

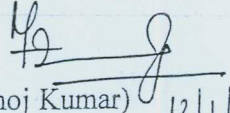
No.P-17024/13/2013-RC
Government of India
Ministry of Rural Development
RC Division

KrishiBhavan, New Delhi,
Dated the 13th January 2014

Subject: Pre-Empowered Committee Meeting for Pradhan Mantri Gram SadakYojana (PMGSY) held on 10th January 2014 in respect of the State of Kerala - Minutes thereon.

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 10th January 2014 to discuss the project proposals of Kerala under PMGSY for necessary action.

2. It is requested that a compliance report on all the observations of the Committee may please be sent to the Ministry to enable us to consider fixing of early Empowered Committee Meeting.


(P. Manoj Kumar)
Director (RC)

13/1/14

Distribution:

1. Principal Secretary (LSGD), Government of Kerala
2. Secretary (LSGD), Government of Kerala
3. Empowered Officer, KSRRDA, Government of Kerala

For information to:

PS to MRD/PPS to Secretary (RD)/PPS to SS&FA/PS to AS (RD)/PS to JS (RC)/
Director(Tech.)/Director(P-I)/Director(P-III)/Director (F&A), NRRDA.

**MINUTES OF THE MEETING OF THE PRE-EMPOWERED COMMITTEE
FOR PMGSY HELD ON 10th JANUARY 2014**

STATE: KERALA

A Meeting of the Pre- Empowered Committee was held on 10th January 2014 at 3.30 pm under the chairmanship of Joint Secretary (RC), MoRD to discuss the proposals of the State of Kerala including Attapaddy Package under Pradhan Mantri Gram Sadak Yojana (PMGSY). List of participants is given below:

Shri. Rajesh Bhushan	Joint Secretary (RC), MoRD
Shri P. Manoj Kumar	Director (RC), MoRD
Dr I K Pateriya	Dir(Tech), NRRDA
Shri. N.C. Solanki	Dir (P-I), NRRDA
Shri. Sunil Kukreja	Joint Director (F&A), NRRDA
State Govt. Representatives	
Dr. Rajan Khobragade	Secretary LSGD
Shri E. Sreekumar	Empowered Officer KSRRDA
Shri Raju Mathew	Supdt Engineer, KSRRDA
Shri E.S. Wilson	State Quality Coordinator, KSRRDA
Shri C.K. Hariharan	Accounts Officer KSRRDA
Shri Rajesh D	A&E, KSSRDA
Shri Praveen S L	ITNO, KSSRDA

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

Current Proposal

Item	Upgradation (Phase VIII, Batch-II, 2013-14)
Value in Rs. Crore	190.7
No. of Road works	86
Length in Km	234.81
Average Cost in Lakh/Km	80 lakh
Maintenance	15.53 crore (8.14 %)

3. **Background of the Proposal**

The State had sent a proposal for dropping of 226 road works covering 494.52 km with a sanctioned cost of Rs.193.01 crores, including 49 road works covering 90.95 km under New Connectivity. The State had further informed that out of 226 proposed road works, 158 road works are of upgradation category, which were not awarded for construction, measuring 364.28 km length amounting to the original sanctioned cost of Rs.152.02 Cr.

The Ministry after detailed examination of the proposal had dropped such 158 road works in accordance with the guidelines. Further, the Ministry after deliberating the issue in detail decided to sanction fresh road works for upgradation under PMGSY in lieu of dropped road works subject to the maximum amount of Rs.152.02 crore, which includes 61.55 Km length in Attapady block also, as per the request of the State. The Ministry, based on the average construction cost approved during the Phase VIII (Batch-I) works, has made an assessment of about 250 Kms of rural roads to be accommodated within this amount. However, the State has now projected Rs.190.7 Crore for construction of 234.81 length of roads in the current batch of proposal. The amount is likely to increase as the latest SoR is still in the process of finalization. The Committee advised that RC division should immediately put up a file to IFD for its concurrence as it involves financial implication and also an amendment of the conditionalities accompanying the earlier decision of the Ministry.

4. Habitation Data on OMMAS

No. of eligible unconnected habitations as per Habitation master is as given under :

Item	1000+	500+	250+	Total
As on 1 st April, 2000 (As reported by State on OMMAS)	121	335	18	474
As per NRRDA record provided by State	121	333	-	454
Additional habitation approved as per Cabinet note of Feb 13	-	-	-	-
Unconnected Habitations after approval by Cabinet note	121	333	-	454
Unconnected habitation entered on OMMAS by State	121	335	18	474

The above table shows that there are 18 eligible habitations (250+), which are yet to be connected. However, no habitation of 250-499 population in the State is eligible to be connected under PMGSY. The Committee advised the State to reconcile the habitation data and accordingly make necessary correction in the habitation master in consultation with NRRDA.

5. Physical Progress

5.1. The Pre-Empowered Committee reviewed the pace of the implementation in the State. The State has reported that out of 1335 works sanctioned, 778 works were completed. Out of 557 pending works, the State has proposed 68 works for dropping and as such 489 works are on-going including 320 works which were sanctioned during the year 2013-14. Notably, 169 works sanctioned prior to March 2011 are still incomplete, which is a serious matter of concern. The State has furnished completion plan in respect of these works. The status of phase-wise/year-wise completion of road works as reported by the State is given below.

Year of Sanction	Phase	Sanctioned works	Completed Works	On-going Works	Proposed for dropping	Financial closure as per OMMAS
2000-01	I	33	33	0		33

2002-03	II	178	173	1	4	169
2003-04	III	52	44	2	6	38
2004-05	IV	91	66	5	20	54
2005-06	V	74	47	7	20	44
2006-07	VI	295	262	19	14	205
2008-09	VII (Batch I)	292	153	135	4	118
2010-11	VII (Batch II)					
2013-14	VIII	320	0	320		
TOTAL		1335	778	489	68	661 (85%)

5.2. Notably, 68 works, which were proposed for dropping, the State has now informed that it is exploring the possibility for reviving these road works and a decision would be taken shortly. The Committee suggested the State that in case the State plans to revive these works, a realistic completion plan in respect of those works should also be sent to the Ministry on a priority basis.

6. Status of works cleared during the year 2013-14

6.1. The status of works, which were cleared on 25th April 2013 as reported by the State, is given below:

Agreements have been executed for 44 works out of 320 works sanctioned under Phase VIII (Batch-I, 2013-14). Selection Notice has been issued for 24 works. The State has re-tendered 251 works for which technical bid would be opened on 20.12.2013. One work is proposed to be dropped. The Committee advised the State to immediately take action to award remaining works.

7. Institutional Arrangements

7.1. The Committee further reviewed the institutional arrangements in the State. The major Steps taken by the State for improving the execution capacity as reported by the State include:

- (1) Full time Empowered Officer has been posted at KSRRDA
- (2) Post of Chief Engineer has been created and the process of posting is in progress.
- (3) State created a post of full time Financial Controller and process of posting is in progress.
- (4) One Assistant Executive Engineer and 2 Assistant Engineer have been posted at KSRRDA
- (5) One Accounts Officer at SRRDA has been posted.
- (6) 152 AE's were posted for execution of PMGSY works at various Block Panchayats.

7.2. While appreciating the efforts made by the State for improving the execution capacity, the Committee advised the State to seriously explore the possibility of posting a Chief Engineer on deputation basis or appoint a retired engineer as consultant at appropriate level having adequate experience in PMGSY works. **The Committee also decided that the State should complete the process of posting a CE before seeking date for EC Meeting, as considerable time has been elapsed**

since the last EC meeting held on 26th March 2013, wherein the State had committed that the post of CE would be filled up immediately.

8. DPR Issues

8.1 Some of the observations of NRRDA on proposals based on the scrutiny of sample DPRs are as under which should be complied with before seeking the date for Empowered Committee Meeting:

- i) Credit for existing crust thickness has not been taken into account, while calculating pavement layers thickness.
- ii) Quantity of scarifying calculated wrongly.
- iii) GSB has been laid on top of existing WBM layer, which is not proper.
- iv) As per Photographs, road condition appears to be in good condition, which may not be eligible for upgradation.
- v) GSB provided for entire road way width. This needs to be reduced to 4.05m only, as per the practice.
- vi) WBM provided for 3.90 m width this needs to be reduced to 3.75m width.
- vii) The quantities of earth work for Upgradation proposals are on higher side and needs justification.
- viii) Provision of WBM G-II & G-III needs to be deleted for 24m for the portion RCC slab culverts provided.
- ix) The width for 2x2 RCC slab culvert considered as 3.2m instead of 2.60m and or 3x3 RCC slab culvert considered as 4.2m instead of 3.60m. The RCC M25 quantity needs to be reduced.
- x) The thickness of RCC slab for 3x3m span culverts considered as 0.320m instead of 0.300 as per IRC SP:20:2004.
- xi) The road portion up to 4.00km is black topped. No credit for existing pavement has been taken up account while designing new pavement.
- xii) Approach slab length of 5.00m provided. It should be 3.5m. only.
- xiii) Rate analysis for bridge items has not been enclosed with DPRs.
- xiv) For pavement design the VDF factor has been taken wrongly.
- xv) An amount of Rs. 18.14 lakh has been reported for earth work. This needs to be taken under State Share.
- xvi) Protection works provisioned appears to be on higher side and needs justification.
- xvii) Average construction cost appears to be on higher side.
- xviii) No road Geometrics design has been enclosed with the DPRs.

8.2. The State has proposed only 18.30 km length of roads (5 roads) in the current batch of proposals under R&D (8%). The Committee advised that the State should propose atleast 15% of the total road length under R&D as per the guidelines. The Committee further advised the State to select some roads for construction by using plastic waste.

8.3. NRRDA further informed that the latest SoR submitted by the State has been examined and following major observations have been made and also communicated to the State.

- i. Royalty fee on earth has been reported, which is not eligible as per programme guidelines;
- ii. Compensation to earth has been reported, which is not eligible as per programme guidelines;

- iii. Overall hike is about 31% from the earlier SoR vetted by NRRDA in January 2013, which is unreasonable.

The State representative contended that an SOR Committee was constituted at the State level to review the rates according to the market rates. The SOR Committee after the detailed market analysis arrived at a variation at the hike of 31% from the Kerala PWD SOR 2012. After the detailed deliberation, it was decided that royalty fee could be allowed as it is mandatory provision in most of the States and the State is required to furnish a copy of notification issued in this effect to NRRDA. Regarding compensation to earth, since PMGSY guidelines do not provide any such provision nor such a compensation has ever been claimed by any State or allowed to any State, it was decided that such cost should be borne by the State. **It was also decided that NRRDA should immediately finalize SoR accordingly.**

9. Quality

9.1. While reviewing the quality monitoring mechanism in the State, the Pre-Empowered Committee observed that though the second tier quality monitoring mechanism in the State has improved, the quality of the roads have been found not satisfactory. During April 2012 to December 2013, out of 119 SQM inspections carried out in the case of ongoing works, 26 works were graded 'Unsatisfactory', which is 22%. The NQM reports also show that number of 'Unsatisfactory' works for the same period is 15% in case of on-going works.

9.2. As regards submission of Action Taken Reports (ATR) of NQM inspections, out of 10 ATRs required, only 5 ATRs were uploaded by the State. The State was advised to take immediate action to upload remaining 5 ATRs on OMMAS before EC meeting.

10. Maintenance

10.1. The details of maintenance funds required, released to SRRDA and utilized by them during the last three years and the current financial year are given below.

(in crore)				
Financial Year	Maintenance Funds required to be released	Actual release to SRRDA	Expenditure (upto January 2013)	% of expenditure on fund required
2010-11	3.61	1.63	0.93	26%
2011-12	4.69	1.64	2.18	46%
2012-13	8.50	13.18	4.04	48%
2013-14 (Upto Sep'13)	10.89	5.44	4.50	41%
Total	27.69	21.89	11.65	

10.2. The Committee observed that the State has not credited adequate amount on maintenance of roads constructed under PMGSY during the current financial year. The representative of the State assured the Committee that it will take utmost attention in maintaining the roads and will ensure to keep sufficient funds under maintenance head. The Committee advised the State to credit 100% amount due for the financial year 2013-14 in the maintenance account before EC Meeting.

11. Absorption Capacity

11.1 As per the capacity assessment study (based on ongoing works excluding works proposed to be dropped, number of SQMs, average expenditure and no. of PIUs) the State does not have the capacity to take up any additional works during the financial year 2013-14. The State was advised to increase adequate number of SQM inspections, thereby increase the execution capacity. The State should also prepare a strategy to increase the execution capacity and intimate the Ministry.

12. Financial Management/Accounting.

The following issues/points were pointed out

- i. The Balance Sheet for the year 2012-13 have not been received in the Ministry for both programme and Admn. Funds.
- ii. Out of 778 works physically completed, the State has financially closed only 661 works, which is 85 %.

The State representative informed that the balance sheet for the year 2012-13 will be sent to the Ministry within 10 days.

13. The State will complete following activities as agreed by it to consider for fixing an early date for Empowered Committee Meeting.

- i. The State should reconcile the habitations details within one week and accordingly the habitation master should be corrected in consultation with NRRDA;
- ii. The proposals should be corrected based on the observations of NRRDA as listed at Para No. 8 above and all DPRs should be entered on OMMAS after duly vetted by STAs.
- iii. The State should immediately post one Chief Engineer at SRRDA on deputation basis or appoint a retired engineer as consultant at appropriate level having adequate experience in PMGSY works;
- iv. State should credit 100% amount due for the financial year 2013-14 in the maintenance account of SRRDA;
- v. The State should send balance sheet for the year 2012-13 for both programme and Admn. Funds within 10 days;
- vi. Monthly physical completion plan along with expenditure plan in respect of the works sanctioned prior to March 2011 should be sent to the Ministry;
- vii. The State has proposed only 18.30 km length of roads (5 roads) in the current batch of proposals under R&D (8 %). The State should propose atleast 15% of the total road length under R&D. The technology of using plastic waste should also be used for construction of atleast 3 to 4 roads;
- viii. The State should financially close atleast 90% of physically completed works.

14. The State should send a compliance report to the Ministry/ NRRDA on all issues as indicated at para 13 above and EC Brief as per SOP while seeking date for EC meeting.

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