

HIGHLIGHTS

The objective of the programme, at the time of its launch, of providing connectivity to all unconnected habitations with population of 1000 and above by 2003 was largely defeated, as only 11,509 such habitations against the target of 50,782 could be connected upto 2003. The total number of habitations (irrespective of the population) connected upto March 2005, was only 33,875 or 24 per cent of the initial target of 1,41,085, after five years of its launch when the total duration of the programme was seven years.

(Para 4.3.1)

The programme was launched on the basis of data of unconnected habitations that were not quite reliable and without firming up the guidelines, which kept changing from time to time. Consequently, a large number of upgradation works, which were not the priority, were taken up in the first two phases instead of new road works for unconnected habitations.

(Paras 4.1.1, 4.4.3 and 4.4.3.1)

The estimated fund requirement of Rs. 58,200 crore at the time of the launch (December 2000) of the programme was unrealistic as the requirement had gone up by over 125 per cent by March 2005 and the magnitude of work had increased by 22.7 per cent during the same period.

(Paras 4.2.1 and 4.2.1.4)

Mobilization of the funds was only to the extent of Rs.12,293 crore upto March 2005 while proposals received from the state governments were for an amount of Rs. 17,394.64 crore against which Rs. 11,871.32 crore were released during the same period. The programme suffered from drawbacks like unrealistic estimation and inadequate mobilization of funds.

(Paras 4.2.1.2 and 4.3.2)

Out of the expenditure of Rs. 1,594.98 crore test-checked in audit, Rs. 312.34 crore (19.58 per cent) were diverted, parked in unauthorised accounts or not utilised for the intended purpose.

(Para 4.3.2)

Funds amounting to Rs. 118.44 crore were spent by 22 States on road works in habitations where connectivity was already there or on repairs or otherwise ineligible works or on works already completed under state plan schemes. No effort was made to ensure integration of other related ongoing schemes to secure the programme objective. (Paras 4.4.2.1, 4.4.2.3 and 4.4.2.4)

Test-check of records in the States showed that an amount of Rs. 48.80 crore was spent on unapproved items of work executed in 17 States, Rs. 58.67 crore were charged to programme towards tender premium and lead charges that were not admissible and undue benefit involving Rs. 33.99 crore was extended to the contractors.

(Paras 4.5.8, 4.5.9, 4.5.10 and 4.5.11)

In 14 States, 143 works were abandoned or remained incomplete after spending Rs. 43.85 crore and 149 works costing Rs. 54.71 crore were either abandoned or not taken up in 12 States due to non-availability of land, want of forest clearance, land disputes or roads were already constructed by other agencies or connectivity was already existing.

(Para 4.5.6)

Target date for execution of works was extended upto 39 months and liquidated damages amounting to Rs. 35.28 crore were not recovered from the contractors.

(Paras 4.5.7 and 4.5.7.1)

Deviation from the tendering procedure contributed to poor competition amongst tenderers and rejection of lowest offers in 10 States. There were cases of delay in award of work upto 25 months in 20 States.

(Paras 4.5.1, 4.5.2 and 4.5.3)

A total of 3941 works in 18 States deviated from the prescribed specifications involving additional expenditure of Rs. 167.66 crore. Full connectivity was denied to eligible unconnected habitations as the works executed/sanctioned were for reduced length rendering expenditure of Rs. 37.99 crore unfruitful.

(Paras 4.5.4 and 4.5.5)

Quality assurance checks were exercised mainly by the District Programme Implementation Units (DPIUs), which were also responsible for construction of the road works whereas the second tier independent checking by the State Quality Monitors (SQM) remained inoperational and the third tier mechanism of checking by the National Quality Monitors (NQM) was confined to compliance reporting over the first and the second tier mechanism essentially through hand feel and visual inspection methods.

(Paras 4.6.1, 4.6.2 and 4.6.3)

Examination of the quality of the roads in four States carried out by the Central Road Research Institute (CRRI) at the instance of Audit indicated non conformance with the specifications of roads such as pavement crust and sand layer thickness, density of compaction, gradation of sand layers and WBM which pointed to the need for an urgent intervention by the Ministry for strengthening the quality assurance mechanism.

(Para 4.7.3)

The Online Management and Monitoring System (OMMS), a programme monitoring software tool, on which Rs. 20.67 crore was spent till March 2005 did not help in decision making as not only was it introduced almost two years after the commencement of the programme but it also suffered from serious inadequacies and deficiencies in data entry and software capabilities. The accounting module was inoperative. The Ministry was thus deprived of a useful MIS tool for managing the programme.

(Paras 4.11, 4.11.1 to 4.11.18)