

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

STARRED QUESTION NO:493
ANSWERED ON:10.05.2012
FUNDS FOR RURAL ROADS UNDER BHARAT NIRMAN
Agarwal Shri Jai Prakash

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the details of institutional financial assistance being extended for construction of roads under the Bharat Nirman Yojana;
- (b) the funds provided by National Bank for Agriculture and Rural Development (NABARD) for the same during the last three years;
- (c) whether Government monitors that the funds borrowed from NABARD are properly utilized so as to achieve rural road targets under Bharat Nirman; and
- (d) if so, the details thereof?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI JAIRAM RAMESH)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No.493 due for reply on 10.05.2012

(a): 'Rural road' is one of the six components of Bharat Nirman. Funds are released under Pradhan Mantri Gram Sadak Yojana (PMGSY) and no separate funds are released for Bharat Nirman for construction of rural roads to the States. Loans for construction of roads under PMGSY have been taken from National Bank for Agriculture and Rural Development (NABARD), World Bank and Asian Development Bank (ADB). Loans totalling Rs.18,500 crore have been taken from NABARD. A loan of US \$399.5 million have been taken from World Bank under Rural Road Project-I (RRP-I) and another of US\$ 1,500 million under RRP-II. In addition, financial assistance from the Asian Development Bank (ADB) for US\$ 400 million under Rural Road Sector I and of US\$ 750 million under Rural Roads Sector II Investment have been taken.

(b): NABARD has already released whole amount of the loans i.e. Rs.18,500 crore , out of which Rs.6,500 crore was provided during the last three financial years.

(c) & (d): 'Rural road' is a State subject and rural roads under PMGSY are constructed, maintained and owned by the respective State Governments. As per the programme guidelines, ensuring the quality of the road works, timely completion and proper maintenance of these roads is the responsibility of the State Governments who are implementing the programme. A Three Tier Quality Mechanism has been put in place for ensuring the quality of road works under the programme. First tier is in-house quality control and second tier is independent monitoring at State level. These two tiers are the responsibility of the States implementing the programme. The third tier is envisaged as an independent monitoring mechanism at the Central level. Under this tier, independent National Quality Monitors (NQMs) are engaged for inspections of roads, selected at random in the States. Further, the scheme is being monitored by obtaining monthly, quarterly, half-yearly and yearly progress reports from the States. The review is undertaken through Performance Review Committee Meetings, Regional Review Meetings and during the meetings of Empowered Committee.