

**No. 20011/1/2004-F&A**  
**National Rural Roads Development Agency**  
**Ministry of Rural Development, Government of India**  
**5<sup>th</sup> Floor, NBCC Tower, Bhikaji Cama Place, New Delhi-66**

**Minutes of the 15<sup>th</sup> Meeting of the Executive Committee of the National  
Rural Roads Development Agency**

The 15<sup>th</sup> meeting of the Executive Committee was held on 8<sup>th</sup> July, 2008 in the Conference Hall, NRRDA, 5<sup>th</sup> Floor, 15 NBCC Tower, Bhikaji Cama Place, New Delhi-110 066. The meeting was Chaired by Shri J.K. Mohapatra, Director General, NRRDA. The following members were present in the meeting:-

1. Dr. Praveen Kumar, Associate Professor, Transportation Engineering Section, Department of Civil Engineering, IIT, Roorkee.
2. Dr. S.L. Dhingra, Professor, Department of Civil Engineering, Indian Institute of Technology, Powai.
3. Dr. Ashok Kumar Sarkar, Dean, Faculty Div-I, Department of Civil Engineering, Birla Institute of Technology & Science.
4. Shri V.J. Menon, Director (Finance) Ministry of Rural Development, Krishi Bhawan, New Delhi.
5. Dr. B.P. Chandrasekhar, Director (Technical), NRRDA, New Delhi.
6. Smt. Gargi Kaul, Director (F&A), NRRDA, New Delhi.

**Special Invitee**

Shri Sanjay Kumar Rakesh, Director (SR), Ministry of Rural Development, Krishi Bhavan, New Delhi.

The following officers from NRRDA were also present:

1. Shri H.K. Srivastava, Director (Projects-I), NRRDA, New Delhi.
2. Shri A.D. Kapaley, Director (Projects-II), NRRDA, New Delhi.
3. Shri Prabha Kant Katare, Director (Projects-III), NRRDA, New Delhi.

The meeting started with the Director General welcoming the members of the Executive Committee and the new member Shri Sanjay Kumar Rakesh. The Director General informed the Committee that the meeting for the previous quarter could not be held due to his busy schedule. However, all efforts would be made to hold a meeting every quarter. He informed the Committee that the major issue for the current meeting was the approval of the accounts for the year 2007-08 and the appointment of the Auditors.

The proceedings of the meeting were as follows:-

**Item No.1: Confirmation of the proceedings of the 14<sup>th</sup> meeting of the Executive Committee held on 18<sup>th</sup> February, 2008.**

The Executive Committee confirmed the proceedings of the previous meeting.

**Item No. 2 : Approval of the accounts for the year 2007-08.**

The unaudited accounts for the year 2007-08 were examined by the Committee. Director(Finance), MoRD wanted to know the reasons for increase in expenditure under 'Other Office Expenses' as compared to previous year. Director (RD), Shri Sanjay Kumar Rakesh felt that separate accounts need not be kept for different source of fundings (World Bank/NABARD). Director (Finance), Shri V.J. Menon felt that a separate account will have to be prepared for NABARD loan giving the details of the disbursements to States.

Director(F&A), NRRDA explained that the increase under Office Expenses was on account of payment for renovation of 'UNNATI'. Regarding the preparation of separate accounts it was explained that a single Balance Sheet is prepared for all sources of funds. Only Receipt & Payment & Income Expenditure Accounts show the different sources of expenditure therein.

Regarding NABARD, it was clarified that no separate balance sheet will be required. Only separate reflection in the same account. This was provided for in the agreement. The State-wise disbursements are available and submitted to MoRD/NABARD regularly.

Director General desired that when accounts are put up to the General Body a detailed note on the excess/savings should be given. Executive Committee approved the accounts for the year 2007-08.

### **Item No. 3 : Appointment of Statutory Auditors.**

The case of appointment of Statutory Auditors for the audit of the accounts for the year 2007-08 was placed before the Executive Committee. Director (Finance), MoRD observed that as the budget and expenditure of NRRDA had risen substantially on account of the NABARD loan, CAG should be requested to do the statutory audit. It was explained that CAG does not carry out the audit of the balance sheets of autonomous bodies unless so provided in the Act, with the concurrence/approval of CAG. Thus the accounts of NRRDA have to be audited by a Chartered Accountant. CAG has full authority to conduct supplementary/performance audit.

Director (MoRD), Shri Sanjay Kumar Rakesh sought clarification regarding the requirement of approval of the Executive Committee for appointment of the Auditors. After discussion, it was agreed that the appointment of auditors, though not explicitly mentioned in the Rules, should be made along with the approval of the Executive Committee as the auditors report to the Executive Committee/General Body and not to the Management. The Executive Committee approved the appointment of M/s, Sandeep Ramnivas Gupta & Company as auditors for the year 2007-08.

**Item No.4 : Revision in lieu of House Rent Allowance for officers on deputation/contract.**

The issue was discussed and it was brought to the notice of the Executive Committee that at present the affected officers are 2 Directors and one Deputy Director. The total financial implication on the basis of the current status would be Rs. 8,000/- per month.

The Executive Committee approved the proposal in principle and advised to put up the same to the General Body as it involved amendment of the bye-laws.

**Item No. 5 : Annual Work Plan 2008-09.**

The Annual Work Plan for NRRDA for the year 2008-09 was reviewed by the Executive Committee. Director (P-III) requested to addition of one item “Revision & Review of BOS/SDB” to the Action Plan. It was also suggested during the discussions that the PTA’s should review on a sample basis DPR’s with very high unit costs. For the STA’s to perform well, the PTA’s would have to play a proactive role and check the performance of the STAs.

Director General desired that a format should be designed for collecting a feedback on IRC SP 72 from all functionaries. The Executive Committee approved the Annual Work Plan 2008-09.

**Item No. 6 : First & Second Tier of Quality Mechanism**

Director (P-III), Shri Prabha Kant Katare briefed the Executive Committee about the status of the First & Second Tier Quality Monitoring in the States and about the proposal of State Quality Audit to be undertaken.

**Item No. 7 : Third Tier of Quality Mechanism – Performance Evaluation of National Quality Monitors.**

Director (P-III) briefed the Executive Committee about the Quality grading of works by NQM's. The status of quality of works in the States was reviewed by the Executive Committee. The Director General informed the Executive Committee that it has been decided that wherever the unsatisfactory works in States were over 20% the States would be informed and their performance will be reviewed for six months and if there was no improvement, further release of funds would be stopped.

**Item No. 8 : Standard Bidding Document**

Director (P-III) briefed the Executive Committee about the amendment carried out in the SBD to increase the liquidity of the contractors, which in turn, it was felt would help in enhancing the pool of eligible contractors and thereby contracting capacity.

**Item No., 9 : Performance during 2007-08 under Outcome Budget.**

Director (P-I) briefed the Executive Committee about the performance of the States with respect to the targets set under the Outcome Budget for 2007-08.

**Item No. 10 : Rating of Performance of States.**

Director (P-I) explained the criteria on which the States performance was rated. The overall ratings of the States were reviewed by the Executive Committee.

**Item No. 11 : Performance under Bharat Nirman (2007-08)**

The Executive Committee reviewed the overall performance under Bharat Nirman with reference to the targets for 2007-08.

**Item No. 12 : Targets for 2008-09**

The targets for 2008-09 under PMGSY/Bharat Nirman were placed before the Executive Committee for information.

**Item No. 13 : Maintenance Audit**

Director (P-I) briefed the Executive Committee about the status of award of the contract for maintenance audit of work completed in the earlier phases. Executive Committee ractified the appointment of M/s. TUV SUD South Asia for Group-4.

**Item No. 14 : ADB**

Director (P-II) apprised the Executive Committee about the status of the works, release of funds etc. under the Rural Roads Project I & II of ADB.

The meeting ended with the vote of thanks to the Chair