



No.P-17024/23/2012-RC
Government of India
Ministry of Rural Development

Krishi Bhavan, New Delhi,
Dated the 6th March, 2013.

Sub.- Minutes of the Meeting of Pre-Empowered Committee held on 4th March, 2013 to discuss the project proposals of Sikkim State under PMGSY-reg

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 (RD) on 4th March, 2013 to discuss the project proposals of Sikkim State under Pradhan Mantri Gram Sadak Yojana (PMGSY) for necessary action.

R. R. Meena
6/3/2013
(R. R. Meena)

Under Secretary to the Government of India
Telefax:011-23382406

Distribution:-

1. The Secretary, Rural Management & Development Department, Government of Sikkim, Gangtok, Sikkim-737101. 10063/2013
2. The Chief Engineer, Sikkim Rural Road Development Agency, Gangtok, Sikkim 10064/2013

Copy to:

Sr.PPS to Secretary (RD)/PPS to Additional Secretary/PS to JS (RC)/Director (RC-PMK)/ Director (F&A)/Director (P-I)/Director (Tech.)/Director (P-II)/Director (P-III), NRRDA.

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**MINUTES OF THE MEETING OF THE PRE-EMPOWERED COMMITTEE FOR
PMGSY HELD ON 4th MARCH, 2013**

STATE: SIKKIM

A Meeting of the Pre- Empowered Committee was held on 4th March 2013 at 12.00 noon under the chairmanship of Joint Secretary (RC), MoRD to discuss the proposals of the State of Sikkim under Pradhan Mantri Gram Sadak Yojana (PMGSY). List of participants are given below:

Dr P K Anand	Joint Secretary (RC), MoRD
Shri P.Manoj Kumar	Director (RC), MoRD
Dr I K Pateriya	Dir(Tech), NRRDA
Shri. P.K. Katare	Dir (P-III), NRRDA
Shri. N.C. Solanki	Dir (P-), NRRDA
Shri. Bhupal Nanda	Dir (F&A), NRRDA
State Govt. Representatives	
Shri D.R. Nepal	Secretary RDD, Govt. of Sikkim
Shri G.T. Dhungal	CE, SRRDA, Sikkim
Shri H.P. Sharma	Finance Coordinator SRRDA, Sikkim
Shri C.V. Basnet	SQC, SRRDA, Sikkim
Shri B. K. Thew	PIU, SRRDA, Sikkim
Shri Prakash Chathi	AE (PMGSY), Sikkim

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

Phase- X (2012-13)

Item	New Connectivity (Stage-II)
Value (Rs. In crore)	150.028
No of Road Works	49
Length (Km)	224.06
Average Cost Rs. Lakh per Km	66.96

3. The Pre-Empowered Committee reviewed the progress of the implementation of PMSGY in the State of Sikkim since the previous Empowered Committee Meetings held on 20th June 2011 considered the institutional capacity of the State to efficiently execute the PMGSY works with the requisite attention to quality.

4. Physical Progress

4.1. The Pre-Empowered Committee reviewed the pace of the implementation in the State. Out of 577 road works sanctioned, 459 road works were completed. 218 works, including 138 works which were sanctioned prior to March 2010 are still incomplete, which is a matter of serious concern, since under PMGSY, works are required to be completed within 18 months. The State was advised to send completion plan of these 138 works to the Ministry. 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	Pending works
2000-01	I	245	245	Nil
2001-02	II	31	31	Nil
2003-04	III	21	21	Nil
2004-05	IV	34	32	2
2005-06	V	67	58	9
2006-07	VI	93	48	45
2008-09	VIII	106	24	82
2011-12	IX	80	0	80
Total		577	459	218

4.2. While reviewing the data entry on habitation details it was found that all the habitations of population 1000+ and 500+ have already been connected. 22 habitations of population 250+ are still to be covered and State informed that the DPRs for the same is under preparation and will be submitted in the mid of the next financial year.

4.3. The State informed that 2 road works and one missing bridges are proposed to be dropped and the proposal in the prescribed format will be submitted to the Ministry for consideration.

5. Some of the observations of NRRDA on proposals based on the scrutiny of sample DPRs brought by the State are as under which should be complied before seeking the date for Empowered Committee:

5.1: Data Entry issues

- i. All the current proposals have not been entered on OMMAS.
- ii. No proposal has been approved by STA on-line.
- iii. 2 ineligible habitations (population below 250) proposed, which needs to be deleted.
- iv. CBR value in the proposal module has not been entered.
- v. Traffic intensity details have not been entered on the proposal modules.

5.2. DPR issues

- i. The total project cost as per summary sheet, Performa C, and Performa B do not tally.
- ii. In Certain proposals no habitation on OMMAS has been mapped.
- iii. In the DPRs, the detailed design for R/W and B/W not enclosed.
- iv. The quantities for the extra widening and for bends have been taken as 15%.
- v. Some of the roads in the current proposals are not part of the Core Network.
- vi. In some proposals, the gradient is more than the limiting gradient. This need to be rectified before the construction of stage II
- vii. The Performa C has not been forwarded for all 53 roads proposed in current proposals.
- viii. No road has been proposed under R&D technology.
- ix. Provision of 6.7% has been made under Maintenance cost, which should be hiked to atleast 10 %, which was also agreed by the State
- x. Average cost of construction is on the higher side

5.3. The Committee opined that the average construction cost/km is very high which cannot be agreed to. Under the programme, an amount of Rs. 52.91 lakh has been sanctioned as average construction cost to the State during the year 2011-12. The percentage hike effected in the SoR for the current year by NRRDA for the State is 17.27%. The Committee advised the State to re-examine the cost estimate in light of the observations of NRRDA and considering the average cost per km of the earlier sanctions and percentage hike in SoR for the current year. The committee further desired that the State Government's attention be drawn to the provision of para 8.7 of PMGSY Guidelines regarding maintenance of the roads which states that "in respect of Hill roads, if construction is in two Stages, the initial 5-year maintenance contracting will be done at the time of contracting the work for the 2nd Stage. Interim maintenance, clearance of slips etc. in the period between the 1st and 2nd Stage may be done departmentally".

6. Quality

6.1. While reviewing the quality monitoring mechanism in the State, the Pre-Empowered Committee observed that the second tier quality monitoring mechanism in the State is weak despite the State was being advised time and again to strengthen the quality monitoring in the State. The State has at present 12 SQMs, including 9 SQMs who have been recently engaged. During April 2011 to December 2012, out of 22 SQM inspections carried out in the case of completed works, no works were graded 'Unsatisfactory'. However, in the case of on-going works, out of 29 SQM inspections, 15 works were graded as 'Unsatisfactory' (52%). The NQM reports show that number of 'Unsatisfactory' works for the same period is 44% in case of completed works and 21 % in case of on-going works.

6.2. The number of photographs uploaded based on SQM inspections was not found to be adequate. Out of 51 inspections, only 141 photographs have been uploaded, where as 10 photographs for each SQM inspection, including one of field laboratory, is required to be uploaded. As regard submission of Action Taken Reports (ATR) of NQM inspections, out of 48 ATRs required, only 31 ATRs have been uploaded. The State was advised to take immediate action to upload remaining 17 ATRs on OMMAS.

7. Maintenance

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

(in crore)

Financial Year	Maintenance Funds required to be released	Actual release to SRRDA	Expenditure (upto January 2013)	% of expenditure w.r.t fund required
2010-11	0.21	2.92	0.00	-
2011-12	3.13	5.50	3.37	107%
2012-13	5.77	8.42	7.24	125%
Total	9.11	16.84	10.61	

7.2. The Committee appreciated the State for promptly crediting the maintenance amount to SRRDA and also spending adequate amount on this account.

8. Absorption Capacity

The financial report of the programme indicates that the expenditure incurred by the State for construction of road works under PMGSY is very low. The State could expend only 14 Crore during the last financial year. Also, the State had an unspent balance which was to the tune of Rs. 101.18 Crore at the end of the last financial year. i.e. 31st March, 2012. 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 (Annexure D). However, the Committee was of the view that since all the works are of Stage-II works, the same may be considered despite the State's capacity constraint, since non-completion of Stage-II works may result in the roads deteriorating very fast. Also, Stage-II roads are largely based on bitumen cost. However, the Committee further informed the State that it will not bring new proposals during the year 2013-14 or till the time it improves the execution capacity.

9. Financial Management/Accounting.

9.1 An amount of Rs.80.03 lakh has been shown as forest fund whereas accounting procedure does not provide such head.

9.2 It was found that audited figures of Central Administrative expenses have been altered.

9.3 Out of 577 sanctioned works only 336 works has been financially closed.

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

10.1. Provision of atleast 10% should be made under maintenance in the current batch of proposals.

- 10.2. Completion plan for all left over works should be sent
 - 10.3. A few roads should be proposed under R&D Technology in consultation with NRRDA and STAs.
 - 10.4. The balance sheet for the year 2011-12 should be prepared based on the output generated through OMMAS and should be reconciled with audited balance sheet.
 - 10.5. All DPRs should be entered on OMMAS after duly vetted by STAs
 - 10.6. Action should be taken to send ATRs on 17 NQM reports and upload on OMMAS
 - 10.7. Financial closure should be made for atleast 80% of the completed works
 - 10.8. Average cost / km in the current batch of proposals is about Rs 67 lakh/km, which is on the higher side and needs to be reviewed in the light of the observations of NRRDA and considering the average cost per km of the earlier sanctions and hike in SoR for the current year.
 - 10.9. CBR value in the proposal module should be entered.
 - 10.10. Habitations be mapped on all the proposals. Wherever, no habitation is benefitted, roads should be deleted.
11. The State should send a compliance report to the Ministry/ NRRDA on all issues as indicated at para 10 above while seeking date for EC meeting.
12. The meeting ended with Vote of Thanks to the Chair.

Sikkim

Execution Capacity of the State

#	Basis	No. of PIU	Work Load per PIU (Rs. In Crore)	Total
1	PIU	8	75	600
#	Basis	No. of SQM	Capacity of a SQM to Inspect work worth (Rs. In Crore)	Cost of Work (Rs. In Crore)
2	SQM	12	156	1872

Average construction cost per km Rs. 0.52 Crore

#	Basis	Year (s)			Maximum Expenditure + 10% per year (Rs. In Crore)
		2009-10	2010-11	2011-12	
3	Expenditure	80	86	14	104

Work load required according to expenditure of Rs. 104 Crore is = Rs. 104 * 3 = Rs. 312 Crore

Lowest of the above parameters = Rs. 312 Crore

1. Rs. 104 Crore - Rs. 104 * 1 = Rs. 104 Crore
 2. Rs. 104 Crore - Rs. 104 * 1 = Rs. 104 Crore
 3. Rs. 104 Crore - Rs. 104 * 0.0 = Rs. 0.00 Crore
- Capacity according to index is sum of these three = Rs. 208 Crore
Balance work in Hand (31.01.2013) Rs. 405 Cr. (-) Rs. 0.00 Crore (to be dropped) (-) Rs. 0.00 (Savings) = Rs. 405 Cr.

For getting more sanction, State required to improve 2nd tier quality control system by inspected the works, execution capacity by increasing no. of PIUs, and contractors availing provisions.