wise during the year****2007-08**

Sl. No.	Name of the State	Amount Released (Rs. in Crores.)
1	Andhra Pradesh	202.41500
2	Arunachal Pradesh	52.03000
3	Assam	350.00000
4	Chhattisgarh	388.62000
5	Goa	0.00000
6	Gujarat	112.01000
7	Haryana	116.39000
8	Himachal Pradesh	139.90000
9	Jammu & Kashmir	0.00000
10	Jharkhand	0.00000
11	Karnataka	165.36000
12	Kerala	10.59500
13	Maharashtra	50.00000
14	Madhya Pradesh	564.89000
15	Mainipur	0.00000
16	Meghalaya	0.00000
17	Mizoram	0.00000
18	Nagaland	0.00000
19	Orissa	0.00000
20	Punjab	210.21000
21	Rajasthan	834.65000
22	Sikkim	105.96000
23	Tamil Nadu	0.00000
24	Tripura	50.00000
25	Uttar Pradesh	712.21000
26	Uttaranchal	0.00000
27	West Bengal	0.00000
28	Bihar	434.75980
<b>Total</b>		<b>4499.99980</b>

## NABARD LOANS

Statement showing funds released State-wise during the year 2008-09

( upto Oct 2008)

Sl. No.	Name of the State	Amount Released (Rs. in Crores.)
1	Andhra Pradesh	0.000
2	Arunachal Pradesh	54.810
3	Assam	0.000
4	Bihar	0.000
5	Chhattisgarh	0.000
6	Goa	0.000
7	Gujarat	0.000
8	Haryana	0.000
9	Himachal Pradesh	40.000
10	Jammu & Kashmir	0.000
11	Jharkhand	56.950
12	Karnataka	101.265
13	Kerala	14.480
14	Maharashtra	200.000
15	Madhya Pradesh	200.000
16	Manipur	0.000
17	Meghalaya	0.000
18	Mizoram	40.000
19	Nagaland	40.000
20	Orissa	0.000
21	Punjab	0.000
22	Rajasthan	200.000
23	Sikkim	0.000
24	Tamil Nadu	48.683
25	Tripura	0.000
26	Uttar Pradesh	0.000
27	Uttarakhand	38.030
28	West Bengal	0.000
29	Bihar ( Agencies)	128.561
<b>Total</b>		<b>1162.779</b>



**Appendix X**

**Statement showing details of sanction issued by MoRD, date of requisition/ receipt of loan from NABARD and date of authorisation/ transfer of funds by HDFC Bank during the year 2007-08.**

Loan No.	Details of Sanction of MoRD		Date of Requisition sent to NABARD	Date of Receipt of Cheque from NABARD	Date of transfer by Bank to the States
	Date	Amount (in Rs.)			
1/2007-08	08-10-2007	900,00,00,000	08-10-2007	16-10-2007	17-10-2007
2/2007-08	19-11-2007	101,90,11,600	21-11-2007	27-11-2007	28-11-2007
3/2007-08	28-11-2007	300,00,00,000	30-11-2007	06-12-2007	07-12-2007
4/2007-08	12-12-2007	263,84,00,000	12-12-2007	13-12-2007	14-12-2007
5/2007-08	17-01-2008	257,74,88,000	21-01-2008	22-01-2008	23-01-2008
6/2007-08	24-01-2008	162,21,00,000	25-01-2008	28-01-2008	29-01-2008
7/2007-08	05-02-2008	105,96,00,000	06-02-2008	08-02-2008	09-02-2008
8/2007-08	06-02-2008	614,89,00,000	06-02-2008	08-02-2008	09-02-2008
9/2007-08	07-02-2008	52,03,00,000	08-02-2008	14-02-2008	15-02-2008
10/2007-08	13-02-2008	100,00,00,000	15-02-2008	19-02-2008	20-02-2008
11/2007-08	18-02-2008	334,65,00,000	19-02-2008	21-02-2008	22-02-2008
12/2007-08	26-02-2008	59,90,00,000	28-02-2008	29-02-2008	01-03-2008
	27-02-2008	454,25,48,400	28-02-2008	29-02-2008	01-03-2008
13/2007-08	11-03-2008	60,59,50,000	12-03-2008	17-03-2008	18-03-2008
14/2007-08	24-03-2008	150,00,00,000	25-03-2008	27-03-2008	28-03-2008
15/2007-08	26-03-2008	82,02,00,000	27-03-2008	27-03-2008	28-03-2008
16/2007-08	26-03-2008	407,98,00,000	27-03-2008	27-03-2008	28-03-2008
17/2007-08	27-03-2008	92,02,00,000	27-03-2008	27-03-2008	28-03-2008
<b>TOTAL AMOUNT</b>		<b>4499,99,98,000</b>			

**Statement showing details of sanction issued by MoRD, date of requisition/ receipt of loan from NABARD and date of authorisation/ transfer of funds by HDFC Bank during the year 2008-09.**

Loan No.	Details of Sanction of MoRD		Date of Requisition sent to NABARD	Date of Receipt of Cheque from NABARD	Date of transfer by Bank to the States
	Date	Amount (in Rs.)			
1/2008-09	15-07-2008	308,56,10,900	16-07-2008	21-07-2008	22-07-2008
2/2008-09	23-07-2008	40,00,00,000	23-07-2008	24-07-2008	25-07-2008
3/2008-09	19-08-2008	40,00,00,000	20-08-2008	21-08-2008	22-08-2008
4/2008-09	27-08-2008	48,68,30,000	01-09-2008	02-09-2008	03-09-2008
5/2008-09	03-09-2008	40,00,00,000	05-09-2008	09-09-2008	10-09-2008
6/2008-09	07-10-2008	89,29,00,000	07-10-2008	10-10-2008	11-10-2008
7/2008-09	14-10-2008	200,00,00,000	14-10-2008	16-10-2008	17-10-2008
8/2008-09	13-10-2008	38,03,00,000	14-10-2008	16-10-2008	17-10-2008
9/2008-09	15-10-2008	358,21,50,000	16-10-2008	22-10-2008	23-10-2008
10/2008-09					
11/2008-09					
12/2008-09					
13/2008-09					
14/2008-09					
15/2008-09					
16/2008-09					
17/2008-09					
<b>TOTAL AMOUNT</b>		<b>1162,77,90,900</b>			

## Revised agenda note for Item No 7

<b>Item No 7 Status of Drawdowns and disbursement of NABARD loan</b>
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To achieve the targets of Bharat Nirman, a sum of approximately Rs 48,000 crores was proposed to be invested by the Government of India. As a part of this, the Ministry of Finance had proposed a window under RIDF-XII for rural roads with a corpus of Rs 16,500 crores. As per the recommendation of the Task Force on Bharat Nirman set up by the Planning Commission for funding of rural roads, the NABARD funds are drawn by NRRDA and then disbursed to the States. Rs 12,000 crores have been sanctioned by NABARD over the period 2006-07 to 2008-09.

During 2007-08 an amount of Rs 4,500 crores was disbursed to the States ( **Appendix VIII**) . During 2008-09 ( upto 22<sup>nd</sup> Oct 2008) an amount of Rs 1162.78 crores have been drawn and disbursed. ( **Appendix IX**). It is proposed to draw Rs 7000 crores during the current year.

Interest of Rs 59.79 crores was paid during 2007-08 and Rs 151.80 crores has been paid upto the September 2008 during the current year.

As per the procedure approved by the Ministry of Rural Development for loan drawal and disbursement, application for funds is to be sent to NABARD within two days of receipt of sanction letter from MoRD and funds are to be transferred to the States within two working days of receipt of funds from NABARD. From the statement at **Appendix X** it can be seen that the funds have been drawn and disbursed well within the time frame as decided with the Ministry.

Submitted for the information of the General Body