

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

**Minutes of the 10th Meeting of the General Body of National Rural Roads
Development Agency held on 3rd November, 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 and the members of the General Body to the meeting. He explained that the Annual Report and Accounts of the Agency have to be placed before the Parliament and they need to be approved and adopted by the General Body. He further explained that at the time of presentation of the Budget Estimates to the General Body in March, 2008 provisions on account of implementation of the recommendations of 6th Pay Commission has not been made and maintenance cost of OMMAS had not been fully provided as the same was under negotiations with CDAC. Revised estimates have now been prepared and are being submitted to the General Body.

The agenda was taken up for discussion with the permission of the Chair.

Item No. 1 : Confirmation of the proceedings of the 9th meeting of the General Body held on 26th March, 2008.

- The General Body confirmed the proceedings of the 9th meeting.

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

- The Annual Report was approved by the General Body.

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

- The Audited accounts for the year 2007-08 were adopted by the General Body.

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

- It was explained by the Director General that additional funds were not required by NRRDA under the grant-in-aid from the Ministry. The existing Rs. 12 crores shall be redistributed amongst the various heads to cover the requirements. Separate funds shall be required under ADB for payment on account of Technical Support Consultants and Project Management Consultants. The revised estimates were approved by the General Body.

Item No. 5: Memorandum submitted to 13th Finance Commission on “Assistance for maintenance of rural roads”

- Director General informed the General Body about the Memorandum presented by NRRDA to the 13th Finance Commission on maintenance of rural roads. AS&FA brought out that currently the responsibility of the maintenance of roads was with the States. The SBD provides for two contracts separately for construction and maintenance which puts the entire responsibility of maintenance on the State Governments. He suggested that EPC contracts for maintenance and construction should be adopted which would put more responsibility on the contractor for quality construction and maintenance. Secretary, RD advised that the proposal suggested by AS & FA may be studied in detail.

Item No. 6: *Quality Monitoring*

- Director(P-III) briefed the General Body about the Quality Monitoring of the PMGSY works. He explained that the target was to bring down the percentage of unsatisfactory works to a single digit and it has been achieved to a large extent except in the case of three States where unsatisfactory works were above 10%. Minister, RD stated that only identifying the unsatisfactory work was not enough. Strong penal action should be taken against those officials responsible for poor monitoring which results in poor quality of work. He felt that unless strong action is taken, it would not be a deterrent for others. DG, NRRDA explained that the PMGSY guidelines provide that in case the quality of work is continuously poor the programme can be suspended in the concerned State. Secretary, RD desired that in the reports on Quality monitoring, action taken against the erring officers may also be brought out.
- Joint Secretary, Ministry of Panchayati Raj, Shri A.S.Sahota felt that Panchayati Raj institutions should be involved in monitoring of work.
- CEO, MRRDA, Shri Shailendra Singh mentioned that in MP whenever quality is poor, action is taken against the contractor and if it still persists, the contract is terminated and contracts are not given in future.
- JS also informed the General Body about the Pilot Project on Citizen Monitoring undertaken through NGOs in Orissa, Chattisgarh and Karnataka. This pilot project is also expected to help design a methodology for social audit of PMGSY projects.

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

- Director General briefed the General Body about the amount drawn through RIDF loan from NABARD and its dispersal to all States.

Item No. 8: Any other item with the permission of the chair.

- Secretary, PWD, Assam brought out that it was proving to be difficult to carry out the maintenance work through the contractors as once the construction work is over they move to another site. He requested for changes in the bidding document, if possible, to address this problem.
- Minister, RD in his concluding remarks, brought out that four years of Bharat Nirman were coming to a close and proposal of 3,37,000 kms of road works have been cleared and 1,78,000 kms constructed. In this context, he observed that absorption capacity of the States under the programme has increased nearly four times during the last four years from around Rs. 2500 crore in 2003-04 to nearly Rs. 11000 crore in 2007-08. However, a major issue now concerns the maintenance of the completed roads. In addition there was the issue of delay in construction. He observed that there is a large time gap between approval given by MoRD and works are awarded by the States. This requires constant and strict monitoring. He further stressed that focus on quality needs to be maintained and stringent action should be taken for fixing accountability in case of works found to be deficient or sub-standard in terms of quality.

Action taken by States for fixing responsibility in such cases also needs to be monitored by NRRDA.

- The Minister further desired that Impact Assessment Study of rural roads should be carried out especially with reference to the employment generation and creation of contracting capacity.
- Minister, RD stated that NRRDA had an important role to play regarding the design and specification of roads which they should do pro-actively and hold workshops to educate people regarding the flaws in the design and further important improvements required. He also desired that NRRDA should make efforts to undertake R&D projects for cost optimization. Referring to the Rural Road Vision 2025 he desired the States should be asked to prepare their state-wise plan on the basis of the vision document. He further desired that the issue of plantation of trees alongside rural roads should be taken up in pro-active manner. Action taken by States for tree plantation needs to be periodically monitored.

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