

Pradhan Mantri Gram Sadak Yojana (PMGSY)

Ministry of Rural Development, Government of India

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PMGSY SCHEME AND GUIDELINES

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1. Introduction

1.1 Rural Road Connectivity is not only a key component of Rural Development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction. Notwithstanding the efforts made, over the years, at the State and Central levels, through different Programmes, about 40% of the Habitations in the country are still not connected by All-weather roads. It is well known that even where connectivity has been provided, the roads constructed are of such quality (due to poor construction or maintenance) that they cannot always be categorised as All-weather roads.

1.2 With a view to redressing the situation, Government have launched the Pradhan Mantri Gram Sadak Yojana on 25th

December, 2000 to provide all-weather access to unconnected habitations. The Pradhan Mantri Gram Sadak Yojana (PMGSY) is a 100% Centrally Sponsored Scheme. 50% of the Cess on High Speed Diesel (HSD) is earmarked for this Programme.



2. Programme Objectives

2.1 The primary objective of the PMGSY is to provide Connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected Habititations in the rural areas, in such a way that all Unconnected Habititations with a population of 1000 persons and above are covered in three years (2000-2003) and all Unconnected Habititations with a population of 500 persons and above by the end of the Tenth Plan Period (2007). In respect of the Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttarakhand) and the Desert Areas (as identified in the Desert Development Programme) as well as the Tribal (Schedule V) areas, the objective would be to connect Habititations with a population of 250 persons and above.

2.2 The PMGSY will permit the Upgradation (to prescribed standards) of the existing roads in those Districts where all the eligible Habititations of the designated population size (refer Para 2.1 above) have been provided all-weather road connectivity. However, it must be noted that Upgradation is not central to the Programme and cannot exceed 20% of the State's allocation as long as eligible Unconnected Habititations in the State still exist. In Upgradation works, priority should be given to Through Routes of the Rural Core Network, which carry more traffic (see Para 3.7 below)



3. Guiding Principles of PMGSY and Definitions

3.1 The spirit and the objective of the Pradhan Mantri Gram Sadak Yojana (PMGSY) is to provide good all-weather road connectivity to unconnected Habititations. A habitation which was earlier provided all-weather connectivity would not be eligible even if the present condition of the road is bad.

3.2 The unit for this Programme is a Habitation and not a Revenue village or a Panchayat. A **Habitation** is a cluster of population, living in an area, the location of which does not change over time. Desam, Dhanis, Tolas, Majras, Hamlets etc. are commonly used terminology to describe the Habititations.

3.3 An **Unconnected Habitation** is one with a population of designated size (refer to Para 2.1 above) located at a distance of at least 500 metres or more (1.5 km of path distance in case of Hills) from an All-weather road or a connected Habitation.

3.4 Para 2.1 above refers to Population size of Habititations. The population, as recorded in the Census 2001, shall be the basis for determining the population size of the Habitation. The population of all Habititations within a radius of 500 metres (1.5 km. of path distance in case of Hills) may be clubbed together for the purpose of determining the population size. This **cluster approach** would enable provision of connectivity to a larger number of Habititations, particularly in the Hill / mountainous areas.

3.5 The eligible Unconnected Habititations are to be connected to nearby Habititations already connected by an All-weather road or to another existing All-weather road so that services (educational, health, marketing facilities etc.), which are not available in the unconnected Habitation, become available to the residents.

3.6 A **Core Network** is that minimal Network of roads (routes)that is essential to provide Basic access to essential social and economic services to all eligible habitations in the selected areas through at least a single all-weather road connectivity.

3.7 A Core Network comprises of **Through Routes** and **Link Routes**. Through routes are the ones which collect traffic from several link roads or a long chain of Habititations and lead it to Marketing centres either directly or through the higher category roads i.e., the District Roads or the State or National Highway. **Link Routes** are the roads connecting a single Habitation or a group of Habititations to Through Routes or District Roads leading to Market Centres. Link routes generally have dead ends terminating on a Habitation, while Through Routes arise from the confluence of two or more Link Routes and emerge on to a major Road or to a Market Centre.

3.8 It should be ensured that each road work that is taken up under the PMGSY is part of the Core Network. While keeping the objective of Connectivity in view, preference should be given to those roads which also incidentally serve other Habititations. In other words, without compromising the basic objective (covering 1000+ Habititations first and 500+ Habititations next and 250+ Habititations where eligible, last), preference should be given to those roads which serve a larger population. For this purpose, while Habititations within a distance of 500 metres from the road is considered as connected in case of plain areas, this distance should be 1.5 km (of path length) in respect of Hills.

3.9 The PMGSY shall cover only the rural areas. Urban roads are excluded from the purview of this Programme. Even in the rural areas, PMGSY covers only the **Rural Roads** i.e., Roads that were formerly classified as 'Other District Roads' (ODR) and 'Village Roads' (VR). **Other District Roads** (ODR) are roads serving rural areas of production and providing them with outlet to market centres, taluka (tehsil) headquarters, Block headquarters or other main roads. **Village Roads** (VR) are roads connecting villages / Habitation or groups of Habitation with each other and to the nearest road of a higher category. Major District Roads, State Highways and National Highways cannot be covered under the PMGSY, even if they happen to be in rural areas. This applies to New Connectivity roads as well as Upgradation works.

3.10 The PMGSY envisages only single road Connectivity to be provided. If a Habitation is already connected by way of an All-weather road, then no new work can be taken up under the PMGSY for that habitation.

3.11 Provision of connectivity to unconnected Habitations would be termed as **New Connectivity**. Since the purpose of PMGSY inter alia is to provide farm to market access, new connectivity may involve 'new construction' where the link to the habitation is missing and additionally, if required, 'upgradation' where an intermediate link in its present condition cannot function as an all-weather road (see Para 3.12 below)

3.12 **Upgradation**, when permitted (refer Para 2.2 and 3.11 above) would typically involve building the base and surface courses of an existing road to desired technical specifications and / or improving the geometrics of the road, as required in accordance with traffic condition. (see also Para 3.14 below)

3.13 The primary focus of the PMGSY is to provide All-weather road connectivity to the eligible unconnected Habitations. An **All-weather road** is one which is negotiable in all seasons of the year. This implies that the road-bed is drained effectively (by adequate cross-drainage structures such as culverts, minor bridges and causeways), but this does not necessarily imply that it should be paved or surfaced or black-topped. Interruptions to traffic as per permitted frequency and duration may be allowed.

3.14 There may be roads which are **Fair-weather roads**. In other words, they are fordable only during the dry season, because of lack of Cross Drainage (CD) works. Conversion of such roads to All-weather roads through provision of CD works would be treated as upgradation. It must be noted that on all the road works of the PMGSY, provision of necessary CD works is considered an essential element

3.15 PMGSY does not permit repairs to Black-topped or Cement Roads, even if the surface condition is bad.

3.16 The Rural Roads constructed under the Pradhan Mantri Gram Sadak Yojana will be in accordance with the provision of the Indian Roads Congress (IRC) as given in the Rural Roads Manual (IRC:SP20:2002). In case of Hill Roads, for matters not covered by the Rural Roads Manual, provisions of Hills Roads Manual (IRC:SP:48) may apply.

Part II – Planning, Funding, Construction and Maintenance of Rural Roads



4. Planning for Rural Roads

4.1 Proper planning is imperative to achieve the objectives of the Programme in a systematic and cost effective manner. The Manual for the Preparation of District Rural Roads Plan and the Core Network, shall be treated as part of the Guidelines and would stand amended to the extent modified by the present Guidelines. The Manual lays down the various steps in the planning process and the role of different Agencies including the Intermediate Panchayat, the District Panchayat as well as the State Level Standing Committee. In the identification of the Core Network, the priorities of elected representatives, including MPs and MLAs, are expected to be duly taken into account and given full consideration. The Rural Roads Plan and the Core Network would constitute the basis for all planning exercises under the PMGSY.

4.2 The **District Rural Roads Plan** would indicate the entire existing road network system in the District and also clearly identify the proposed roads for providing connectivity to Unconnected Habitations, in an economic and efficient manner in terms of cost and utility. The **Core Network** will identify the roads required to assure each eligible Habitation with a Basic Access (single all-weather road connectivity) to essential social and economic services. Accordingly, the Core Network would consist of some of the existing roads as well as all the roads proposed for new construction under the PMGSY.

4.3 In proposing the new links under the District Rural Roads Plan, it would be first necessary to indicate the weightage for various services. The District Panchayat shall be the competent authority to select the set of socio-economic / infrastructure variables best suited for the District, categorise them and accord relative weightages to them. This would be communicated to all concerned before commencing the preparation of the District Rural Roads Plan.

4.4 The Plan would first be prepared at the Block level, in accordance with the directions contained in the Manual and the

priorities spelt out by the District Panchayat. In short, the existing road network would be drawn up, unconnected Habitations identified and the roads required to connect these unconnected Habitations prepared. This shall constitute the Block Level Master Plan.

4.5 Once this exercise is completed, the Core Network for the Block is identified, by making best use of the existing and proposed road facilities in such a manner that all the eligible Habitations are assured of a Basic access. It must be ensured that every eligible Habitation is within 500 metres (1.5 km of Path length in the Hills) of a connected Habitation or an All-weather road (either existing or planned). In drawing up the proposed road links, the requirements of the people must be taken into account, through the socio-economic/infrastructure values (Road Index) suitably weighted (see Para 4.3) and the alignment having the higher Road Index ought to be considered for selection.

4.6 The Block level Master Plan and the Core Network are then placed before the Intermediate Panchayat for consideration and approval of the Core Network. They are simultaneously sent, along with the list of all unconnected Habitations to the Members of Parliament and MLAs, for their comments, if any. After approval by the Intermediate Panchayat, the Plans would be placed before the District Panchayat for its approval. It will be incumbent on the District Panchayat to ensure that the suggestions given by the Members of Parliament are given full consideration within the framework of these Guidelines. Once approved by the District Panchayat, a copy of the Core Network would be sent to the State-level Agency as well as the National Rural Roads Development Agency. No road work may be proposed under the PMGSY for New Connectivity or Upgradation (where permitted) unless it forms part of the Core Network.



5. Funding and Allocation

5.1 Once the Core Network is prepared, it is possible to estimate the length of roads for New Connectivity as well as Upgradation for every District. States may, each year, distribute the State's Allocation among the Districts giving 80% on the basis of road length required for providing connectivity to Unconnected Habitations and 20% on the basis of road length requiring Upgradation under the PMGSY. The District-wise allocation of funds would also be communicated to the Ministry / NRRDA / and STA every year by the State Government.

5.2 In making the District-wise allocation, the road lengths already taken up under the PMGSY or any other Programme may be excluded (even if the road works are still under execution). The figures of new construction length will thus keep on changing every year till such time as all Unconnected Habitations (of the eligible population size) have been covered in the District.

5.3 In addition to the allocation to the States, a special allocation of upto 5% of the annual allocation from the Rural Roads share of the Diesel Cess will be made for:

- i. Districts sharing borders with Pakistan and China (in coordination with Ministry of Home Affairs)
- ii. Districts sharing borders with Myanmar, Bangladesh and Nepal (in coordination with Ministry of Home Affairs)
- iii. Left Wing Extremists areas in the Districts identified by the Ministry of Home Affairs
- iv. Extremely backward Districts (as identified by the Planning Commission) which can be categorised as Special Problem Areas
- v. Research & Development Projects and innovations.



6. Proposals

6.1 All Districts having eligible unconnected Habitations are to prepare Block and District level Comprehensive New-Connectivity Priority Lists (CNCPL) for those Districts, of all proposed road links under PMGSY, grouping them in the following general Order Of Priority.

Priority #	Population size of Habititations being connected
II	1000+
II	500 – 999
III	250 – 499(where eligible as per Para 2.1)

The CNCPL list will be prepared with following format:

S.No	Name of TR /	Code in	Length	Population	Habs to be	Present status	Name & no. of TR
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road	LR	CN	served	connected	(earthen track etc.)	associated

(CN – Core Network / TR – Through Route / LR – Link Route)

6.2 In order to manage the rural road network for upgradation and maintenance planning all States will carry out, every 2 years, a Pavement Condition Survey of all Through Routes (in case Through Routes are not part of the rural roads, of the next lower category of Main Rural Links or MRL). Detailed Guidelines on the methodology and analysis will be issued by the Ministry from time to time. The Survey will yield a Pavement Condition Index (PCI) on a scale of 1 to 5. The results of the survey will be recorded in the PCI Register in the following format:

District: _____

Block: _____

Name of road	Code no.in CN	Length	Name of habitations Connected	Population served	Year of construction	Year of last periodic renewal (PR)	Amount spent on routine maintenance since PR	Type of pavement	Length (km)	ADT*	PCI	Date of PCI

* if already done (can be done separately)

All upgradation and maintenance prioritisation will be done from this list.

6.3 In respect of Districts where no new connectivity is required to be done, a Comprehensive Upgradation Priority will be prepared based on the PCI (see Para 6.2 above) of the rural Through Routes of the Core Network, as follows:

- Priority-I** will be Through Routes which are constructed as WBM roads. In such cases, upgradation will comprise of bringing the existing profile to good condition (along with improvement in geometries, necessary drainage works and road signages) and providing the appropriate crust and surface as per design requirement.
- Priority-II** are other fair weather through routes or gravel through routes or through routes with missing links or lacking cross drainage. In such a case upgradation will consist of converting the road into an all-weather one with appropriate geometries and all necessary provisions.
- Priority-III** will be other through routes which are at the end of their design life, whose PCI is 2 or less, i.e., are 'poor' or very 'poor'. In such cases, upgradation will include improvement in geometric design where necessary, with width, surfacing, etc., as per projected traffic requirements.
- Presently sealed-surface all-weather roads with PCI more than 2 and sealed-surface all-weather roads which are less than 10 years old (even if PCI is less than 2) *will not* be taken up for upgradation.
- Within each priority class, qualifying roads will be arranged in order of population served (directly and through population served in link routes), as a rough indication of traffic expected. However, States are advised to conduct an Average Daily Traffic (ADT) Survey at the earliest. Based on the time at which the traffic survey is carried out (such as Peak or Lean Seasons) the same is to be adjusted for seasonality in order to arrive at an Annual Average Daily Traffic (AADT) estimate, which is the basis for the prioritisation as well as the design. (An axle load survey may also be carried out, on selective basis, on the roads where heavy traffic is expected with wide variations in the Axle Load Spectrum. Proposals for this purpose approved by NRRDA will be eligible for reimbursement of expenses).
- In case in any District, the Through Roads defined in the Core Network do not belong to the Rural Roads category, the Main Rural Links (emanating from the Through Route) will be considered for upgradation on similar lines indicated above.

The work of preparing the Comprehensive Upgradation Priority will be taken up only in those districts which are likely to complete new connectivity to eligible habitations within the next 1 year. The Comprehensive Upgradation Priority List (CUPL) list will be prepared District-wise for each Priority class (where only a homogenous portion of the road is to be taken under upgradation, only that portion needs to be mentioned, by chainage) on the following proforma:-

Priority class -----

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Block	Road code in CN	Name of through route / MRL	Year of construction	Year of last periodic renewal	Present surface type	PCI	Total population of the Habitations served by road	AADT

The CUPL will be got verified on the ground on sample basis through the STAs and the NQM system before it is processed for further approvals. The STAs will do 100% verification of the List for consistency on the basis of the PCI data given by the District and also sample ground checking.

After the CNCPL / CUPL is prepared and verified, it shall be placed before the District Panchayat. The Members of Parliament / MLAs shall be given a copy of the CNCPL / CUPL and their suggestions and suggestions of lower level Panchayati Institutions shall be given the fullest consideration by the District Panchayat while according its approval. The CNCPL shall be the basis of all new connectivity proposals and the CUPL shall be the basis of all upgradation proposals in Districts where no new connectivity remains to be done.

6.4 After the CNCPL / CUPL is prepared and verified, it shall be placed before the District Panchayat. The Members of Parliament / MLAs shall be given a copy of the CNCPL / CUPL and their suggestions and suggestions of lower level Panchayati Institutions shall be given the fullest consideration by the District Panchayat while according its approval. The CNCPL shall be the basis of all new connectivity proposals and the CUPL shall be the basis of all upgradation proposals in Districts where no new connectivity remains to be done.

6.5 The list of road works to be taken up under the PMGSY will be finalised each year by the District Panchayat in accordance with the Allocation of Funds communicated to the District (see Para 5.1). The District Panchayat shall finalise the list through a consultative process involving lower level Panchayati institutions and elected representatives (see Para 6.9 below) It must be ensured that the proposed road works are part of the Core Network and that New Connectivity is given primacy.

6.6.1 In States where existing rural through routes are in reasonably good condition (i.e., PCI is generally above 3) the prioritisation of new links will be taken up for construction as per the order of the CNCPL.

6.6.2 In States where the existing rural Through Routes are in very poor condition (PCI is generally 3 or less) because of neglect of maintenance, upgradation / renewal of through routes may be taken up as an adjunct to new connectivity and the procedure will be as follows:

- Step 1 Select the New Connectivity Link as per CNCPL in order of priority
- Step 2 Identify the rural Through Routes (called associated Through Route) from which the new link is taken off till such road reaches the nearest market centre / higher category road.
- Step 3 Find out the Pavement Condition of the associated rural Through routes identified in Step 2 (from the PCI Register).
- Step 4 Decide the type of intervention required based on the PCI. This implies a decision whether the roads leading to the market centre require Upgradation or Surface Renewal or Routine Maintenance. Roads having PCI 3 and below and 6 years or more old can be taken up for Upgradation / Renewal. For the roads with PCI above 3, or whose age is less than 6 years, Routine Maintenance or, if due, Renewal will be adequate, unless there are structural / geometrical / drainage deficiencies which need to be improved through Upgradation.
- Step 5 Include all other eligible new links as per Comprehensive New Connectivity Priority List (CNCPL) coming on to the Through Routes identified in Step 3 even if such links are lower in the Order of the Priority. These eligible new links would be the subsidiary link routes.
- Step 6 Each project will thus comprise of a sub-network of a primary new connectivity link, the associated Through Route(s) and subsidiary new connectivity links (falling on the associated Through Routes). The project proposal will include new construction for the new links and upgradation / renewal of the Through Routes based on age and PCI. Generally each such project would form a package for tendering purposes (all the packages of a particular year would form a Batch for future maintenance purposes).
- Step 7 Make a rough estimate of the project cost based on per km construction / upgradation cost, and take up additional links from the CNCP list and repeat steps 1 to 5 till the total cost of the selected projects cover the District allocation.

6.7 In case of Districts where no new connectivity remains, only the existing rural Through Routes may need upgradation. In such cases the Comprehensive Upgradation Priority List (CUPL) will apply and road works will be selected out of the CUPL in order of

priority.

6.8 In drawing up the annual list of the road works, the District Panchayat shall ensure that the Order of Priority for New Connectivity / Upgradation is strictly followed. The only exception (in new connectivity links) from the order of priority is in respect of those routes of the Core Network that include the Village Panchayat Headquarters or Market Centres or other educational or medical essential services or those which stand notified by the State Government as places of tourist interest. In such cases, new connectivity may be taken up irrespective of the population size.

6.9 The Annual proposals will be based on the CNCPL or CUPL as the case may be, following the Order of Priority. However, it is possible that there are inadvertent errors or omissions, particularly in the associated through routes or subsidiary link routes in case of new connectivity. Accordingly it is desirable to also associate public representatives while finalising the selection of road works in the annual proposals in the Core Network. The proposals of the Members of Parliament are required to be given full consideration, and for this purpose:

- i. The Block or District CNCPL / CUPL should be sent to each MP with the request that their proposals on the selection of works out of the CNCPL / CUPL should be sent to the District Panchayat. It is suggested that at least 15 clear days may be given for the purpose.
- ii. In order to ensure that the prioritisation has some reference to the funding available, the size of proposals expected may also be indicated to the Members of Parliament while forwarding them the CNCPL / CUPL list. District / Block-wise allocation may be indicated to enable choice with the requisite geographical spread. It is expected that such proposals of Members of Parliament which adhere to the Order of Priority would be invariably accepted subject to consideration of equitable allocation of funds.
- iii. The proposals received from the Members of Parliament by the stipulated date should be given full consideration in the District Panchayat which should record the reason in each case of non-inclusion, and the Members of Parliament should be informed of the inclusion / non-inclusion of their proposals along with the reasons in each case in the event of non-inclusion. It would be preferable if the communication is issued from the Nodal Department at a senior level.

6.10 While Lok Sabha Members will be consulted in respect of their constituencies, Rajya Sabha Members will be consulted in respect of that District of the State they represent for which they have been nominated as Vice-Chairman of the District Vigilance & Monitoring Committee of the Ministry of Rural Development.

6.11 The Order Of Priority and the CNCPL / CUPL will be the twin basis for making proposals. Where roadworks of a higher order of priority still remain to be taken up, road works of a lower order of priority will not be taken up in the same District (subject to Para 6.8) except if it is not feasible to execute the road work for reasons of non-availability of land etc. While finalising the District proposal, the District Panchayat shall record and communicate the reason in each such case that a higher priority road is left out and lower priority road is proposed.

6.12 It will be the responsibility of the State Government / District Panchayat to ensure that lands are available for taking up the proposed road works. A certificate that Land is available must accompany the proposal for each road work. It must be noted that the PMGSY does not provide funds for Land Acquisition. This does not however mean that acquisition cannot be done by the State Government at its own cost. The State Government may also lay down guidelines for voluntary donation, exchange or other mechanisms to ensure availability of land. The process of making land available for the road works should sub-serve the common good and also be just and equitable. The details of land made available should be reflected in the local land records to avoid dispute.

6.13 It may be that road works are sometimes held up because at the time of preparation of DPR actual availability of land was not investigated or because local Panchayat was not taken into confidence about the proposed alignment and disputes subsequently arose. As part of the PMGSY process, all States may include a simple, non-formal "transect walk" to be organized by the Assistant Engineer at the time of preparation of DPRs. The Panchayat Pradhan, local patwari and the JE would participate. Forest Department officials would be included where forest land is likely to be involved. (see Para 8.4)



7.State Level Agencies

7.1 Each State Government (including UT Administrations) would identify one or two suitable Agencies (having a presence in all the Districts and with established competence in executing time-bound road construction works), to be designated as **Executing Agencies**. These could be the Public Works Department / Rural Engineering Service / Organisation / Rural Works Department / Zilla Parishad / Panchayati Raj Engineering Department etc. who have been in existence for a large number of years and have the necessary experience, expertise and manpower. In States where more than one Executing Agency has been identified by the State Government, the distribution of work would be done with the District as a unit. In other words, each District will be entrusted

to only one Executing Agency. The Executing Agency will have a **Programme Implementation Unit (PIU)** in the District, or a compact group of Districts, with an officer of the rank of at least Executive Engineer as its head.

7.2 The Administrative Department of the State Government responsible for the Executing Agency entrusted with the execution of the road works will be the Nodal Department. In the event of there being more than one Executing Agency, under different administrative departments, the State Government would nominate that department as the nodal department which is officially responsible for the management and maintenance of rural roads.

7.3 The Nodal Department will identify a State-level autonomous Agency (Society etc), to be called the State Rural Roads Development Agency (SRRDA), with a distinct legal status, under its control for receiving the funds from the Ministry of Rural Development, as indicated in Para 18 below. If there is no such State-level Agency, the Nodal Department will take steps to register an Agency under the Registration of Societies Act, (there should not be more than one Agency), so as to be able to receive the funds. The Secretary in charge of the Nodal Department or a senior officer will be the Chief Executive. All the proposals will be vetted by the Agency before they are put up to the State-level Standing Committee and are sent to the NRRDA for obtaining clearance of the Ministry of Rural Development.

7.4 To ensure streamlined functioning and adequate coordination (especially where there is more than one executing agency), officers of the PIU need to be made fully accountable to the SRRDA and be brought under its administrative control. The SRRDA would function as the dedicated agency of the state nodal department for rural roads, to ensure the integrated development of rural roads through the various schemes including PMGSY. For this purpose the SRRDA will designate a Chief Executive Officer, a Financial Controller, an Empowered Officer, an IT nodal officer and a State Quality Coordinator. These officers shall be part time or whole time depending on the volume of work in the State.

7.5 Each State Government shall set up a State-level Standing Committee (headed by the Chief Secretary or Additional Chief Secretary) including all the main stakeholders of the programme viz., Secretaries of the Departments of Rural Development, Panchayats, PWD, Forests, Finance, Revenue and Transport. The State Technical Agencies and State Informatics Officer (NIC) may also be invited to participate.

The Committee shall vet the Core Network, the CNCPL and CUPL and shall clear the annual project proposals. The Committee shall also

- a. monitor progress and quality control
- b. resolve issues relating to land availability and forest / environment clearance
- c. oversee maintenance funding arrangements for the Core Network
- d. review capacity at SRRDA and PIU levels including financial management and on-line monitoring; and
- e. ensure convergence of development programmes including transport facilities on the constructed roads



8.Preparation of Project Proposals and their Clearance

8.1 After approval by the District Panchayat (refer Para 6.1 above), the proposals would be forwarded through the PIU to the SRRDA (refer Para 7.3 above). The PIU will at that time prepare the details of proposals forwarded by the Members of Parliament, and action taken thereon, in Proforma MP -I and MP -II and send it along with the proposals. In all cases where the proposal of an MP has not been included, cogent reasons shall be given based on the reasons given by the District Panchayat.

8.2 The SRRDA shall vet the proposals to ensure that they are in accordance with the Guidelines and shall place them before the State-level Standing Committee along with the MP-I & MP-II Statements.

8.3 The State Level Standing Committee would scrutinise the proposals to see that they are in accordance with the Guidelines and that the proposals of the Members of Parliament have been given full consideration. After scrutiny by the State Level Standing Committee, the Programme Implementation Units (PIUs) will prepare the Detailed Project Report (DPRs) for each proposed road work in accordance with the Rural Roads Manual and instructions issued from time to time.

8.4 While commencing with the preparation of the DPR, the PIU will hold a consultation with the local community through the mechanism of the Gram Panchayat in order to determine the most suitable alignment, sort of issues of land availability (including forest land), moderate any adverse social and environmental impact and elicit necessary community participation in the programme. For this purpose the PIU will organise an informal 'Transect Walk' as follows

- The Transect walk shall be undertaken by the AE/JE, accompanied by the Patwari and the Pradhan/Panch of the Panchayat / Ward after adequate advance publicity. The local Forest official may also be associated.
- During the walk, issues relating to alternative alignments, land requirements for the road and its impact on landowners, etc. will be discussed with members of the local community present.
- Environmental impact on vegetation, soil and water etc. shall be identified for resolution.
- During the walk, due opportunity shall be given to interested persons to put forward their point of view.
- At the end of the walk, alignment shall be finalised after recording the issues that arose during the walk and the action taken / proposed to resolve the issues. This shall be reduced to writing in a document by the Secretary of the Panchayat and countersigned by the Panch/Pradhan. A copy of this document shall be attached to the finalised DPR.

8.5 The PIU will ensure the following in preparing the Detailed Project reports:

- i. The Rural Roads constructed under the Pradhan Mantri Gram Sadak Yojana must meet the technical specifications and geometric design standards given in the Rural Roads Manual of the IRC (IRC:SP20:2002) and also, where required, the Hill Roads Manual (IRC:SP:48)
- ii. The choice of design and surface for the road would be determined, inter alia, by factors like traffic density, soil type and rainfall, following the technical specifications laid down in the Rural Roads Manual (IRC:SP20:2002). Normally rural roads would need to be designed to carry upto 45 commercial vehicles per day (CVPD) only. All cases of design for new construction where a higher traffic is projected need detailed justification. In the case of new construction for eligible Habitations of population below 1000 where traffic expected is likely to remain very low (below 15 CVPD), in the interest of economy, the road would generally be designed for a gravel or other unsealed surface as provided in the Rural Roads Manual, subject to considerations of rainfall. In case of new construction to connect Habitations with population below 500 where the projected traffic growth is likely to be very low, the carriageway may further be restricted to 3.0 m.
- iii. Where the road passes through a Habitation, the road in the built-up area and for 50 metres on either side may be appropriately designed preferably as a Cement Road or with Paved Stones, besides being provided with side drains. Appropriate covered side drains and cross drainage will be provided, so that improper drainage does not damage the road or the dwellings alongside.
- iv. Wherever local materials, including Fly Ash, are available, they should be prescribed subject to adherence to technical norms and relevant Codes of Practice.
- v. The Rural Roads constructed under PMGSY must have proper embankment / drainage. Adequate number of Cross Drainage (CD) works, including cause-ways where appropriate, must be provided based on site requirement ascertained through investigation. Minor bridges may be provided where necessary. In case the span exceeds 15m, a separate DPR will be prepared after site inspection jointly by the Superintending Engineer and the State Technical Agency. In case the span exceeds 25m, the project will be separately executed by the engineering division of the State Government having jurisdiction and the pro rata costs beyond 25 m and agency charges if any will be borne by the State Government.
- vi. In the case of Hill States the estimates for new construction works may be prepared in 2 parts wherever circumstances so require. As such:
 - a. The first stage will consist of formation cutting, slope stabilization, protection works and drainage works. If black topping at the second stage is intended, it may be taken up after two rainy seasons have elapsed to ensure adequate stabilization of the side slopes. The second stage will include the WBM layers and bituminous surface course. The habitations concerned will not be counted as 'connected' till the second stage is taken up.
 - b. Where State Government agrees as a policy that 'unsealed' surfaces are adequate in certain conditions like low traffic, the formation cutting, slope stabilization and protection works, complete drainage works and appropriate surface course treatment (to ensure all weather connectivity) will all be included in the first stage and work executed. In such cases, the habitations will be counted as 'connected' on completion of the first stage itself, as there will be no second stage.

8.6 A separate maintenance component to be funded by the State Government out of its resources will also be provided in the DPR as follows:

- a. In case of link routes (new construction) the component shall comprise of 5 year routine maintenance.

- b. In case of associated rural Through Routes not requiring upgradation, the component shall include 5-year routine maintenance including one renewal as per cycle.
- c. In case of Through Routes taken up for upgradation, 5-year routine maintenance and a renewal at the end of the period.

The maintenance component will be contracted out along with the new construction / upgradation, to the same contractor. In case the Through Route is not a rural road, the same provision will apply to the Main Rural Links (MRL) identified in the Core Network.

8.7 In respect of Hill roads, if construction is in 2 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.

8.8 The cost of preparing DPR, including investigation, survey and testing and trace cutting (in case of hill areas) will form part of the project cost, and may be met from the funds in hand with the SRRDA subject to future book adjustment on clearance of the proposal at such rates as may be prescribed by the Ministry / NRRDA from time to time.

8.9 The detailed estimates will be based on the State Schedule of Rates (SSR) prepared using the Book of Specifications and Standard Data Book prescribed by the NRRDA.

8.10 The State Schedule of Rates (SSR) shall be published annually and used for all rural roads. The Schedule may be District or Circle specific



9. Scrutiny of Project Proposals

9.1 NRRDA has identified in consultation with each State Government, reputed Technical Institutions, designated as State Technical Agencies (STA) to provide outsourced technical support to the PIUs. The STAs would vet the District Roads Plan and Core Network, check the CNCPL and CUPL and scrutinise the DPRs prepared under the Annual proposals. The coordination of activities of the STAs would be performed by the NRRDA, who may add to or delete institutions from the list, as well as to entrust specific tasks to them. NRRDA may from time to time identify additional technically qualified agencies to provide these services to the State Governments and to perform such other functions as may be necessary in the interest of the Scheme.

NRRDA will also designate reputed Technical and Research Institutions such as the Indian Institutes of Technology as Principal Technical Agencies (PTA) for groups of States. The PTAs will provide technical support, take up research projects, study and evaluate different technologies and advise on measures to improve the quality and cost norms of Rural Roads. The Principal Technical Agencies shall also coordinate the work of the STAs in their jurisdiction.

9.2 After making entries in the OMMS Software, the PIU will forward the proposals along with the Detailed Project Reports to the State Technical Agencies for scrutiny of the design and estimates. The prescribed Proformae F-1 to F-8 will form part of the DPR.

9.3 After verifying that the DPRs have been entered in the OMMS, the DPRs are to be scrutinised by the State Technical Agency (STA) in the light of the PMGSY Guidelines, IRC specifications as contained in the Rural Roads Manual (IRC SP20:2002) and where necessary the Hill Roads Manual, and the applicable Schedule of Rates. In doing so, it shall be ensured that no lead charges would be payable for transportation of soil (except in case of Black Cotton Soil / Sodic soil or in village portions). The STA will in particular check the following:

- i. certificate of land availability;
- ii. proceedings of the transect walk;
- iii. conformation to CNCPL / CUPL;
- iv. full justification in case projected traffic for new construction exceeds 45 CVPD;
- v. separate DPR where CD span exceeds 15 meters;
- vi. economy of design, including use of gravel surfacing, local materials and fly ash;
- vii. preparation of estimates for 5-year routine maintenance and periodic renewal of the Through Route as per Para 8.5 of the Guidelines.

The STA will countersign the Proformae, make confirmatory entry in the OMMS software and return the scrutinised DPR to the PIU, whereupon the PIU will forward the scrutinised DPRs to the SRRDA through the prescribed channel.

9.4 The SRRDA will consolidate the proposals from the PIUs, after verifying that they have been duly scrutinised by the respective STAs. They will then prepare the State Abstract on proforma specified, and send all the Project proposals to the NRRDA along with the proformae MP-I, MP-II and MP-III.

9.5 The NRRDA will thereupon scrutinise the proposals received from the SRRDA to ensure that the proposals have been made duly keeping in view the Programme Guidelines and that they have been duly verified by the STAs. The proposals for each State would then be put up before the Empowered Committee for consideration.



10. Empowered Committee

10.1 At the Central level, the Project proposals received from the State Governments would be considered by an Empowered Committee, to be chaired by Secretary, Department of Rural Development. The representatives of the State Government whose proposals are being considered by the Empowered Committee may be invited to attend the Meetings, as and when required. The recommendations of the Empowered Committee would, thereafter, be submitted to the Minister of Rural Development and in case the proposals meet the programme requirements, they will be cleared.

10.2 The Ministry will communicate the clearance of the Proposals to the State Government. It may, however, be noted that clearance by the Ministry does not imply Administrative or Technical sanction of the proposals. The procedures of the State Government / SRRDA in this regard would be followed. The authorised officer of the Executing Agency would have to record the Technical Sanction on each DPR before action is taken to tender the works.

10.3 Once approved, the alignment of the road should not be changed without obtaining the concurrence of the District Panchayat, the State Technical Agency and the State level Standing Committee.



11.Tendering of Works

11.1 After the project proposals have been cleared and Technical Sanction has been accorded, the Executing Agency would invite tenders. The well-established procedure for tendering, through competitive bidding, would be followed for all projects. All the projects scrutinised by the STA and cleared by the Ministry, will be tendered as such, and no changes shall be made in the work without the prior approval of the NRRDA. The States will follow the Standard Bidding Document (SBD), prescribed by the NRRDA, for all the tenders.

11.2 Since PMGSY places high emphasis on time and quality, States shall take steps to increase competition and to realistically assess Bid capacity. To this end States shall ensure that all Tender notices are put out on the Internet under the OMMS. Centralised evaluation of Bid capacity will be done to give effect to the provision of the SBD. States may empower the SRRDA to call and decide tenders in the interest of speeding up the process.

11.3 The tendering and contracting process and time periods will be as per the SBD (Para 13.1 also refers). The State shall at all times update the OMMS tendering module to enable downloading of tender documents. Details of contracts entered into shall also be immediately entered into database.

11.4 Within 15 days of the date of Work Order, signboards along with the Logo of the PMGSY should be erected at the site of road works. The Signboards should indicate the name of the Programme (PMGSY), name of the road, its length, estimated cost, date of commencement and due date of completion of construction and name of the executing contractor. It is desirable that after completion of construction, this is in the form of a permanent brick-masonry/ concrete structure at both ends of the road.

11.5 With the use of annual State Schedule of Rates it is expected that on average the tendered value would approximate the estimated value. Excess / deficit within a District will be adjusted at PIU level by the SRRDA under intimation to the NRRDA and entry in the OMMS, provided that in any particular package the excess / deficit does not exceed 10%. In all other cases prior approval of NRRDA will be taken.

In case there is material change in the scope of work or quantities, prior approval of NRRDA shall be obtained and difference absorbed in the District level surplus failing which net savings at State level will be used for the purpose. Data change in OMMS in such cases would be made with NRRDA authorisation.

All costs due to time overrun, arbitration or judicial award shall be borne by the State Government. In case the value of tenders received is above the estimate that has been cleared by the Ministry, the difference (tender premium) pooled for the entire State for works cleared in a phase / batch will be borne by the State Government.



12. Programme Implementation Units

12.1 At the District level, the Programme will be co-ordinated, and implemented through a dedicated Programme Implementation Unit (PIU). All PIUs will be manned by competent technical personnel from amongst the available staff or through deputationists. In exceptional cases and with the prior approval of NRRDA, Consultants may be engaged to build up or enhance capacity. NRRDA's Model documents shall be used for the purpose.

12.2 All staff costs will be borne by the State Government. The Pradhan Mantri Gram Sadak Yojana does not provide for any staff costs. However, the administrative and travel expenses of PIUs and SRRDA costs will be met to the following extent, with the State Government bearing any additional costs:

Item	% of funds released
(a) Admin. expenses for PIUs	1.00%
(b) Travel Expenses of PIUs	0.50%
(c) Admin. & Travel expenses (SRRDA)	0.25% (Rs. 25 lakh maximum)
(d) Independent Quality Monitoring 2nd tier	0.50%

For this purpose :

- i. Administrative expenses shall, in addition to usual office expenses, include all expenses incurred in relation to the operation of the OMMS computers and their maintenance, including internet charges and data entry costs. Amounts paid on account of outsourcing of execution and management related functions may also be paid out of administrative expenses within the limits prescribed. However, expenditure on purchase of vehicles, payment of salaries & wages and purchase or construction of buildings is not permissible.
- ii. The amounts shall be released to the SRRDA along with programme fund releases. The SRRDA shall further allocate the amounts (by way of limits set by the Empowered Officer) in respect of sl. no. a) & b) to PIUs generally in proportion to the funds released to them, also keeping in view the actual pace of work and requirements in the PIUs.
- iii. In case works lapse or are dropped at a later stage, necessary adjustment will be made while releasing the next tranche of expenses.
- iv. Funds for the purpose will be kept in a separate account ('Administrative Account') operated in a manner similar to the programme account (see Para 18). State Government funds for administrative expenses and incomes of the Agency used for administrative purposes may also be kept in the same account, but no other funds shall be credited to the account nor shall the account be used other than for defraying admissible administrative, travel and quality monitoring expenses.
- v. The releases of administrative and travel expenses shall be dependent on:
 - continued updating of OMMS modules
 - appropriate dedication of the PIU and its clear linkage to the SRRDA; and
 - adequate institutional mechanism at the SRRDA level including nodal IT officer, State Quality Coordinator, Financial Controller and Empowered Officer.

12.3 No Agency charges will be admissible for road works taken up under this Programme. In case Executing Agencies levy charges in any form, such as Centage charges etc., it would have to be borne by the State Government.



13. Execution of Works

13.1 The relevant projects would be executed by the PIUs and completed within a period of 9 months from the date of issue of the

Work order. A Work Programme shall be obtained from the contractor for each work and approved by the PIU. Payment shall be made only after the approval of the work programme, deployment by the Contractor of the requisite number of engineers and setting up of the Quality Control Laboratory at site. In this connection, it is clarified that:

- i. The period of 9 months shall comprise 9 working months. In case the period for execution is likely to be adversely affected by monsoon or other seasonal factors, the time period for execution may be suitably determined while approving the work programme, but shall not exceed 12 calendar months in any case.
- ii. Where a package comprises more than one roadwork, the total time given for completion of the package shall not exceed 12 calendar months.
- iii. In respect of Hill States where the work may be executed in two stages, the above will apply separately in respect of each stage.
- iv. Time period provided in the Notice Inviting Tender (NIT) and the Work Programme shall be strictly enforced. Since time is the essence of the contract, action must be taken against the contractor in cases of delay, as per the contract provisions.

13.2 With the above schedule and considering 75 days as the average tendering time, all cleared works should be able to be reported as completed at the end of 15th month from clearance by the Ministry. The eligibility for release of second instalment of a subsequent years' cleared works will be determined accordingly. (Para 19 refers)

13.3 An important principle of the Pradhan Mantri Gram Sadak Yojana is the assured availability of funds, so as to facilitate timely completion of road works. It shall be the responsibility of the Executing Agencies to ensure timely payments to the contractors, subject to satisfactory execution of work. Delays in payment due should be avoided. Settlement of final bill with the contractor will be one of the parameters for monitoring the successful execution of works.

13.4 To maintain quality, ensure timely completion of works and encourage rural road network maintenance, the Ministry of Rural Development may lay down schemes of incentives / disincentives for the States.



14. National Rural Roads Development Agency

14.1 The Ministry of Rural Development have set up the National Rural Roads Development Agency (NRRDA) to provide Operational and Management support to the Programme. The NRRDA will provide support, *inter alia*, on the following:

- i. Designs & Specifications and Cost norms.
- ii. Technical Agencies
- iii. District Rural Roads Plans and Core Network.
- iv. Scrutiny of Project Proposals
- v. Quality Monitoring
- vi. Monitoring of progress, including online monitoring
 - R&D
 - Human Resource Development
 - Communication

14.2 All State Governments will ensure timely furnishing of all necessary reports, data and information to the National Rural Roads Development Agency.



15. Quality Control and Supervision of Works

15.1 Ensuring the quality of the road works is the responsibility of the State Governments, who are implementing the Programme. To this end, all works will be effectively supervised. The NRRDA will issue general guidelines on Quality Control and prescribe a Quality Control Handbook to regulate the quality control process at works level. Quality Control Registers containing the results of tests prescribed in the Quality Control Handbook shall invariably be maintained for each of the road works. A site Quality Control Laboratory will be set up by the Contractor for each package. Payments shall not be made to the Contractor unless the Laboratory has been duly set up and equipped, quality control tests are regularly conducted, recorded and have been found to be successful. The Standard Bidding Document (see Para 11.1) shall incorporate suitable clauses for ensuring Quality Control and a

Performance Guarantee by the Contractor, which should be discharged only after consulting the Panchayati Raj Institutions responsible for maintenance.

15.2 A three-tier Quality Control mechanism is envisaged under the Pradhan Mantri Gram Sadak Yojana. The State Governments would be responsible for the first two tiers of the Quality Control Structure. The PIU will be the first tier, whose primary responsibility will be to ensure that all the materials utilised and the workmanship conform to the prescribed specifications. As the first tier, the PIU will supervise the site quality control laboratory to be set up by the contractor. It shall also ensure that all the tests prescribed are carried out at the specified time and place by the specified person/ authority.

15.3 As the Second tier of the Quality Control structure, periodic inspections of works will be carried out by Quality Control Units, set up / engaged by the State Government, independent of the Executive Engineers / PIUs. These officers / Agencies (who may be called State Quality Monitors) would be expected to carry out regular inspections and also get samples of material used tested in laboratories of the State Government as well as, in certain cases, independent laboratories, say those of the State Technical Agencies. The State Governments will issue the requisite guidelines in this regard.

15.4 Each State Government will appoint a senior Engineer (not below the rank of Superintending Engineer) to function as State Quality Coordinator (SQC) at the State level. His function will be to oversee the satisfactory functioning of the Quality control mechanism within the State. This function would also involve overseeing the follow up action on the reports of the National Quality Monitors. The Quality Coordinator should be part of the SRRDA.

15.5 As the third tier of the Quality Control Structure, the NRRDA will engage Independent Monitors (Individuals / Agency) for inspection, at random, of the road works under the Programme. These persons may be designated as National Quality Monitors (NQM). It will be the responsibility of the PIU to facilitate the inspection of works by the NQM, who shall be given free access to all administrative, technical and financial records.

15.6 The National Quality Monitors shall inspect the road works with particular reference to Quality. They may take samples from the site and get them examined by any competent Technical Agency / Institution. They shall also report on the general functioning of the Quality Control mechanism in the District. The Monitors shall submit their report to the NRRDA. The reports of the NQMs will be sent by NRRDA to the State Quality Coordinator for appropriate action within a period to be specified. In case quality check by SQM or NQM reveals 'unsatisfactory' work, the PIU shall ensure that the contractor replaces the material or rectifies the workmanship (as the case may be) within the time period stipulated. In respect of NQM Reports, the SQC shall, each month, report on the action taken on each of the pending Reports. All works rated 'unsatisfactory' shall be re-inspected by an SQM or NQM after a rectification report has been received from the State Quality Coordinator.

15.7 Recurrent adverse reports about quality of road works in a given District / State might entail suspension of the Programme in that area till the underlying causes of defective work have been addressed.

15.8 The State Quality Coordinator/ Head of PIU shall be the authority to receive and inquire into complaints/representations in respect of quality of works and they would be responsible for sending a reply after proper investigation to the complainant within 30 days. The SRRDA, for this purpose, shall ensure the following:

- i. The name, address and other details of the State Quality Coordinator will be given adequate publicity in the State (including tender notices, websites, etc.) as the authority empowered to receive complaints.
- ii. The State Quality Coordinator shall register all complaints and will get them enquired into by the PIU or if circumstances so require, by deputing a State Quality Monitor.
- iii. All complaints shall be acknowledged on receipt (giving registration no.) and likely date of reply shall be indicated. On receipt of the report, the complainant shall be informed of the outcome and the action taken / proposed.
- iv. Action on anonymous / pseudonymous complaints will be taken as per extant instructions of the State Government.
- v. Complaints received through the Ministry of Rural Development / NRRDA will normally be sent to the State Quality Coordinator for enquiry and necessary action. In case report from an SQM is desired, this shall be furnished within the time specified. In case an adequate response is not received within the stated time schedule, the NRRDA may depute an NQM and further processing will be done only on the basis of NQM report.
- vi. The SQC shall make a monthly report to the State Nodal Department / State Rural Roads Agency (in a prescribed format) and the status of action on complaints shall be discussed in the State-level Standing Committee.

The NRRDA shall monitor the working of the mechanism.

15.9 Quality Control expenses of the 2nd tier will be borne by the PMGSY in respect of identified independent Monitors /

monitoring agencies and for expenses and testing fees etc., admissible as per PMGSY quality monitoring Guidelines. An amount upto 0.50% of the cleared project cost shall be released to the SRRDA for the purpose, as a proportion of the programme fund released. The funds shall be credited to the administrative account of the SRRDA (see Para 12.2)



16. Monitoring

16.1 Effective monitoring of the Programme being critical, the State Governments will ensure that the officials are prompt in sending the requisite reports / information to the SRRDA as well as the NRRDA. The On-line Management & Monitoring System (OMMS) will be the chief mechanism for monitoring the Programme. To this end, the officials are required to furnish, 'On-line', all the data and information, as may be prescribed by the NRRDA from time to time, in the relevant module of the On-line Management & Monitoring System. They shall be responsible for uninterrupted maintenance of the Computer Hardware and Software as well as the Internet connectivity. The Software for the OMMS shall be supplied by the NRRDA and it shall not be modified at any level in the States; any requirement or suggestion for change shall be intimated to the NRRDA.

16.2 The State Government should provide necessary manpower, space and facilities to set up the Computer Hardware at the District and State Level. Since the data would reside on the State Servers, the State level Agency must ensure that the State Server is functional all 24 hours.

16.3 It shall be the responsibility of the Executive Engineer / Head of the PIU to ensure effective up-time and Internet connectivity of the computers at the PIU / District level. He shall be responsible for ensuring placement of all Master data including the Rural Roads Plan in the database and for the constant updating and accuracy of data relating to the progress of road works, record of Quality control tests as well as the payments made. In case of continued failure to update data on the OMMS, further releases to the State / District concerned could be affected.

16.4 Each State Government would identify one officer of sufficient seniority and having adequate knowledge of Information Technology to function as State IT Nodal Officer. His function will be to oversee the regularity and accuracy of the data being furnished by the Districts. The IT Nodal Officer, who shall form part of the SRRDA, shall also be responsible to oversee the upkeep of the Hardware and Software as well as the computer training requirements of the personnel dealing with the PMGSY.

16.5 The District Vigilance and Monitoring Committee set up by the Ministry will also monitor the progress and exercise vigilance in respect of PMGSY.



17. Maintenance of Rural Roads

17.1 PMGSY is a huge central investment in the State sector as part of a poverty reduction strategy. This investment in essentially the 'last mile' connectivity is likely to be useful only if the main rural road network, particularly the rural Core Network is maintained in good condition. In the context of a farm to market connectivity, proper maintenance is essential if risks of long term investments, on-farm as well as off-farm, are to be taken by the rural entrepreneur. Accordingly, the putting in place of institutional measures to ensure systematic maintenance and providing adequate funding for maintenance of the rural core network, particularly the Through Routes, will be key to the continuance of the PMGSY programme in the State. To this end, State Governments will take steps to build up capacity in the District Panchayats and shall endeavour to devolve the funds and functionaries onto these Panchayats in order to be able to manage maintenance contracts for rural roads.

17.2 All PMGSY roads (including associated Main Rural Links / Through Routes of PMGSY link routes) will be covered by 5-year maintenance contracts, (see Para 8.5) to be entered into along with the construction contract, with the same contractor, as per the Standard Bidding Document. Maintenance funds to service the contract will be budgeted by the State Government and placed at the disposal of the SRRDA in a separate **Maintenance Account**.

17.3 Since rural Through Routes / Main Rural Links carry comparatively larger traffic and keeping them in good condition is particularly important, Through Routes (whether upgraded under PMGSY or subjected to maintenance contract as an associated Through Route of a PMGSY link route as per Para 6.6.2) on expiry of 5-year post-construction maintenance (see Para 8.5 and 17.2) shall be placed under Zonal maintenance contracts consisting of 5-year maintenance including renewal as per cycle. The State Government will make the necessary budget provision and place the funds to service the zonal maintenance contracts at the disposal of the SRRDA in the Maintenance Account.

17.4 Till such time as District Panchayats take over maintenance functions, the PIUs will continue to be responsible for administration of post-construction and zonal maintenance contracts on PMGSY roads.

17.5 State Governments shall endeavour to develop sustainable sources of funding for maintenance of rural roads and shall ensure that the SRRDA

- a. Prepares and submits to the State Nodal Department and NRRDA an annual estimate of funds for proper maintenance of the Rural Core Network
- b. enforces a prioritisation criteria for allocation of budgeted maintenance funds. The criteria may be developed in consultation with NRRDA, based on the Pavement Condition Index (PCI), giving weightage to conditions like traffic / population.
- c. Liaises with the executing agencies receiving maintenance funding for rural roads to ensure coordinated application of the prioritisation criteria.

17.6 Rural Roads Safety - Since rural roads are generally low traffic volume roads and accident rates are presently quite low, safety issues relate mainly to design and construction features and road safety consciousness of local residents. At the Central level, these issues will be addressed through coordination with the Road Safety Mission of the Ministry of Road Transport & Highways. At the State level, the State Quality Coordinator at State level and the Head of the DPIU at District level shall be tasked by the State Governments to coordinate with the State Governments road safety mechanisms and programmes, in particular through membership of the State Road Safety Council and District Road Safety Committees respectively created as per provision of Section 215 of the Motor Vehicles Act, 1988 (Act No.59 of 1988).

17.7 As part of the rural road development and maintenance programmes, the State Government shall ensure road safety audit of PMGSY works along with quality monitoring. It shall also ensure adequate involvement of Panchayat Raj Institutions in road safety awareness programmes. Awareness raising activities including publication of pamphlets, audio-visuals, interactive programmes etc. will be funded on the basis of annual proposals to be forwarded for clearance of the Empowered Committee along with the road proposals.

Part III - Flow of funds, procedure for release and Audit

18. Flow of Funds



18.1 The SRRDA shall select a Bank branch with internet connectivity at the State Headquarters, of any Public Sector Bank or Institution based Bank for maintaining the Programme Account, Administrative Account and Maintenance Accounts under the Pradhan Mantri Gram Sadak Yojana. Once selected, the Account shall not be changed to any other Branch or Bank without concurrence of NRRDA. There will be a written undertaking from the Bank that it will follow the Guidelines of Government of India for payments from the PMGSY Funds. The concerned branch will maintain Internet connectivity and enter the data into the relevant module of the On-line Management & Monitoring System.

18.2 The SRRDA will communicate to the NRRDA and to the Ministry the details of the Bank branch and the Account numbers. The Ministry of Rural Development shall release the programme funds and the administrative and travel expenses and quality control funds respectively into the Programme and Administrative account.

18.3 The State Government shall credit the Administrative account with funds for the proper functioning of the SRRDA. Funds for administration of maintenance contracts of PMGSY roads shall be credited to the Maintenance Account of the SRRDA. The State Government shall credit the programme account with funds in order to meet works related expenses not found eligible to be funded by the Ministry under the PMGSY, and to meet cost escalation, tender premium and other programme expenses which are the responsibility of the State Government.

18.4 The Programme, Administrative and Maintenance expenditure will be regulated as follows:

- i. As indicated in Para 12.1 above, the Executive Engineers of PIUs / Heads of PIUs (who are the drawing and disbursing officers of the PIU) will be declared as the ex-officio members / officers of the SRRDA, so as to enable them to draw on the funds of the SRRDA from the three Accounts. They shall be the Authorised signatories for issuing cheques. The PIUs shall not open separate bank accounts.
- ii. The SRRDA shall nominate one of its senior officers, generally of the rank of a Chief Engineer, as the Empowered Officer. It shall be open only to the Empowered Officer to inform the Bank of the names of Authorised Signatories, for issuing cheques on the Agency's bank accounts.
- iii. The Empowered Officer will furnish this list of Authorised Signatories (Executive Engineers of Districts / Heads of PIUs) to the Bank, periodically verify it to ensure its accuracy and inform the Bank of any changes. The Bank will issue separate

Cheque Books to each of the Authorised Signatories, and will keep their signatures on record.

- iv. The Empowered Officer will also inform the Bank of the names of Authorised Payees (contractors and suppliers with whom Agreements have been duly entered into, as well as Statutory Authorities, such as ITO etc) and their designated payee accounts, and also the amounts that are admissible against each of the Contractors and suppliers in respect of each accounts. This will be in conformity with the Work Agreements. The Empowered Officer may lay down suitable limits on monthly / quarterly payments in line with the agreed Works Programme for the respective packages. Standing instructions will be issued to the Bank Branches by the Empowered Officer in this regard.
- v. The Authorised Signatories will make payments, as per the established procedure, by Account Payee cheque mentioning the designated payee accounts. They will immediately enter the cheque and payee details in the Payment Module of the OMMS.
- vi. On presentation of the cheque, the Bank would satisfy itself that the payment details have been entered in the Payment Module, and that the cheque meets with all other requirements, including, signatures agreeing with specimen signatures, the cheque amount being within the balance authorised limit, and the payee being the authorised payee, payee account details being fully and correctly specified etc.
- vii. The Bank will not allow the funds to be used by any person other than the authorised signatories and for any purpose other than the authorised payment for Works taken up under the PMGSY. Nor will it be open to the SRRDA to invest these funds in any other Bank / Branch, whether for short or medium term, including under Fixed Deposits.
- viii. The Bank will render monthly account, in respect of PMGSY Funds, to the PIU, the State level Agency and whenever requested, to the National Rural Roads Development Agency.

18.5 A tripartite Memorandum of Understanding will be entered into between the Bank, SRRDA and the NRRDA wherein the parties would agree to abide by the provisions of the Guidelines. In particular, the Bank will agree to abide by the instructions issued, from time to time, by the Ministry of Rural Development /National Rural Roads Development Agency (NRRDA) regarding the operation of the Accounts.

18.6 The NRRDA may, from time to time, issue such directives as necessary for smooth flow of funds and effectiveness of the Programme.

18.7 The Accounting System, to be prescribed by the NRRDA, would be based on the well-established Public Works Accounting system, with its own Chart of Accounts and Balance Sheet. The Online Management and Monitoring System (OMMS) software would support the Accounting System and would be enabled so that PIUs, SRRDAs and Bank branch concerned can make data entry on line for their respective transaction.

18.8 Money accruing as Interest credited in the Programme Account will be credited to the same account. The expenditure out of this interest amount will be guided by the instructions / guidelines to be issued by the Ministry of Rural Development / NRRDA from time to time. The Bank shall intimate to the State level Agency the interest amount credited by it to the Account on quarterly basis.



19. Procedure for Release Of Funds to the State Level Agency

19.1 The PMGSY has adopted a project approach where road works have to be completed within a stipulated time. The funds for the cleared projects will be made available to the SRRDA in two instalments. The first instalment amounting to 50% of the cleared value of projects, (or annual allocation whichever is lower) shall be released subject to fulfilment of conditions, if any, stipulated earlier.

19.2 Since the cost of only the contracted works have to be paid, the second instalment would be calculated on this basis, and would be equal to the balance due on the cost of the awarded works. Release would be subject to utilisation of 60% of the available funds and completion of at least 80% of the road works awarded in the year previous to the preceding year and 100% of the awarded works of all the years preceding that year, and fulfilment of other conditions, if any, stipulated while releasing the previous instalment. Works cleared and not awarded by the time of the 2nd instalment would be deemed as lapsed. Available funds will be the funds available with the SRRDA on 1st April of the Financial Year (including interest accrued) plus the amount of the instalment released, if any, during the Financial Year.

19.3 The release of the second instalment in a year shall be subject to submission of the following documents:

- a. Utilisation Certificate for the funds released earlier, year-wise in the form prescribed.
- b. Certificate by the Bank Manager indicating the balance amount on date of issue of the Certificate and the interest credited.
- c. A Certificate regarding the requisite physical completion of works.
- d. For all releases after October of a year, production of an Audited Statement of Accounts and a Balance Sheet and related Statements, duly certified by the Chartered Accountant for the accounts of the previous financial year.
- e. Outputs of the relevant modules of the OMMS, duly certified by the SRRDA as being correct.

19.4 For the purpose of releasing funds, the State would be the Unit.



20. Audit

20.1 The SRRDA will ensure that the accounts are audited by a Chartered Accountant selected from a panel approved by the CAG, within six months of the close of the financial year. This account will be supported by a statement of reconciliation with the accounts of PIUs and a certificate of the Chartered Accountant on its accuracy.

20.2 In addition to the Audit by the Chartered Accountant, the works under this Programme would be subject to audit by the Office of the Comptroller and Auditor-General of India (C&AG). The Audit of the work done by the C&AG may cover aspects of quality, in addition to financial audit.

20.3 Both the State level Agency and the PIUs must provide all relevant information to District level Vigilance and Monitoring Committees.



21. Miscellaneous

21.1 The National Rural Road Development Agency may, in co-operation with the State level Agency, organise suitable Training Programmes for the PIU personnel as well as Contractors engineers.

21.2 Planting of fruit bearing and other suitable trees, on both sides of the roads would be taken up by the State Governments / Panchayats from their own funds.

21.3 The Ministry of Rural Development may, from time to time, issue such directions as may be necessary for smooth implementation of the Programme.



22. Convergence

22.1 Rural connectivity is not an end in itself. It is a means. It is expected that the connectivity will improve indicators of education, health, rural incomes etc., provided as a follow up, and in consultation with the local Panchayati Raj Institutions, convergence is achieved with other ongoing Programmes in these sectors. It is expected that the District Panchayat will focus on these issues. Before the start of work on Rural Roads, the bench mark development indicators may be measured and attached to the detailed project report.

22.2 The NRRDA will provide 100% assistance for independent Studies to establish the impact of the new rural connectivity in a District from time to time.