

# Summary of A Quick Concurrent Evaluation of Pradhan Mantri Gram Sadak Yojana

## 1. The Scheme

Rural connectivity is a key component of rural development in India. Pradhan Mantri Gram Sadak Yojana (PMGSY) aims at providing connectivity by means of properly laid all-weather surfaced roads (with necessary culverts and cross drainage structures) to all unconnected habitations. Hon'ble Prime Minister launched the Scheme on 25<sup>th</sup> December 2000. Till the date of launching of PMGSY, the roads covered only 60 per cent of villages/habitations in the country. As per information provided by the concerned State level Implementing Authorities, Himachal Pradesh has the highest percentage of unconnected habitations i.e. about 67 per cent. Uttar Pradesh follows with 50 per cent of its habitations yet to be provided with road connectivity. Maharashtra has only 13 per cent of habitations lacking road connectivity. This programme is expected to provide road connectivity to 1.6 lakh unconnected habitations. All habitations with a population of 1000 persons are to be covered by the end of 2003 and all unconnected habitations with a population of 500 or more persons in the rural areas by the end of 10<sup>th</sup> Plan period (2007) at an estimated cost of Rs. 60,000 crore. Further, in respect of the hill States (North East, Sikkim, Himachal Pradesh, Jammu and Kashmir and Uttaranchal) and the desert areas, the objective is to connect habitations with a population of 250 persons and above. This programme is being implemented in all the States and six Union Territories. It is a 100 per cent Centrally Sponsored Scheme. This programme is being financed from 50 per cent of the cess on the High Speed Diesel (being levied since 1<sup>st</sup> March, 1999), which is separately earmarked for this programme. Project proposals for Rs. 7533.3 crore have been cleared upto 2003-2004. About 56,200 Kms of roads have been taken up for this programme benefiting 37,235 habitations. Till December 2002, 14,572 road projects had been completed and an expenditure of Rs. 3321.6 crore had been incurred. Separate guidelines have been issued for implementation of all rural road projects under PMGSY. Further, the rural roads constructed under PMGSY must meet the technical specifications. The specifications laid

down by the Indian Roads Congress (IRC), as given in the Rural Roads Manual, must be followed.

## **2. Scope of Evaluation Study and Methodology**

This study covers ten selected States i.e. Tamil Nadu, Karnataka, Rajasthan, Maharashtra, Himachal Pradesh, Uttar Pradesh, West Bengal, Madhya Pradesh Haryana and Punjab. Further, fourteen districts, generally one in each of these States, had been selected for the micro-level study. The names of selected Districts are Vellore (Tamil Nadu), Bangalore (Karnataka), Tonk and Sri Ganganagar (Rajasthan), Thane (Maharashtra), Bilaspur (Himachal Pradesh), Jalpaiguri (West Bengal), Ujjain (Madhya Pradesh), Faridabad, Ambala/Panchkula, and Sirsa (Haryana) and Bathinda, Amritsar and Ropar (Punjab). The fieldwork was conducted by the PEO's own field staff. The evaluation methodology included the collection of data from the primary sources i.e. State level Implementing Authority/District level Implementing Authority/Beneficiaries etc., in the especially designed set of questionnaires, secondary data from a number of sources, newspaper reports and articles of interest in different journals etc. and interviews of the beneficiaries of rural connectivity and concerned officials of Rural Development Department at State/District/Panchayat level and other knowledgeable sources. In addition, the study has been supplemented with the spot observations made by the field teams of PEO during their visit to different project sites in selected districts of selected States.

## **3. Evaluation Study**

- ✿ To assess out the extent to which objectives of the programme have been achieved.
- ✿ To make a qualitative assessment of the physical and financial performance of the programme.
- ✿ To assess the impact of the programme on socio-economic conditions of the residents of villages provided with road connectivities under the programme.
- ✿ To find out the constraints in implementation of the programme and suggestions to modify the same.

## 4. Findings of Evaluation

### 4.1 Physical Performance at the State Level

The physical performance of some of the States evaluated under study was reportedly very good. Among the ten States covered, Tamil Nadu was found to be the best performing State as its achievements, both in terms of cumulative number of road projects completed and cumulative length of roads constructed vis a vis the cumulative targets, were **well above 92 per cent**. Rajasthan and Maharashtra followed Tamil Nadu with good performance, though not very closely. Rajasthan's achievement was above at least 85 per cent in terms of cumulative number of road projects completed and cumulative kilometers of roads constructed vis-à-vis the targets. Similarly, Maharashtra's achievement in both the parameters under review was around 82 per cent. Himachal Pradesh's performance was observed to be the lowest, amongst all the States covered, both in terms of road projects completed (33.60 per cent) and kilometers of road length constructed (28.77 per cent) vis-à-vis the cumulative targets. Madhya Pradesh's performance in terms of rural connectivity completed was 36 per cent and length of roads constructed around 33 per cent. The State of Karnataka and Uttar Pradesh had performed only moderately well as percentage of achievement of both the States in respect of the parameters under review was around 60 per cent.

### 4.2 Physical Performance at the District Level

As regards the physical performance at district level, some of the selected Districts have recorded satisfying performance whereas others have shown a rather dismal performance as compared to that of its State. In case of Tamil Nadu, the performance of selected District and the State are almost the same, as both the State and the District are at the top amongst all the selected States and selected Districts, both in terms of cumulative number of road projects completed as well as the cumulative length of roads constructed vis a vis the targets. The achievement in Vellore, Tamil Nadu in terms of number of road projects completed is around 96 per cent and in terms of length of roads constructed is about 98 per cent. But in case of Karnataka, the selected districts have done far better when compared with State's performance. Bangalore has reportedly completed 78 per cent of the cumulative targets of road projects upto December 2003 and 85 per cent in terms of targeted road length. However, in case of Rajasthan exemplary performance as

recorded at the State level is not reflected in the performance of the selected Districts, as not even 50 per cent of the cumulative targeted road length had been completed in Tonk and Sri Ganganagar. Even Bilaspur, the selected District in Himachal Pradesh, has been able to achieve only about one-third of the cumulative targets in respect of road projects and road length in kilometers, a performance that is slightly better than the performance at State level.

### **4.3 Expenditure per Kilometer of Road Constructed at State Level**

Ratio of cumulative expenditure incurred to cumulative length of road projects completed, in respect of ten States evaluated under the study, shows that Himachal Pradesh reported the highest expenditure of Rs. 27.98 per kilometer of rural road constructed, followed by Uttar Pradesh which reported Rs. 24.12 lakh per kilometer of rural road constructed and Madhya Pradesh which reported Rs. 23.05 lakh per kilometer of rural connectivity provided. Maharashtra reported the lowest expenditure of Rs. 7.0 lakh per kilometer of rural road constructed followed by Rajasthan, which spent Rs. 7.92 lakh per kilometer of rural connectivity provided and Karnataka, which incurred Rs. 9.53 lakh per kilometer of rural road projects completed.

### **4.4 Expenditure per Kilometer of Road Constructed at District Level**

Expenditure pattern per kilometer of road constructed at District level shows that like States, the expenditure also varies amongst Districts but the cost at District level is actually less than what has emerged at State level. The cost per kilometer of rural road constructed has emerged as Rs. 10.27 lakh in Vellore (Tamil Nadu) vis-à-vis Rs. 10.52 lakh at State level, Rs. 9.17 lakh in Bangalore (Karnataka) vis-a-vis Rs. 9.53 lakh at State level. However, in case of Himachal Pradesh, the trend is reversed. In this case, the expenditure at District level has emerged to be more what has been reported at State level. The cost per kilometer of rural road connectivity provided in Bilaspur (Himachal Pradesh) has computed at Rs. 32.68 lakh as against Rs. 27.98 lakh at the State level.

#### 4.5 Financial Performance at the State Level

The evaluation of physical performance of selected States shows that excepting West Bengal and Madhya Pradesh, all the remaining selected States have reportedly utilised at least 60 percent or more of the cumulative allocations. Amongst the selected States, the highest utilisation of 90.46 per cent of the cumulative allocations is reported by Tamil Nadu, followed by 82.28 per cent utilisation by Karnataka and 80.85 percent utilisation by Rajasthan. The percentage of utilisation of cumulative funds by Maharashtra, Himachal Pradesh and Uttar Pradesh is in the range of 61 to 63 per cent, which may be considered as moderate performance. The lowest utilisation of allocations at 33.89 percentage has been reported from West Bengal.

#### 4.6 Financial Performance at the District Level

The utilisation at District level in all the selected States has been higher than what has been reported at the State level. Amongst the selected Districts, Vellore in Tamil Nadu has reported highest utilisation of allocations, as it had been able to utilise 98.88 per cent of cumulative allocations as against 90.46 per cent utilisation at the State level. Vellore is followed by Bangalore, the selected District in Karnataka, as it reportedly utilised 94.79 per cent of the cumulative allocations as against utilisation of only 82.28 per cent at the State level. Bilaspur, in Himachal Pradesh, reported utilisation as high as 88 per cent as against the State level utilisation of 62.50 per cent. Ujjain, in Madhya Pradesh, had been able to utilise only 59.47 per cent of the allocated funds as against a still lower utilisation of 45.64 per cent at the State level. Further, Jalpaiguri, in West Bengal, had been able to incur expenditure around 38 per cent, which was higher than the 34 per cent of expenditure out of the sanctioned funds at the State level.

#### 4.7 Unrealistic Estimates Resulting in Savings

It has been observed that estimates prepared under PMGSY are **rather on higher side** as the estimates are not prepared on the basis of ground position of a particular road but usually on the basis of standard norms, available with the State Public Works Department. In some cases, estimates have been found to be higher than the actual expenditure. Four road projects, evaluated in Bilaspur district of Himachal Pradesh, showed that the amount which remained unutilized on the completion of these

four projects varied from a **minimum of 6.83 per cent to maximum of 32.19 per cent.**

#### **4.8 Stringent Quality Control under PMGSY**

A three-tier Quality Control mechanism has been envisaged under PMGSY. The District/Zila Parishad/Panchayat level officials exercise first tier of Quality Control. The State Quality Monitors (SQM), appointed by the State Government inspects the work during the work in progress as a second tier of Quality Control. National Quality Monitors (NQM) function as the third tier of Quality Control. The sole intention of exercising Quality Control so vigorously is to ensure adherence to all technical specifications relating to construction of rural roads as given in the related guidelines. Information collected from the selected States shows that all States have instituted effective three-tier Quality Control system, as prescribed in the PMGSY's guidelines. However, PEO's field teams has observed that the first and third tier quality control channels are effective in all the States under study but the second of Quality Monitors, which are to be provided to the concerned State Governments are not effectively working in some of the States. In Rajasthan, the National Quality Monitor reports have rated the completed road works as very good but the three works out of eight has been rated as average, which shows that the State level monitors had not exercised effective quality control at their level.

Another aspect of Quality Control is the maintenance of laboratories at work sites for the periodical tests of raw materials used at different stages of road construction by the contractors. A Similar laboratory has also established at the level of DPIU. Field teams of PEO have observed that the field-testing laboratories were functioning in Thane, the selected District in Maharashtra and Ujjain, the District evaluated in Madhya Pradesh. Rajasthan reported functioning of requisite laboratory at the State level. It had been further observed that the Quality Control Register was also being maintained.

The quality of roads constructed has generally been rated as very good. However, it has been observed in Tonk, Rajasthan that roads in rainy seasons were blocked by huge quantity of water at the slope provided in the roads for the passage of water. A small bridge is required to be built to avoid the blockage.

During the field visit to Ujjain, Madhya Pradesh, it was observed that PMGSY roads were damaged and needed repair on an urgent basis.

Visit to Bilaspur, Himachal Pradesh, showed that out of the seven roads constructed under PMGSY, only one could be categorised as new connectivity. Some of these so-called seven new connectivities were almost two-decade-old roads.

## **5. Reasons for Shortfall**

### **5.1 Procedural Impediments**

Many of the implementing States, under evaluation, took one year's time to complete the procedural formalities, as the rural road project proposals in order to get implemented, have to pass through a number of channels with the result that no rural road works could be undertaken during the first year of programmes implementation. The project proposals for the scheme are initiated at the District level as per the District Rural Road Plan (DRRP) and Core Networks prepared for the scheme. The project proposals have to be prepared in consultation with the MPs and MLAs of these areas. Proposals have to pass from Core Networks to the District Panchayat, then to Programme Implementing Units (PIU), then further to State level agencies for vetting the proposals and to ensure that the proposals are in accordance with the guidelines programme, then to implementation unit at the State level for preparation for Detailed Project Reports (DPR), then to the State level Technical Agency (STA) for checking scheduled rates, and Indian Road Congress specifications, then finally to the State level Standing Committee, usually under the chairmanship of Chief Secretary for final approval of the State level, consolidation of proposals and preparation of State abstracts. After the State Government's recommendations the proposals moved to the Empowered Committee of Central Government, headed by the Secretary, Department of Rural Development, for scrutiny and clearance of the proposal wherein State representatives are also invited and then finally to the Union Minister for Rural Development for final clearance of the proposals.

Tamil Nadu, pending finalisation of District Rural Road Plan and Core Network concepts by various DRDAs, was allocated Rs. 153.49 crore by the Government of India as the 1st installment. Subsequently, the Government of India stipulated that all roadwork packages would

have to be scrutinised by the Government of India's Technical Agency, constituted in this regard. Hence, only after getting the technical clearance from the Technical Agency, the government of Tamil Nadu issued the sanction order in August 2001. After finalising the tenders, the works were taken up only in January 2002. Another example can be quoted with reference to Himachal Pradesh wherein no funds were utilised during first year as it took one year's time for completing the procedural formalities. Further, in West Bengal also no rural roadwork could be undertaken in the initial year due to administrative constraints.

## **5.2 New Work Culture under PMGSY- A Time Consuming Process**

The contractors took time in getting adjusted with the new pattern of working like frequent testing, interference of Supervisory Consultants, Quality Monitors and the Inspectors of National Quality Monitors (NQM). This, instead of speeding up the progress has actually caused the tardy progress. In Ujjain District of Madhya Pradesh, the General Manager, DIPU revealed that the concept of implementation as introduced under PMGSY was new to contractors who took time in getting tuned to comprehensive system of checks and quality controls. The General Manager was hopeful that there would not be delays in future as the system had been stabilized and understood well by all concerned. Further, there are cases in Madhya Pradesh where contractors have been penalized for delay in executing rural road projects.

## **5.3 Timely Availability of Land not Ensured in Some Cases**

Roads works are sometimes held up because at the time of preparation of District road proposals, actual availability of land is not investigated. With the fragmentation of agricultural lands, many families have been left with small holdings with the result that holders of small holdings are not allowing construction of roads on their lands. This situation has particularly been reported from Himachal Pradesh. West Bengal has reported that there are certain problems in making available the land for the road construction under PMGSY, which need to be settled at Panchayat level before execution of road projects is undertaken. Land acquisition has been reported as the most important problem in implementation of PMGSY in Maharashtra.

## **5.4 Local Panchayats not taken into Confidence**

Many a time, local Zila/Gram Panchayats are not taken into confidence, which results in disputes subsequently and causes delay in timely implementation of the road projects for the unconnected habitations. According to the norms, the Hon'ble MPs and MLAs are empowered for selection and construction of roads at their own behest. Although the schemes have to be approved by the Zila Parishad, their members are neither consulted nor given any importance by the MPs and MLAs in the selection process. This problem has been noticed in Uttar Pradesh.

## **5.5 Delays on Account of Monsoons**

Reports of delay in completing the rural road projects due to monsoons in Maharashtra and due to adverse climatic conditions in the hill States like Himachal Pradesh have been brought to the notice of the field teams of the PEO.

## **5.6 Scarcity of Skilled Labourers and Materials at Some Places**

It has been reported from Maharashtra that the contactors do not use local labour with the result that employment opportunities for the locals are minimized. Similarly, West Bengal has pleaded for the use local available material for the construction of rural roads under the programme, as also provided in the guidelines.

# **6. Suggestions for Improvement**

## **6.1 Augmentation of Resources**

The availability of allocations for achieving the targets by 2007 is considered to be inadequate. For augmenting the availability of funds for rural roads, some States are adopting the practice of levy of market fee on agriculture produce. Other States should consider a similar approach. Central Government may consider the desirability of allocating additional funds for maintenance/repairs of the roads as some of the States lack adequate resources to take care of the roads constructed under the programme.

## **6.2 Provision of Cash Compensation for Acquisition of Land**

It is suggested that in order to ensure timely availability of land for providing new rural roads connectivity to unconnected habitations, suitable cash compensation package may be evolved under PMGSY, which would hasten the implementation process, and thereby many deserving habitations would get connectivity.

## **6.3 Speedier Identification of Unconnected Habitations**

It is suggested that process of identification of unconnected habitations, with population norms as prescribed under PMGSY, must be completed speedily so that all unconnected habitations in the country could be connected with the all-weather surfaced roads by 2007.

## **6.4 Need for Constitution of Vigilance Committees**

In Himachl Pradesh, the State Level Vigilance Committee, and the District level Vigilance Committees, have not been constituted as required under PMGSY. Hence, it is suggested that all the implementing States must constitute all the required Committees immediately so that monitoring system provided under the guidelines works effectively.

## **6.5 Periodic Updating of Online Information**

It is suggested that all the implementing States may take necessary steps to update the Online Information. Himachal Pradesh has reported that Online information being made available is neither consistent nor upto date. In States where such a system is not installed, efforts may be made to install the requisite system immediately.

## **6.6 Upgraded Roads not to Exceed Fixed Quota**

In one of the selected States i.e. Himachal Pradesh, it has been observed that the number of roads taken up under upgradation category was more than 80 per cent although the guidelines allow such category of roads not to exceed 20 per cent of all the road projects to be taken up under PMGSY. Hence, it is suggested that all the implementation States may maintain the prescribed limit fixed under PMGSY for incurring expenditure on roads to be upgraded.

## **6.7 Complete Involvement of Panchayat Institutions**

Road works are sometimes held up because at the time of preparation of District road proposals, either actual availability of land is not investigated or local panchayat is not taken into confidence about the proposed alignment, which results in disputes subsequently. It is suggested that all the states may hold informal consultations with Panchayati Raj Institutions (PRI) and conduct 'transect walks' along the proposed alignment to sort out issues of land availability and environmental impact well in advance.

## **6.8 Enhancement of Time Limit for Completing Projects**

Some States, Maharashtra in particular, feel that the time limit of nine months for completing the rural road projects is not adequate. The States plead for enhancement of prescribed time limit from nine months to one year due to onslaught of monsoon and hostile weather in hill States.

## **6.9. Need for Centralised Tendering System**

Deficient tendering system and lack of contractor capacity are also cited as major reasons for delay in completion of works. It is felt that the centralization of tendering process would ultimately result in reduction in time taken for execution of road works as contractors with proven ability, record of efficiency and adequate working capacity at rather competitive costs will be quoting.

## **6.10 Project Reports/Proposals to be Prepared Meticulously**

Blockage of roads by rain water, low elevation, connectivity via circulars route, connectivity not provided to important places by PMGSY roads, inferior quality roads though certified to be good, are some of the shortfalls come across during the field visit, in the execution of the programme. All these problems would not have occurred had there been proper preparation of project report. It is suggested that adequate care may be taken by executing agencies in giving approval to project proposals so that such problems do not occur in future.

### **6.11 Multiplicity of Agencies to Be Avoided**

There are multiple agencies for implementing the rural road projects in the States, which creates problems in coordination, supervision and monitoring. For example, Rajasthan has State PWD as the nodal agency with Rajasthan Rural Road Development Agency (RRRDA) being entrusted with overall supervision of the rural road projects. In Karnataka also, there are two executive agencies i.e. Karnataka Land Army Corporation Limited and Rural Development Engineering Department. This needs to be streamlined for improving the overall efficiency so that not only targets are achieved but also the likely cost over runs is avoided besides ensuring better coordination, supervision and monitoring.

### **6.12 Exclusive Staff Deployment for PMGSY**

Staff at grass root level, particularly at Junior Engineer level, is considered to be inadequate in some of the States i.e. Maharashtra. Besides the road projects under PMGSY, they have a number of other projects to handle simultaneously. It is suggested that in order to get the entire rural road connectivities completed in time, the staff for PMGSY should not be given any other project.

### **6.13 Need for Recruiting Local Labour**

It has been brought to the notice of the field teams of the PEO by Maharashtra and West Bengal that Contractors do not engage the local labour. This results in contraction of limited employment opportunities, likely to be generated for the local rural population. It is suggested that local population should get preference in recruitment to all short term jobs likely to be generated in and around of a particular rural habitation.

### **6.14 Need for Lowering the Construction Cost of Roads**

The cost of constructing rural roads is reported to be very high in some of the State like Himachal Pradesh, Uttar Pradesh and Madhya Pradesh. The cost effective technology for the construction of rural roads must be used so that within the fixed allocations, it is possible to construct additional number of roads.

## 6.15 Overall Assessment of PMGSY

PMGSY has succeeded in providing connectivity to some of the most deserving habitations although the pace of implementation in most of the selected States is rather slow. Selection of these road works seem to be justified, unless one gives a high weightage to the opportunity cost in terms of road works forgone in other Districts/other States. All the implementing States have designated an implementing agency as the nodal agency. All the selected implementing States have more or less adhered to the PMGSY guidelines as far as selection of habitations, project proposals and clearance are concerned. Quality of PMGSY roads has been found to be generally good. PMGSY roads provide connectivity to important places such as School/College, Market Centre, and Block Office etc. It has improved the accessibility of beneficiary villagers and resulted in higher income in the form of better price for agricultural produce, new employment avenues etc. The cost of providing connectivity for some of the habitations in States like Himachal Pradesh is very high due to difficult terrain. But for PMGSY, no road would have been taken up in these sparsely populated habitations

However, what is important is that not only both the phases of PMGSY are efficiently completed within prescribed time targets by overcoming the problems/constraints faced from time to time but the learning experiences of the past are also always kept in view. Further, it is hoped that by the end of Tenth Five Year Plan, all unconnected villages/habitations will be actually connected through the construction of all-weather surfaced roads so that vast chunk of India's population living in rural areas also enjoys the fruits of development.

\*\*\*\*