

No.P-17024/1/2013-RC
Government of India
Ministry of Rural Development

Krishi Bhavan, New Delhi,
Dated the 17th May, 2013.

Subject:- Minutes of the Meeting of the Pre-Empowered Committee held on 17th May 2013 at 12:30 pm under the chairmanship of Joint Secretary (RC), MoRD to discuss project proposal of Anaparthi District under DDP of Pradhan Mantri Gram Sadak Yojana (PMGSY). - regarding.

The undersigned is directed to enclose herewith a copy of the Minutes of the Meeting of the Pre-Empowered Committee held under the Chairmanship of Joint Secretary (RC) on 17th May 2013 at 12:30 pm to discuss project proposal of Anaparthi District under DDP of Pradhan Mantri Gram Sadak Yojana (PMGSY) for necessary action.

It is requested that Compliance Report on the observations of the Committee along with Brief as per SOP may be sent to the Ministry at the earliest to enable us to consider to fix an early date for Empowered Committee Meeting to consider the proposal.


(P. Manoj Kumar)
Director (RC)

1. The Principal Secretary,
Rural Development & Panchayati Raj Deptt.
Govt. of Andhra Pradesh
2. Engineer-in-Chief, APSEERDA,
Government of Andhra Pradesh
Hyderabad

Copy also to:-

PS to Hon'ble Minister (RD)/PS to Hon'ble MoS(RD-LK)/PPS to Secretary (RD)/PPS to AS&FA/PPS to Additional Secretary (RD)/PS to JS (RC)/Director (RC-YSD)/Deputy Secretary (RC-MR)/ DS(Finance)/Director(F&A)/Director (P-I)/Director(Tech.)/Director (P-III), NRRDA.

**MINUTES OF THE MEETING OF THE PRE-EMPOWERED COMMITTEE FOR
PMGSY HELD ON 17th MAY, 2013**

STATE: ANDHRA PRADESH

A Meeting of Pre- Empowered Committee was held on 17th May 2013 at 12.30 pm under the chairmanship of Joint Secretary (RC), MoRD to discuss project proposal of Anantapur District under DDP of Pradhan Mantri Gram Sadak Yojana (PMGSY). List of participants is given below:

Dr P K Anand	Joint Secretary (RC), MoRD
Shri P.Manoj Kumar	Director (RC), MoRD
Shri Mashoda Lal	DS (Fin.II)
Shri. N.C. Solanki	Dir (P-I), NRRDA
Shri. Bhupal Nanda	Dir (F&A), NRRDA
Shri I.K. Pateriya	Director (Tech), NRRDA
State Govt. Representatives	
Shri CVS Ramamurthy	Engineer-in-Chief, GoAP
Shri K. Thirupathi Reddy	Fin. Controller, EEO /ENC,PR Hyderabad
Shri CV Shivaprasad	C3 SQC, SRRDA, AP
Md. Nishat Hussain	Dy. EE & ITNO, GoAP
Shri P. Raveendrababu	Dy. EE, AP
Shri A T M A Mujeeb	DEE (PMGYS) AP
Prof. B. P Chandra Bushan	APSRRDA

2. Details of proposals discussed by the Committee for the State of Andhra Pradesh are as under:

Item	New Connectivity
Value in Rs. Crores	120.31
No. of Road works	146
Length in Km	412.03
Habitations benefitted	1 of 1000+ 6 of 500+ 154 of 250+
Average Cost in Lakhs/Km	29.20

3. The Pre-Empowered Committee reviewed the progress of the implementation of PMGSY in the State of Andhra Pradesh since the previous Empowered Committee Meetings held on 15th February 2013, which considered all aspects of implementation of PMGSY works in the State.

4. Director (T), NRRDA stated that the State Government had sent a list of 250 road works in Anantpur District under DDP to the Ministry requesting approval for connectivity under PMGSY. In order to verify the status of the road the Ministry had deputed two teams to inspect all the 250 roads. The team had inspected 233 roads out of which 148 roads have been found with partially earthen surfaces and recommended for providing connectivity under PMGSY as had been done earlier. Accordingly the State was advised to make necessary corrections in the Core Network and also to prepare DPRs in respect of above 148 roads. The State was further requested to carry out verification process for remaining 17 roads to a team of Chief Engineer Superintendent Engineer and send the report to NRRDA for consideration.

5. The State representative informed that it has carried out verification in respect of remaining 17 roads and report is being submitted to NRRDA. The Committee was requested to include remaining roads also in the Empowered Committee, if found eligible under PMGSY. The State further sent a certificate that if any habitation out of the current proposal is found to be ineligible under new connectivity, the issue may be referred to the State to meet the cost. The Committee advised the State to send verification report in respect of 17 roads in the same format in which the Ministry's team have given their verification. The State was informed that the responsibility to propose only unconnected roads for new connectivity lies with the State.

6. The Committee further reviewed the progress of implementation of PMGSY in the State.

6.1. Physical Progress

6.1.1. The status of phase-wise/year-wise completion of road works as reported by the State (MPR) is given below.

Year of sanction	Phase	Sanctioned works	Completed works	Pending works	Remarks
2000-01	I	1479	1479	0	
2001-02	II	1569	1569	0	
2003-04	III	584	584	0	
2004-05	IV	597	596	1	1 Under progress
2005-06	V	318	314	4	2 proposed for dropping, 2 under progress
2006-07	VI	388	373	15	7 proposed for

					dropping and 8 under progress
2007-08	VII	829	823	6	6 under progress
2008-09	VIII	431	397	34	12 proposed for dropping 22 are in progress
2010-11	IX	187	143	44	1 proposed for dropping and 43 under progress
2012-13	X	420	-	420	Only 258 awarded
Total		6802	6278	524	

6.1.2. It was observed that the figures (Physical progress) as reported in MPR and OMMAS do not match. The State was advised to update OMMAS accordingly before seeking date for EC meeting. The State has reported to have completed 6278 works out of 6802 works. 524 works are incomplete, which includes 104 works, which were sanctioned prior to March 2011. The State was advised to send completion plan along with expenditure plan (quarterly) in respect of all incomplete works.

6.2. Data Entry and DPR issues

Data Entry issues

- i. Proposals entered are not matching with the current proposals.
- ii. Proposals are not found scrutinized by STA online.
- iii. PCI data for upgradation proposals have not been entered in OMMAS.

DPR issues

- i. The provision of Gravel shoulder should be replaced by earthen shoulder.
- ii. The provision of 3.75m carriage width and 7.50 m Road way width should be reduced to 3.00m and 6.0 m respectively for proposals having motorized traffic less than 100.
- iii. The provision of 5% for VAT considered on total project cost, which is not allowed.
- iv. The provision for unforeseen items should be deleted.
- v. The provision of maintenance cost is 6.18% on the current batch and it should be increased to atleast 9%.
- vi. The provision of M-10 below Hume pipe should be replaced by GSB Material.
- vii. The credit for the existing crust thickness need to be accounted for in the design of pavement thickness.
- viii. Soil Test report not enclosed with DPRs.
- ix. DVD's of DPRs of current batch of proposal have not been submitted.

6.3. Quality

6.3.1. Out of 992 SQM inspections during the period April 2011 to April 2013, Unsatisfactory reports were reported for 9 % at on-going stage and 2% at Completed Stage. The reports of NQMs show that the quality of the roads is not upto the expected level and during April 2011 to April 2013, a high number of unsatisfactory works have been reported by NQMs (9 % at on-going stage and 16% at completion stage). The Committee opined that the monitoring mechanism under 2nd tier is weak and advised the State to strengthen the quality monitoring system in the State.

6.3.2. The State informed that the SQMs are serving officers of the same Department. The Committee observed that engaging SQMs from the implementing agency would amount to conflict of interest as it will defeat the very purpose of the independent nature of the reporting system. The Committee advised the State Government to immediately change the system so as to ensure independent monitoring under 2nd tier quality mechanism. The State informed that action has been initiated to switch over to independent system of monitoring by engaging retired engineers under 2nd tier and assured that the process will be completed within two months.

6.3.3. As regards submission of ATR on NQM inspections, out of 108 ATRs required to be sent, the State has sent only 84 reports. The State is required to send remaining 24 more ATRs.

6.4. Maintenance

6.4.1. The details of maintenance funds required, released to SRRDA and utilized by them during the last two years and current year is given below.

Financial Year	Maintenance Funds required to be released	Actual release to SRRDA	Expenditure (upto January 2013)	(in crore)	% expenditure w.r.t maintenance funds required
2010-11	20.77	39.23	2.55		12%
2011-12	30.00	0.00	4.60		15%
2012-13	27.91	48.68	12.95		46%
Total	78.68	87.91	20.10		-

6.4.2. While reviewing the expenditure on maintenance, the Committee was of the opinion that the expenditure on maintenance was very low. The State was advised to increase the expenditure on maintenance.

6.5. Absorption Capacity

As per the capacity assessment study (index on expenditure, ongoing works, number of SQMs, average expenditure and no. of FIUs) the execution capacity of the State is to the

tune of Rs.1893 crore for the year 2013-14 (Annexure). However, the State has the balance work (31.3.2013) to the tune of Rs.1438 crore. The State is required to improve the capacity by increasing the expenditure on maintenance and also the Quality Inspection under 2nd tier.

6.6. Road Condition Survey:

As per OMMAS, out of 81236 Km length of rural roads in the State the State has completed the PCI survey on 10012 km of roads. The State was advised to complete 50% of the PCI survey before tendering of the proposed works. Since Updation of PCI data on OMMAS has been made a prerequisite for holding Empowered Committee Meeting, the State was advised to upload PCI data on OMMAS for Anantapur district before seeking EC Meeting.

6.7. Financial Management/Accounting

- i. The State has not completed OMMAS generated balance sheet for the year 2011-12.
- ii. An amount of Rs.93.34 lakhs has been shown as unspent balance remitted to APSRRDA.
- iii. An amount of Rs.30.54 crore has been shown as "unreconcil programme fund transfer" to SRRDA in the R&P module.
- iv. Out of 6426 completed works 426 works are yet to be financially closed.

7. The State will complete following activities to consider to fix an early date for Empowered Committee Meeting.

- 7.1. The balance sheet for the year 2011-12 should be prepared based on the output generated through OMMAS and should be reconciled with manual audited balance sheet.
- 7.2. The DPRs should be corrected as per the observations of the Committee and NRRDA as at para 6.2 above and uploaded on OMMAS after due vetting by STAs.
- 7.3. Action should be taken to send ATRs on 24 NQM reports and uploaded on OMMAS.
- 7.4. The habitation data need to be reconciled and updated on OMMAS.
- 7.5. PCI data for the district of Anantapur should be uploaded on OMMAS.
- 7.6. Road Completion Plan with stages to be provided, upto March 2011 sanctioned works and later sanctioned works be sent separately.

8. The State should send a compliance report on all issues as indicated at para 7 above along with Brief (10 copies) to the Ministry/ NRRDA while seeking date for EC meeting.

9. The meeting ended with Vote of Thanks to the Chair.

Andhra Pradesh

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Execution Capacity of the State

#	Basis	No. of PIU		Workload per PIU (Rs. In Crore)	Total
		Normal Areas	LWE Areas		
1	PIU	27	17	50	1,350
		Total: 44		75	1,275
#	Basis	No. of SQM		Capacity of a SQM to inspect work worth (Rs. In Crore)	Cost of Work (Rs. In Crore)
		52			
2	SQM				2,625

Average construction cost per km Rs. 0.49 Crore

#	Basis	Year (s)			Maximum Expenditure + 10% per year (Rs. In Crore)
		Category	2010-11	2011-12	
3	Expenditure (Rs. In Crore)	PMGSY Normal	451	162	155
			JAP	28	130
		Totals		474	292

Work load required according to expenditure of Rs. 631 Crore is = Rs. 631 * 3 = Rs. 1,893 Crore
 Lowest of the above three parameters = Rs.1,893 Crore

Balance work in Hand (31.03.2013) = Rs. 1,452 Cr. (-) Savings Rs. 14 Cr. (-) Rs. 0.00 Cr. (to be dropped) = Rs. 1,438 Cr.

1. According to expenditure - Rs.631 Crore = Rs. 631 Cr. * 1 = Rs. 631 Crore
2. According to Maintenance - Rs. 631 Crore = Rs. 631 Cr. * 0.46 = Rs. 290 Crore
3. According to Quality - Rs.631 Cr. = Rs. 631 Cr. * 0.16 = Rs. 101 Cr. [Capacity according to index is sum of all = Rs.1,022 Cr.]