STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ

(2024-2025)

11

EIGHTEENTH LOK SABHA

MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)

[Action taken on the recommendations contained in the First Report (Eighteenth Lok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Rural Development (Department of Rural Development)'.]

ELEVENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

ELEVENTH REPORT

STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ

(2024-2025)

(EIGHTEENTH LOK SABHA)

MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)

[Action taken on the recommendations contained in the First Report (Eighteenth Lok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Rural Development (Department of Rural Development)'.]

Presented to Lok Sabha on 23.07.2025

Laid in Rajya Sabha on 23.07.2025

LOK SABHA SECRETARIAT
NEW DELHI

July, 2025/ Shraavana, 1947 (Saka)

CRD No. 202

Price: Rs.

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (____ Edition) and Printed by __________________.

CONTENTS

		Page No.
CHAPTER I	Report	1
CHAPTER II	Recommendations which have been accepted by the Government	26
CHAPTER III	Recommendations which the Committee do not desire to pursue in view of the Government's replies	40
CHAPTER IV	Recommendations in respect of which replies of the Government have not been accepted by the Committee	41
CHAPTER V	Recommendations in respect of which final replies of the Government are still awaited	56

ANNEXURE

I	Extract of Minutes of the 30th Sitting of the Committee held on 14.07.2025	57
II	Analysis of Action taken by the Government on the recommendations contained in the First Report (18th Lok Sabha) of the Standing Committee on Rural Development & Panchayati Raj.	59

COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ (2024-2025)

Shri Saptagiri Sankar Ulaka -- *Chairperson*

Lok Sabha Members

2. Shri Sandipanrao Asaram Bhumare
3. Shri Sudip Bandyopadhyay
4. Shri Raju Bista
5. Shri Vijay Kumar Dubey
6. Dr. Sanjay Jaiswal
7. Shri Bhajan Lal Jatav
8. Dr. Mohammad Jawed
9. Shri Jugal Kishore
10. Dr. D. Ravi Kumar
11. Shri Naba Charan Majhi
12. Shri Imran Masood
13. Shri Janardan Mishra
14. Shri Kota Srinivasa Poojary
15. Shri K. Radhakrishnan
16. Shri Ramashankar Rajbhar
17. Shri Omprakash Bhupalsinh *alias* Pavan Rajenimbalkar
18. Shri Parshottambhai Rupala
19. Shri Devendra Singh *alias* Bhole Singh
20. Shri Ganesh Singh
21. Shri Vivek Thakur

Rajya Sabha Members

22. Smt. Geeta *alias* Chandraprabha
23. Shri H. D. Devegowda
24. Shri Samirul Islam
25. Shri Iranna Kadadi
26. Shri Nagendra Ray
27. Shri Anthiyur P. Selvarasu
28. Shri Sant Balbir Singh
29. Shri Vaiko
30. ---Vacant---
31. *---Vacant---*

SECRETARIAT

1. Shri D.R. Shekhar	-	Additional Secretary
2. Shri V. K. Shailon	-	Director
3. Shri L. Singson	-	Deputy Secretary
4. Shri Sudhanshu Shekhar	-	Executive Officer

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development & Panchayati Raj (2024-2025) having been authorised by the Committee to present the Report on their behalf, present the 11th Report on the action taken by the Government on the recommendations contained in the First Report of the Standing Committee on Rural Development & Panchayati Raj (18th Lok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Rural Development (Department of Rural Development).

2. The First Report was presented to the Lok Sabha on 12.12.2024 and was laid on the Table of Rajya Sabha on 12.12.2024. Replies of the Government to all the recommendations contained in the Report were received on 09.04.2025.

3. The Report was considered and adopted by the Committee at their sitting held on 14.07.2025.

4. An analysis of the action taken by the Government on the recommendations contained in the First Report (18th Lok Sabha) of the Committee is given in **Appendix-II**.

NEW DELHI
21 July, 2025
30 Ashadha, 1947(Saka)

Saptagiri Sankar Ulaka
Chairperson
Standing Committee on Rural Development & Panchayati Raj

CHAPTER I

REPORT

This Report of the Standing Committee on Rural Development (2024-25) deals with the action taken by the Government on the Observations/Recommendations contained in their First Report (Eighteenth Lok Sabha) on Demands for Grants of the Ministry of Rural Development (Department of Rural Development) for the year 2024-2025.

1.2 The First Report was presented to the Lok Sabha on 12.12.2024 and was laid on the Table of Rajya Sabha on 12.12.2024. The Report contained 18 Observations/Recommendations.

1.3 Action Taken Replies in respect of all the 18 Observations/Recommendations contained in the Report have been received from the Government. These have been examined and categorised as follows: -

(i) Observations/Recommendations which have been accepted by the Government:

Serial Nos. 1, 2, 12, 15, 16, 17, 18

Total: 7
Chapter-II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of replies of the Government:

Serial No. NIL

Total: NIL

Chapter-III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Serial No. 3, 4, 5, 6, 7, 8, 9,10, 11, 13, 14

Total: 11

Chapter-IV

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Serial No. NIL

Total: NIL

Chapter-V

1.4 The Committee trust that utmost importance will be given to the implementation of the recommendations accepted by the Government. In case where it is not possible for any reasons to implement the recommendations in letter and spirit, the matter shall be reported to the Committee with reasons for non-implementation. The Committee desire that Action Taken Notes on the Observations/ recommendations contained in Chapter I of this Report may be furnished to the Committee within three months of the presentation of this Report.

1.5 The Committee will now deal with action taken by the Government on some of their Observations/Recommendations that require reiteration/merit comments.

I. <u>Low Wage Rate under MGNREGA</u>

<u>Recommendation (Serial No. 3)</u>

1.6 With regard to the low wage rate under MGNREGA, the Committee had recommended as under: -

> "An oft repeated concern of the Committee pertaining with MGNREGA has been that of increase in wage rate. Despite several recommendations in this regard, there has been no noticeable change in the stance of DoRD. While DoRD has always been sending stereotype response regarding revision of wages every financial year, but realistically, the quantum of revision, in all earnest, merits a relook. Rising inflation and cost of living, be it is urban or rural setting, has risen manifold and is evident to all. Even at this moment, going by the notified wage rates of MGNREGA, per day wage rate of around Rs. 200/- in many States defies any logic when the same State has much higher labour rates. It becomes inexplicable as to why the wages under MGNREGA still can't be linked to a suitable index commensurate with the existing inflation. Aware of the demand of increase in wages under MGNREGA from various quarters, the Committee urge DoRD unequivocally to revisit their stand and devise a mechanism for raising the wages under MGNREGA.

1.7 The DoRD in their action taken reply have stated as follows: -

> "As per Section 6 (1) of Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may by notification, specify the wage rate for its beneficiaries. Further, section 6 (2) of the Act, provides that until such time a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum wages Act, 1948 for Agricultural Labourers shall be considered as the wage rate applicable to that area. Accordingly, as per provision of Section 6(2) of the Act, from the inception of the scheme till the financial year 2010-11, the wage rate in Mahatma Gandhi NREGA was determined on the basis of the minimum wage set by the respective State Governments. However,

from the financial year 2011-12, the Government of India started determining the wage rates using the Consumer Price Index for agricultural labour (CPI-AL).

To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year, based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different States/UTs as notified by Labour Bureau Shimla. If the calculated wage rate of any State/UT is coming lower than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The wage rate is made applicable from 1st April of each financial year. The overall % increase in wage rate for FY 2024-25 from the FY 2023-24 is about 7 %.

However, each State/UT can provide wages over and above the wage rate notified by the Central Government."

Further Observations/Comments of the Committee

1.8 Rising inflation and cost of living, be it is urban or rural setting, has risen manifold and is evident to all. The Committee do understand that MGNREGA is a demand driven scheme, but at the same time find that, per day wage rate of around Rs. 200/- in many States is completely unacceptable and not in consonance with the rising cost of living. Such low wage rates is one of the major reasons for the workers to opt out of MGNREGA and force them to move out in search of better opportunities and thereby hampering the percentage of work completed under MGNREGA. The Committee have time and again urged DoRD to increase the wage rates under MGNREGA by linking it with an index commensurate with national inflation. But the wage rates under MGNREGA continue to remain stagnant on account of no change in indexation. Therefore, the Committee strongly reiterate the earlier recommendation regarding the prevailing 'low wage rates' across the States/UTs of the country and why it can't be linked to a suitable index commensurate with the existing inflation and hence, implore upon DoRD to empathetically look into this issue for a positive revision of the wages under

MGNREGA earliest for benefitting beneficiaries. The said increase in wage rate is essential to keep up with inflation and to meet the objective of providing financial security to the beneficiaries.

II. <u>Seeking Parity in Wages</u>

<u>Recommendation (Serial No. 4)</u>

1.9 With regard to seeking parity in wages, the Committee had recommended as follows: -

> "One of the main areas of concern that has always attracted the attention of the Committee is that of the existing disparity between the wage rate assured under MGNREGA in different States/UTs. It is still beyond comprehension as to how is it possible that a single scheme having the provision of giving hundred days of guaranteed work to poor people in rural areas can have different yard- stick when it comes to the payment of wages across the length and breadth of the country. The Committee further observe that as per clause (d) of Article 39 of the Constitution directing certain principles of Policy to be followed by the State provides that there is a provision of equal pay for equal work for both man and woman. Hence under the directive there cannot be different wages for different States under the MGNERGA. In view of Article 39 of the Constitution and to have parity in wages, the Committee strongly recommend that MGNREGA beneficiaries must be paid wages without any disparity in order to bring equality in wages under MGNREGA across all States/UTs urgently."

1.10 The DoRD in their action taken reply have stated as under:

> " As per Section 6 (1) of Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may by notification, specify the wage rate for its beneficiaries. Further, section 6 (2) of the Act, provides that until such time a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum wages Act, 1948 for Agricultural Labourers shall be considered as the wage rate applicable to that area. Accordingly, as per provision of Section 6(2) of the Act, from the inception of the scheme till the financial year 2010-11, the wage rate in Mahatma Gandhi NREGA was determined on the basis of the minimum wage set by the respective State Governments. However, from the financial year 2011-12, the Government of India started determining the wage rates using the Consumer Price Index for agricultural labour (CPI-AL).
>
> To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year, based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different

States/UTs as notified by Labour Bureau Shimla. If the calculated wage rate of any State/UT is coming lower than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The wage rate is made applicable from 1st April of each financial year. The overall % increase in wage rate for FY 2024-25 from the FY 2023-24 is about 7 %.

However, each State/UT can provide wages over and above the wage rate notified by the Central Government."

Further Observations/Comments of the Committee

1.11 There is a provision of equal pay for equal work for both man and woman under clause (d) of Article 39 of the Constitution and that to be followed by the State in its letter and spirit. Hence, under the directive there cannot be different wages for different States under the MGNERGA. Regarding the disparity in wages under MGNREGA in different States/UTs, the Committee had noted the long-standing stance of the DoRD that the State/UTs were allowed to provide wage over and above the wage rate notified by the Central Government. The Committee did not subscribe to the stand of the DoRD in this context and had recommended that the Department should explore the feasibility of notifying a uniform wage rate under MGNREGA for the entire country. However, the action taken reply furnished by the DoRD in this regard is still of the same mould as earlier. The Committee do not approve the stereo type reply of the Government stating that Section 6 (1) of MGNREGA and the procedure for the calculation of present wage rates based on Consumer Price Index for Agricultural Labour (CPI-AL). The Committee do not find their reply helpful in any way to resolve the issue of disparity of wages under MGNREGA and expect from the DoRD to review it and furnish positive reply in this regard. It is also unfathomable as to why the Ministry is not able to notify a unified wage rate under MGNREGA across the country to end the disparity across States/UTs for good, particularly when the Scheme is mostly funded by the

Centre. Thus, in light of the above rationale, the Committee reiterate their recommendation and make a strong appeal to the Ministry to relook into this matter urgently by following cogent approach and devise a mechanism to bring equality in wages under MGNREGA across all States/UTs to bring relief to the poor rural populace.

III. <u>Wage and Material Pendencies under MGNREGA</u>

<u>Recommendation (Serial No. 5)</u>

1.12 In the context of wage and material pendencies under MGNREGA, the Committee had recommended as below:

> "A demand driven scheme such as MGNREGA having a statutory status and aimed at securing some sort of livelihood for the destitute and marginalized having no other 'fall back options' is defeated in its intent in the wake of pendency of payment of Rs.7,056.32 crores (as on 23.10.2024) against the material component. While the pending wages are confined to a few States, the material share is spread across the States. The Committee feel that both the aspect of MGNREGA, i.e. a demand driven nature of the scheme and creation of assets under the scheme are severely hampered through such pendencies. Any administrative or procedural lapse causing delays in wage payments and material fund release in the context of a scheme of such enormous proportion like MGNREGA which caters to the nook and corners of the country and has millions of beneficiaries enrolled as job card holders would only deter the needy person from availing the benefits of the scheme. Therefore, the Committee recommend DoRD to spruce up its financial management of the scheme and tighten their grip on the fallacies that may have crept in the implementation of MGNREGA at ground level for the earliest eradication of pendencies in wages and material components."

1.13 The following Action Taken Reply has been given by DoRD:

> "Under Mahatma Gandhi Mahatma Gandhi NREGS, wage payments are directly credited by the Central Government to the account of beneficiaries through the Direct Benefit Transfer protocol.
>
> With the regard of material, States/UTs furnish funds release proposals to Government of India. The Ministry releases funds periodically in two tranches with each tranche consisting of one or more installments, keeping in view the "agreed to" Labour Budget, demand for works, opening balance, pace of utilization of funds, pending liabilities, overall performance and subject to submission of relevant documents by the States/UTs.

Fund release to the States/UTs is a continuous process and Central Government is committed in making funds available to States/UTs for the implementation of the Scheme as per the demand for work on the ground. This Ministry regularly interacts and follows up with States/UTs Government regarding timely submission of prescribed documents in order to avoid delay in release of funds for the implementation of scheme.

Periodic communications based on expenditure projections have been made to the Ministry of Finance for making sufficient provisions under revised estimates 2024-25 and budget estimates 2025-26."

Further Observations/Comments of the Committee

1.14 The Committee are disappointed with disclosure that an amount of Rs. 7,056.32 crore was lying pending against the material component for a welfare-oriented scheme like MGNREGA. While the pending wages are confined to a few States, the material share is spread across the States. The Committee feel that both the aspect of MGNREGA, i.e. a demand driven nature of the scheme and creation of assets under the scheme are severely hampered through such pendencies. While being deeply concerned with the adverse impact of such pendency and its impact on upliftment of rural workers, the Committee had strongly recommended DoRD to spruce up its financial management to overcome pendencies in material component and wages at the earliest. The response furnished by DoRD is completely lacking of any concrete measure that have been taken and furthermore it is silent upon the existing pendencies. The Committee are not satisfied with the same old stereotypical approach of DoRD and sending evasive reply on such an important matter. There is an imperative need to gear up the machinery of the Department to entail all measures for its rectification expeditiously. Therefore, the Committee strongly reiterate their recommendation for the eradication of wage and material pendencies under MGNREGA through efficacious

measures of financial prudence to achieve the goals of the scheme at the earliest.

IV. Increase in Number of Guaranteed Days of Work under MGNREGA

Recommendation (Serial No. 6)

1.15 The Committee view the demand for increase in number of days from 100 to 150 not only beneficial for the needy but also for the aim of the Scheme regarding creation of durable assets as it would provide continuity of same experienced workforce on a project for a longer time. Although the State Governments may make provisions for additional days, still the Committee are of the firm view that the mandatory increase in number of guaranteed days should be brought about by the DoRD by moving an amendment in the Act in order to make it applicable for the entire country, so that the demand of needy beneficiaries may not hinge upon the will of the State Governments. Therefore, the Committee recommend for increase in number of days of work sought under MGNREGA from 100 to 150 days and implore upon DoRD to take up the matter in right earnest and come out with some concrete measures in this regard.

Reply of the Government

1.16 The Mahatma Gandhi National Rural Employment Guarantee Act)Mahatma Gandhi NREGA(, 2005, is an Act to provide for the enhancement of livelihood security of the households in **rural areas of the country** by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.

The Ministry mandates the provision of additional 50 days of wage employment)beyond the stipulated 100 days (to every Scheduled Tribe Household in a forest area, provided that these households have no other private property except for the land rights provided under the Forest Rights Act)FRA(, 2006.

In addition to this, there is a provision for up to additional 50 days of wage employment in a financial year in drought/natural calamity affected notified rural areas .

As per Section 3)4 (of the Act, the State Governments may make provision for providing additional days of employment beyond the period guaranteed under the Act from their own funds.

Details of National average days of employment provided per households under Mahatma Gandhi NREGS in the last five financial years 2019-20, 2020-21, 2021-22, 2022-23 2023-24 are given below**.**

Financial Year	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
National average days of employment availed per households	52.08	47.83	50.07	51.52	48.4

Under Mahatma Gandhi NREGS, the average days of employment per household in each financial year in the last five financial years has remained around 50 days .Therefore, the Ministry is emphasizing generating awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under Mahatma Gandhi NREGS based on the demand from the ground.

Further Observations/Comments of the Committee

1.17 MGNREGA is a last 'fall-back' option for numerous rural people, and the amount of expenditure under it also elicits a keen interest in the scheme by the poor and marginalized. The scheme needs to be revamped, keeping in view the rising population of the country and emerging challenges associated with it. DoRD in their reply have stated about the provision of 100 days of guaranteed wage employment under MGNREGA and that under Section 3(4) of the Act, State Governments are allowed to make provision for additional days of employment beyond the guaranteed period from their own funds. The Committee find the reply routine and generic in nature, merely highlighting the formulated provisions of the Act. Although the State Governments may make provisions for additional days, still the Committee are of the firm opinion that the mandatory increase in number of guaranteed days should be brought about by the DoRD by moving an amendment in the Act in order to make it applicable for the entire country, so that the demand of needy beneficiaries may not hinge upon the will of the State Governments. Therefore, the Committee reiterate their recommendation for increase in number of days of work sought under MGNREGA from 100 to 150 days and implore upon DoRD to take up the matter in right earnest to achieve the concrete targets of the scheme.

V. Landless Beneficiaries

Recommendation (Serial No. 7)

1.18 Concerning the landless beneficiaries, the Committee had made the following recommendation:

> "The documents of DoRD reveal that out of the total 5,73,311 landless beneficiaries identified under PMAY-G so far 3,60,837 (59%) beneficiaries have been provided land for the construction of houses. The Committee find that there are still 2,12,474 beneficiaries remaining to get land/assistance from the State/UT to construct their house under PMAY-G. Therefore, the issue of landlessness is affecting the progress of PMAY-G and may also cause delay in the completion of target. In this context, the Committee recommend DoRD that in order to ensure land to landless people for their own house, a policy be framed in public interest within a specified period so that land must be allotted to identified persons to expedite the timely construction of houses in their respective States under PMAY-G."

1.19 In regard to the above recommendation, the DoRD in their action taken reply have stated as below:

> "The Ministry has been actively pursuing this matter with the States/UTs for providing land to remaining landless beneficiaries. A module for capturing details of landless beneficiaries has been developed on the AwaasSoft. Since the land is a State subject, the Ministry is not in a position to frame a policy on the matter. However, the Ministry during FY 2021-22 has already requested the States/UTs for constituting a Task force under the chairpersonship of the Chief Secretary concerned with the Secretary (Revenue) and the Secretary, in-charge of Department dealing with the PMAY-G. The Ministry in next phase of the PMAY-G (2024-29) would further monitor the provision of land to all landless beneficiaries."

Further Observations/Comments of the Committee

1.20 Providing land to the landless PMAY-G beneficiaries for the construction of the houses is of utmost importance since they are the most deserving beneficiaries in the Permanent Wait List (PWL) of the scheme. Further for achieving the year-wise sub-targets and cumulative targets under PMAY-G providing land to such beneficiaries is very crucial. The Committee were concerned to find that there are still 2,12,474 beneficiaries remaining to get land/assistance from the State/UT to construct their house under PMAY-G.

Therefore, the issue of landlessness is affecting the progress of PMAY-G and may also cause delay in the completion of target. It has been highlighted by the Department of Rural Development (DoRD) in their reply that it is the responsibility of the States/UT to provide land to landless beneficiaries and that the DoRD has been in constant touch with the States/UTs for ensuring availability of land to the landless. The Committee appreciate the efforts being undertaken by the DoRD, but despite such efforts the Committee find the pace of reaching a logical culmination to such issue quite slow. The 'need of the hour' is to further press upon the State Machinery with a sense of greater clarity and increased coordination with all the Stakeholders for expediting the mitigation of pendency. Moreover, it has also been submitted that the construction of multi-storey building is being encouraged where the land is scarcely available to mitigate the issue of landlessness to the beneficiaries. Thus, the Committee further reiterate their recommendation and urge DoRD to increase their momentum of persuasive efforts with the concerned States/UTs on 'war footing' and also explore feasibility of construction of multi-storey buildings so as to resolve the issue of landlessness for the ultimate benefit of the poor beneficiaries under the Yojana, who are most vulnerable schemes of rural areas of the country.

VI. Completion of Houses – PMAY (G)

Recommendation (Serial No. 8)

1.21 With regard to the completion of houses-PMAY (G), the Committee had recommended as under:

> "The Committee observe that as against the PMAY- (G) initial target of 2.95 crore houses to be constructed by March, 2025, 2.66 crore houses were constructed as on 22.10.2024 and 29 lakh houses are yet to be completed. An additional target of construction of 2 crore houses in next 5 FYs i.e. 2024-2029 has been approved by the Government. In light of this, the Committee feel that with proper

synergy between different agencies and stakeholders including availability of skilled manpower and material, the target set as well as the intended objective could be achieved. Therefore, the Committee recommend the DoRD to urge the agencies involved to explore all means in order to complete the construction of houses within the target fixed by the Government."

1.22 The DoRD in their action taken reply have stated as follows:

"The Ministry had allocated target of 2.95 crore houses to the States/UTs which were to be completed by March, 2024. The Union Cabinet in its meeting held on 09.08.2024 has approved the continuation of the scheme beyond March, 2024 for 5 more years till March, 2029 for completion of 2 crore additional houses. The houses targeted for completion till 31.03.2024 of the previous phase are also to be completed by March, 2025 as per the Union Cabinet's approval.

It is informed that as on 27.02.2025, 1st installment of assistance has been released for 2.82 crore beneficiaries and 2.69 crore houses are completed and ~26 lakh houses are yet to be completed. These incomplete houses include ~12 lakh houses which are delayed i.e. not completed even after 12 months have passed from date of release of first installment of assistance. An exercise was conducted with the States/UTs to identify the reasons for delay in completion of these houses and it was observed that issues such as landlessness, unwilling beneficiary, misuse of funds by the beneficiary, death of beneficiary without a legal heir, permanent migration, etc. are some of the major reasons for non-completion of the delayed houses.

In view of the above, the Ministry has requested the States/UTs to mark the delayed houses on the AwaasSoft MIS of the PMAY-G in 3 categories viz. (a) Houses which can be completed; (b) Houses which cannot be completed and recovery of funds is possible; (c) Houses which cannot be completed and recovery of funds is also not possible.

Further, the State Level Committee constituted under the chairpersonship of the Chief Secretary of the State/UT has been empowered to take decisions in respect of the incomplete delayed houses. This Committee has been empowered to give recommendations to write off the houses which can never be completed and funds/ assistance cannot be recovered. The Ministry is continuously following up with the States/UTs for completion of the incomplete delayed houses within the set deadlines.

The Ministry is regularly following up with the States/UTs to ensure completion of all pending houses within stipulated timelines."

Further Observations/Comments of the Committee

1.23 The Committee had noted the issue of construction of houses within the stipulated deadlines under PMAY-G was a long standing one and required an

immediate attention without any further delay. In their action taken reply, the DoRD have submitted that as on 27.02.2025, 1st installment of assistance has been released for 2.82 crore beneficiaries and 2.69 crore houses are completed and 26 lakh houses are yet to be completed. These incomplete houses include 12 lakh houses which are delayed i.e. not completed even after 12 months have passed from date of release of first installment of assistance. The DoRD have also conducted an exercise with States/UTs to identify the reasons for delay in completion of these houses and at the same time also requested the States/UTs to mark the delayed houses on the AwaasSoft MIS of the PMAY-G in three different categories viz. (a) Houses which can be completed; (b) Houses which cannot be completed and recovery of funds is possible; (c) Houses which cannot be completed and recovery of funds is also not possible. The Committee appreciate the efforts being undertaken by the DoRD in this regard. However, the Committee still feel that more cohesive approach and proper synergy between all stakeholders is required to achieve the set target as well as the intended objective of the said Yojana. The Committee, therefore, reiterate their earlier recommendation and urge DoRD to pursue the matter at the concerned level more vigorously for completion of all pending houses within stipulated time frame, as providing houses to workers will improve their quality of life and also enhance rate of achievement of the Government.

VII. Increase in Per Unit Assistance under PMAY-G

Recommendation (Serial No. 9)

1.24 With regard to the increase in per unit assistance under PMAY-G, the Committee had recommended as under:

> "The Committee note that the deadline of PMAY-G has been extended to March, 2025 with the target of 2.95 crore houses. An additional target of construction of 2 crore more houses in next 5 FYs i.e. 2024-2029 has been also approved by the Government. All

necessary formalities also reportedly seem to have been completed to ensure that the list of beneficiaries are updated. The per unit assistance under PMAY-G for plain areas is Rs. 1.2 lakh and for hilly areas is Rs. 1.3 lakh which has remained static for a considerable period of time. With rising inflation having detrimental effect on the cost factor associated with the raw material, transportation cost, labours cost etc., constructing a new house of the requisite area under PMAY-G for the poor and needy beneficiary with such assistance amount seem to be an arduous task. The vision "Housing for All" may not achieve its envisaged target until and unless the beneficiaries are provided with proper 'hand-holding' in terms of financial assistance of right value and at right juncture. Moreover, there are instances wherein houses remain incomplete for want of finance and thereby keeping the target lagging. In view of the foregoing, the Committee find it utmost necessary that a review of per-unit assistance be done on priority basis, particularly when the scheme has been extended to March, 2029. Therefore, the Committee recommend the DoRD to revise the per unit assistance under PMAYG through suitable hike in the assistance component for the much-required augmented help to the needy beneficiaries."

1.25 The DoRD in their action taken reply furnished to the Committee have stated as follows:

"The Union Cabinet in its meeting held on 09.08.2024 has approved the continuation of the PMAY-G for 5 more years to construct 2 crore additional houses. The scheme has been approved to continue with existing unit assistance of Rs. 1.20 lakh in plain areas and Rs. 1.30 lakh in North Eastern Region (NER) States and Hill States.

No proposal is under consideration for revision in unit assistance of the scheme."

<u>Further Observations/Comments of the Committee</u>

1.26 Increase in per-unit assistance under PMAY-G which has remained static for a considerable period of time has also been a long-standing demand brought before the Committee on numerous occasions during their deliberations. The Committee resonated with the idea of hike in per unit assistance from the existing Rs. 1.20 lakh in plains and Rs. 1.30 lakh in hilly areas considering the ever-increasing cost of logistics and materials required in the construction of houses by the rural poor. The Committee had also taken note of the fact that the deadline of PMAY-G has been extended to March, 2025 with the target of 2.95 crore houses. An additional target of construction of 2

crore more houses in next 5 FYs i.e. 2024-2029 has also been approved by the Government. Keeping in view this development, the Committee had recommended DoRD to make an upward revision in the per unit assistance being provided to the beneficiaries. Responding to the recommendation, DoRD in their Action Taken Reply have detailed the existing provision under the Scheme and have submitted that at present there is no proposal for revision in unit assistance under PMAY-G. The Committee having gone through the brief response of the Department feel that a genuine demand of the beneficiaries who are facing hard time to construct a house with such meagre assistance amount under PMAY-G has not been addressed. Therefore, the Committee strongly believe that revising and raising the per unit assistance under PMAY-G from the existing Rs. 1.2 lakh/Rs. 1.3 lakh at this juncture could still be a boon for large number of beneficiaries and would help them in completing the construction of their houses at a faster rate. Thus, keeping in view the inflation rate the Committee reiterate their recommendation for the suitable hike in per unit assistance under PMAY-G to help the intended beneficiaries.

VIII. Issue of Down-Tendering

Recommendation (Serial No. 10)

1.27 The Committee note with concern the behaviour of the contractors at the bidding stage to acquire the tender of projects under PMGSY by quoting 25-30% lower amount than the minimum bidding amount. This approach by contractors has a cascading detrimental effect over the quality of construction of roads under PMGSY. This is a strategy which does not augur well for the effectiveness of the scheme. The Committee are of the view that the DoRD should bring out a mechanism at least by which a certain quantum of amount component equivalent to the difference between bidding and actual quoting is kept aside as security and may be released only after ensuring that the constructed road satisfy the stipulated quality norms. The Committee, therefore, recommend the DoRD to entail all measures for curbing the down-tendering in PMGSY and review its provision to incorporate the security component for quality assurance of roads.

Reply of the Government

1.28 Tendering of PMGSY works are done by the respective State governments and they are expected to follow the Standard Bidding Documents (SBD) norms while awarding the PMGSY works. In the interest of the quality of roads being built under PMGSY and for protection against Abnormally Low Bids (ALBs), provisions of taking the additional performance security from the contractor have been made in the SBD. All States have been advised to deal with cases of ALBs as per SBD provisions which are enumerated as under.

(a) Qualification of the Bidder:

To make sure that contractors who are bidding for the works have sufficient backgrounds in execution of good quality works, the following Qualification criteria are laid down in clause 4 of the SBD:

(a) Contractor to provide the aggregate monetary value of civil construction projects executed in each of the preceding five years.

(b) Furnish a record of past involvement in projects similar in nature and scale for each of the past five years. Additionally, include particulars of ongoing or contracted projects, along with endorsements from a relevant authority not lower than the rank of an Executive Engineer or its equivalent.

(c) Present comprehensive information regarding the technical personnel slated for engagement in the project.

(d) Confirm that the contract aligns with the qualifications specified in Clause 4.4 B(b) (ii) of ITB for the construction.

(e) Submit a proposed schedule for construction activities and a Quality Management Plan outlining the anticipated timeline for project completion in adherence to technical specifications and the stipulated completion period.

(b) Additional Bank Guarantee:

As per clause 46, sub-clause 46.1 and 46.2 of the SBD, the Performance Security equal to 5% (five percent) of the Contract Price and additional Security for unbalanced bids shall be provided to the Employer.

(c) Blacklist/Termination of Contract

As per clause 52, sub-clause 52.1 and 52.2 the Employer can terminate the Contract if the Contractor commits a major breach of contract in terms of quality and other contractual commitments i.e. failure to correct a specified defect promptly, non-maintenance of required Security, delaying project completion beyond allowable liquidated damages period and not completing a specified portion of work on time.

It may be noted that SBD already has strict provisions to ensure that good quality contractors are engaged for the execution of PMGSY works; however, the States/UTs have been further advised to ensure strict technical evaluation during the technical scrutiny of bids. While reviewing the quality aspects of PMGSY works, it is ensured that more focus is given to such works which have been awarded at abnormally low rates. Ministry has devised a mechanism whereby special quality checks are conducted for such works by deputing a team of NQMs. All such works are inspected by NQMs. In case abnormally low bids result in poor quality of works, States are advised to take necessary action against such contractor and rectify the works at their cost. As such Ministry has always been actively involved in the implementation aspects of various provisions of SBD norms and necessary instructions are issued as well as hand-holding is undertaken at appropriate levels.

The States are also requested to align their Schedule of Rates (SoRs) with market rates so that the instances of down-tendering are minimized.

Further Observations/Comments of the Committee

1.29 The Committee note that the system of bidding through tenders for obtaining projects for construction of roads under PMGSY is an integral part of the scheme. Thus, the practice of frequent quoting of 25-30% lower than the minimum bidding amount by the contractors for winning the bid, leads to compromise in the quality of construction work resulting in the early 'wear and tear' of the roads. In view of such reported instances, the Committee had recommended the DoRD to entail all measures for curbing the down-tendering in PMGSY and review its provision to incorporate the security component for quality assurance of roads. In the Action Taken Reply furnished by the DoRD, the provisions for protection against Abnormally Low Bids (ALBs) and provisions of taking the additional performance security from the contractor have been made in the Standard Bidding Documents (SBD). The Committee note that the provisions of ALBS, such as those of Qualification of the Bidder, Additional Bank Guarantee, Blacklist/Termination of Contract, etc. laid down in the SBD are more or less adequate. Despite such stringent provision put in place by the Ministry, the Committee during the onsite visit observed the poor quality of construction of roads under PMGSY. The Committee feel that these provisions are meant to be implemented scrupulously at the ground level.

Merely stipulating the provisions alone would perhaps not serve any purpose unless they are being followed in letter and spirit. Therefore, the Committee reiterate the earlier recommendation and further recommend that the DoRD should bring out a mechanism at least by which a certain quantum of amount component equivalent to the difference between bidding and actual quoting is kept aside as security and may be released only after ensuring that the constructed road satisfy the stipulated quality norms.

IX. Quality of Construction and Maintenance of Roads Post-Completion

Recommendation (Serial No. 11)

1.30 The roads constructed under PMGSY at certain sites are not up to the stipulated norms and standards of construction and quality of materials used are compromised, even if they survive five years of the warranty period. Beside this, the effort of constructing quality roads providing rural connectivity gets marred in the aftermath of poor maintenance aspect. The Committee note the concern raised from various quarters that the roads constructed under PMGSY at various places suffer from poor maintenance and start getting degraded before 5 years of warranty. It has been noted that there are provisions for maintenance of the road constructed in the guidelines but same is not strictly adhered. Even the monitoring mechanism of the elaborately laid down principle for the maintenance aspect of roads constructed under PMGSY remains a cause of concern. The Committee note that the two separate issues starting initially with the quality of construction and later the maintenance aspect, both require equally strict regulation and compliance by the Contractors. In view of this scenario, the Committee recommend DoRD to ensure that the quality norms as prescribed under the provisions of PMGSY should not at all be compromised so that the roads built have strong durability. The Committee further recommend the DoRD to ensure due coordination with the Nodal agencies and requisite surveillance for proper maintenance of the PMGSY roads post construction.

Reply of the Government

1.31 Ensuring the quality of PMGSY works is the responsibility of the State Governments, who are implementing the programme. A three-tiered Quality Control mechanism is in place under PMGSY for ensuring the construction of quality road works and durability of road assets under PMGSY including the works undertaken by sub-contractors.

Guidelines to regulate the quality control process have been issued to States from time to time. In order to ensure that people engaged in quality checks are adequately proficient and well trained, NRIDA has been conducting proficiency tests of NQMs, SQMs, PIU, etc. It has been made mandatory for all personnel engaged as

NQM/SQM to pass the proficiency test. Further, their skills are also developed through webinars, and seminars or by sending them to various training institutions, etc.

To strengthen the quality check mechanism, the establishment of a field Lab has been made compulsory. These labs are also to be geo-tagged. Unless these are ensured, no payment is allowed to be made against such roads. Also, a new version of the Quality Monitoring System App has been developed to include e-forms and other initiatives that have strengthened quality monitoring systems. Consequent upon the introduction of e-Marg, payment on account of maintenance to the contractor, during the defect liability period, is made commensurate with the quality of roads maintained by him/her through a performance-based contract management system.

PMGSY roads are constructed by State Governments with a minimum design life of 10 years. As per PMGSY guidelines, the responsibility for their maintenance rests with the State Governments. Initial maintenance during the first five years is governed by contracts signed along with the construction contract, as per the Standard Bidding Document, with the same contractor managing both phases. Maintenance funds required for this period are budgeted by the State Governments and placed with the State Rural Roads Development Agencies (SRRDAs) in a dedicated maintenance account. Following the five-year post-construction maintenance period, PMGSY roads are transitioned to **Zonal Maintenance Contracts**, encompassing maintenance and periodic renewal works in five-year cycles.

To enhance focus on road maintenance during the **Defect Liability Period (DLP)** and streamline routine maintenance processes, the **Electronic Maintenance of Rural Roads (eMARG)** system has been introduced. This system is built on **Performance-Based Maintenance Contracts (PBMC)**, where contractor payments are linked to the road's condition and compliance with predefined performance standards, rather than specific tasks. Payments are based on the maintenance of road structures, cross-drainage works, and traffic assets, ensuring better accountability and quality.

Building on the success of eMARG during the Pre-5-Year DLP, a **Post-DLP eMARG module** has been developed to extend maintenance responsibilities beyond the initial defect liability period. This module covers key activities such as:

1. **Initial Rehabilitation**: Restoring structural integrity and functionality through repairs, overlays, and drainage improvements.
2. **Routine Maintenance**: Addressing minor issues like pothole patching, cleaning, and repainting to prevent deterioration.
3. **Renewal Works**: Periodic resurfacing and surface treatment to extend the road's lifespan.
4. **Emergency Works**: Repairs to address damages caused by natural disasters or unforeseen events.

Moreover, eMARG has been revamped and post DLP maintenance have also been included in the revamped eMARG. Under PMGSY, best performing States are provided with financial incentive money for maintenance of PMGSY roads post DLP. It has been made mandatory to spend incentive money for maintenance of roads through eMARG only. Under PMGSY-III, roads are to be maintained for 10 years by the states and necessary funds are to be provided by them as per MoU entered into with each state. The States are being encouraged and incentivized to undertake maintenance post-DLP through eMARG. In the recently launched PMGSY-IV, many new initiatives are being taken to strengthen the quality of construction.

Further Observations/Comments of the Committee

1.32 Quality of Construction and post construction maintenance of roads under PMGSY are an important issue which has a lasting effect on the performance of the Yojana on ground level. The effectiveness of the yojana primarily depends on the longevity of the roads constructed and their maintenance during the initial and post Defect Liability Period (DLP). Thus, taking into account the two separate nagging issues starting initially with the quality of construction and later the maintenance aspect, both require equally strict regulation and compliance by the Contractors. The Committee had recommended the Department of Rural Development to ensure that the quality norms as prescribed under the provisions of PMGSY should not at all be compromised so that the roads built have strong durability. The Committee further recommended the DoRD to ensure due coordination with the Nodal agencies and requisite surveillance for proper maintenance of the PMGSY roads post construction. However, from the perusal of the action taken reply furnished by the DoRD, the Committee find that an oft-repeated generic response has been submitted by the Department which, primarily, highlights the responsibility of the State Governments for ensuring the quality of PMGSY works as they are the implementing authorities. The reply also enumerates various quality control processes formulated and issued to States from time to time along with the provision of compulsory establishment of field Labs.

Further, as per reply of the DoRD, the States have to follow the eMARG module. Rigorous monitoring of eMARG implementation is being done and extension of 5 years Defect Liability Period (DLP) in the case of poor maintenance of roads has been made mandatory. The Committee while noting the primary role of the States in the implementation of the Yojana, expects that the nodal Ministry play pivotal role in ensuring all the quality control processes so as to ensure that quality of road construction is not compromised and all the theoretical provisions are being implemented scrupulously at the ground level. On the post maintenance aspect, the Committee find the measures taken by the DoRD are in the right direction and firmly believe that such steps need to be consistently followed through without any callousness. Therefore, the Committee while reiterating the recommendation on both the aspect, urge the DoRD to gear up its machinery over monitoring the quality of construction of roads under PMGSY and should also ensure that other States/UTs also follow suit with the same seriousness for ensuring a stricter adherence to the post construction maintenance of roads through the eMARG module.

X. Increased Load-Bearing Roads and Plying of Heavy Vehicles

Recommendation (Serial No. 13)

1.33 In the context of increased load-bearing roads and plying of heavy vehicles, the Committee had recommended as below:

> "The Committee note that PMGSY roads are getting damaged due to the heavy vehicles that ply on them because these are generally low volume roads and were never meant to bear the load of heavy vehicles. In most of the cases, heavy vehicles plying on NHAI roads would also use the PMGSY roads as last mile connectivity to meet the ever-growing needs and expansion of industrial projects to the rural areas as well. The Committee, therefore recommend that the Department of Rural Development should take serious view of this matter and come out with some concrete and effective solution at the

earliest to protect the PMGSY roads from getting damaged by heavy vehicles."

1.34 In their action taken reply to the above recommendation, DoRD have stated as follows:

"The recommendations of the Committee were taken up with Ministry of Road Transport & Highways (MoRTH). MoRTH vide letter dated 19.01.2024 opined that the National Highways network provides arterial connectivity whereas last mile connectivity is invariably provided by State Roads including village roads. Considering this, it is important that while planning road network and its design, area development plans, existing/proposed land use, type & volume of traffic is duly considered by road development authorities. Based on road network requirement; State Highways, Major District Roads, Other District Roads & Village Roads should be designed. It would ensure that the roads are adequately designed for service life and are not damaged due to movement of commercial traffic. The Ministry states that the proposals under PMGSY are appraised for traffic requirements and sanctioned as per IRC, etc. norms accordingly. The PMGSY guidelines also stipulate that States may use District Mining/Mineral funds for construction/maintenance of the roads in convergence model in case of mining areas keeping in view the traffic load of these roads.

This Ministry has further informed that State Authorities are expected to enforce regulations on legal loading of commercial vehicles. The MoRTH has also mentioned that National Highways are also getting damaged in many stretches due to menace of overloading and that Ministry had been making efforts to control this by levying penalty and toll fee and requesting State Governments to enforce provisions of Motor Vehicle Act & rules. The MoRTH also requested MoRD to take up the matter with the State Governments for strict enforcement of Motor Vehicle rules to discourage overloading.

Accordingly, this Ministry has written a letter to all states/UTs asking them to take up the matter with their concerned Transport Departments for strict enforcement of the Motor Vehicle Act & Rules and to discourage overloaded vehicles from plying on PMGSY roads, so that there may not be damage to these roads by such overloaded vehicles"

<u>Further Observations/Comments of the Committee</u>

1.35 The Committee had noted that PMGSY roads are built under such guidelines which do not take into account plying of heavy tonnage vehicles which nowadays cause immense damage to the rural connectivity roads. In this era of modernisation when industrial setups at far flung locales and the construction works of highways often necessitate movement of heavy load

bearing vehicles, particularly those of NHAI to also utilise the roads built under PMGSY. Such heavy vehicles cause irreversible damages to the rural roads under PMGSY. Since, the protection of PMGSY roads from getting damaged by heavy vehicles was of utmost importance, the Committee had recommended the DoRD to come out with some concrete and effective solution at the earliest. However, the DoRD in their action taken reply submitted that it is the responsibility of the District Administration to ensure that plying of heavy vehicles on the PMGSY roads are regulated. In this regard, the Committee, strongly reiterate that all the stakeholders including DoRD need to address such issues promptly and take some sincere and tangible efforts to check the recurrence of such damages to PMGSY roads in future.

XI. Increase in Assistance Amount of Pension

Recommendation (Serial No. 14)

1.36 Increase in assistance amount of pension, the Committee in this regard had recommended as under:

> "National Social Assistance Programme (NSAP) is a 100% Centrally Funded Centrally Sponsored Scheme which has been continued for 15th Finance Commission Cycle (2021-26) also. NSAP caters to 3.09 Crore BPL beneficiaries with a scheme-wise ceiling/cap for each State/UT on the number of beneficiaries (fixed in Nov., 2012 and revised in September, 2022). The amount of assistance aimed for old aged, widows, disabled persons and bereaved families on death of primary bread winner belonging to BPL households, under the sub-schemes of NSAP, i.e. IGNDAPS, IGNWPS and IGNDPS ranges from Rs.200/- to Rs.500/- per month has been a cause of concern to the Committee for a long period of time. The Committee note this amount abysmally low when the cost of living has increased during the last couple of years. The Committee feel that there is an urgent requirement for the upward revision of the social assistance provided under NSAP. The Committee, therefore, again recommend to the DoRD to look into this issue with utmost sincerity and concretize the result on ground level as soon as possible."

1.37 The DoRD in their action taken reply have stated as below:

> "NSAP aims to provide a basic financial support to old age, widow and severely disabled persons. As social security, invalid and old age pensions figure as items 23 and 24 in the Concurrent List (7th

Schedule) of the Constitution, both the Central Government and States/ UTs have the responsibility for working in tandem in rolling out a comprehensive social security framework in the country. Accordingly, the State/UTs are encouraged to provide top up amounts at least of an equivalent amount to the assistance provided by the Central Govt. so that the beneficiaries could get a decent level of assistance. At present, the States/UTs are adding Top up amounts ranging from Rs.50 to Rs.3200 per month per beneficiary under NSAP schemes.

Based on various recommendations/ evaluation studies, the Department submitted the proposal for revamp of NSAP during the 15thFinance Commission cycle. In addition to the proposal for prescribing the criteria for beneficiary identification on the basis SECC (Automatic Inclusion and any two Deprivations), it was also proposed to enhance the minimum pension rate for elderly and widows from Rs.200/- and Rs.300/- respectively to Rs.800/- per month and for the disabled from Rs.300/- to Rs.1000/- per month. For the elderly of 80+ years, it was proposed to be enhanced from Rs.500 to Rs.1200. Further, one-time lump sum amount of Rs.20,000/- on the death of primary breadwinner was proposed to be enhanced to Rs.80,000/-.

The Union Cabinet in its meeting held on 19thJanuary 2022, however, approved continuation of NSAP in its present form. As such, as per the approval, the existing rate of assistance prescribed for NSAP scheme will continue till completion of 15thFinance Commission cycle i.e. up to FY 2025-26."

Further Observations/Comments of the Committee

1.38 The prevalent assistance amount to the tune of Rs. 200/- to Rs. 500/- per month under the different components of the National Social Assistance Programme (NSAP) is extremely meagre and demands for its revision had been made from long back. In the present instance, the reply submitted by the DoRD have clearly expressed their inability in carrying out revision of the scheme in wake of the decision taken at the highest level in Government to continue with the existing system. The Committee note the response and also take into account the submission regarding the top ups made by the State Government ranging from Rs. 50/- to Rs. 3200/- per month per beneficiary under the NSAP schemes. Acknowledging the fact, the Committee are still of the view that NSAP Being a 100% Centrally Funded, Centrally Sponsored

Scheme which caters to 3.09 crore BPL beneficiaries merits a revision at the central stage also so that the base assistance amount gets increased for providing further relief to the beneficiaries of this scheme. The Department need to relook at their stand and should not rely at the discretion of States for the success/progress of their scheme. In view of this, the Committee reiterate the earlier recommendation and make a strong appeal to the DoRD to review its stand and once again explore the feasibility of revision of assistance given under NSAP for helping the most vulnerable sections of the society to resolve their multiple problems.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1)

2.1 The Ministry of Rural Development have been entrusted with a huge responsibility of implementing and overseeing various schemes of the Government of India which are aimed at the upliftment of rural masses of the country. It becomes imperative on the part of the Department of Rural Development to ensure that the visionary flagship schemes of the Government of India are not left in the lurch for want of funds for proper implementation. The Committee note that the funds allocated at RE stage of 2023-24 was Rs.1,71,069.46 crore but the actual expenditure was Rs.1,50,154.64 crore which is 13.93% less than the funds at RE stage of 2023-24, which shows that schemes could not be implemented as envisaged by the Government for the benefits of the people. Non-utilisation of allocated funds means that deprivation of the targeted people from availing benefits from the scheme, and the same could have been meaningfully utilized for the other scheme where funds were direly needed. The Committee appreciate that there is an increase of 43.33% budgetary allocation under MGNREGA for 2024-25, however funds for other major schemes like PMGSY and NSAP, by and large is kept static. The role of the Department of Rural Development is very vital for the holistic development of rural areas of the country and for that purpose adequate budgetary allocation is necessary for sustainable momentum of the important schemes. The Committee hope that BE of Rs.184566.19 crore for 2024-25 which is 17.15% more than the BE of 2023-24 would be fully utilized for the rural development schemes as conceived by the Government in order to extend benefits to the targeted persons.

Reply of the Government

2.2 PMAY-G: - The BE 2024-25 is Rs. 54500.14 crore, was proposed for construction of 40 lakh houses in FY 2024-25 in anticipation of an enhanced unit assistance of Rs. 2 lakhs in plain areas and Rs. 2.20 lakhs in IAP districts/Hilly/ North Eastern States and difficult areas along with the requirement of liability of interest repayment for NABARD loan for the year 2024-25 under PMAY-G.

However, Union Cabinet in its meeting held on 09.08.2024 has approved the continuation of the PMAY-G for 5 more years to construct 2 crore additional houses with existing unit assistance of Rs. 1.20 lakh in plain areas and Rs. 1.30 lakh in

North Eastern Region (NER) States and Hill States. Accordingly, excess funds are surrendered at RE stage.

Out of RE of 32,426.33 crore, expenditure of Rs. 25,719.26 crore has been reported under the scheme as on 27.02.2025.

PMGSY: The allocation/release of funds to the States for implementation of PMGSY is made based on the fund release proposals received from the States/UTs and depends, inter-alia on works in hand, execution capacity of the States/UTs, and unspent funds available with the States/UTs. Quarterly and Monthly Action Plans are chalked out in advance after proper consultation with States/UTs and in pursuance of the guidelines of MoF. In addition, the States are regularly followed up for requirement of funds. Under PMGSY there is an unbroken chain of funds release and no work has been affected due to a shortage of funds.

The revised estimate of PMGSY for FY 2024-25 is Rs.14,500 crore. This amount along with the corresponding State share would be enough to meet the expenditure on PMGSY works to be carried out by States/UTs during the FY 2024-25.

DAY-NRLM: As far as DAY-NRLM is concerned, BE for the year 2024-25 has been increased to Rs.15047.00 Crore from the BE 2023-24 of Rs.14129.17 Crore. This Division is closely monitoring the expenditure during the current financial year. Annual Action Plans for the year 2024-2025 of all the States/UTs has been approved by this Ministry and quarter-wise physical targets to be achieved during the financial year 2024-2025 has also been finalized and being monitored. This quarter-wise physical targets set to be achieved will aid to booking of expenditure on time and claim further installment from Ministry.

During the current financial year, the programme activities affected due to the General election during initial period. However, the programme activities have now picked up momentum in the States, hence, it is expected the entire amount of budget provision for the current year will be utilised.

DDU-GKY Skills: The RE for DDU-GKY during 2023-24 was Rs. 383.71 crore. DDU-GKY is a demand driven scheme and due to higher demand of grants from States in FY 2024-25, hence, fund allocated for DDU-GKY for FY 2024-25 was increased to Rs.500 crore.

NSAP: The total approved budget outlay of NSAP for five years (from 2021-22 to 2025-26) i.e. up to 15th Finance Commission cycle is Rs. 47,808.31 crore. The budget allocation for 2023-24 was Rs. 9636.31 crore at BE stage which was kept at Rs. 9652.00 crore at RE stage in which an amount was Rs. 9491.11 was released till 31.03.2024. The Budget allocation for 2024-25 is Rs. 9652.00 crore and an amount of Rs.6536.81 crore has been released till 08.01.2025 and as per the trend it is expected to utilize the allocated budget by March, 2025.

DISHA: The primarily objective of the District Development Coordination and Monitoring Committees (DISHA) is to monitor the implementation of the programmes/Schemes of Central Government. According to Para 6 of the DISHA guidelines, the State-Level DISHA Committee must hold meetings at least once every six months, while the District-Level DISHA Committee must hold meetings at least once per quarter. Funds are released for the reimbursement of amounts claimed by the State Government and DRDA or Zila Panchayat as per Para 8 and Para 9 of the guidelines for State-Level and District-Level DISHA Committees respectively, based on actual expenditures incurred, subject to an overall ceiling of Rs. 3.0 lakh and Rs. 2.0 lakh per meeting, respectively.

Further, the under-utilization of funds in DISHA Division is primarily due to non-submission of bills with all relevant documents by NISG, delayed submission of bills for DISHA meetings by States/UTs, lower number of meetings conducted by State/UTs than required and a shift in the payment structure for the salaries of DISHA PMU personnel. Previously, salaries of DISHA PMU personnel were made to the National Institute for Smart Governance (NISG) under Budget Head 2515-00-800-25-04-28 by the DISHA Division. However, following the termination of the contract with NISG, w.e.f. 31.03.2024, the responsibility for managing the salary component of the DISHA PMU has been transferred to the IT Division under the same Major Head, *Management Support to Rural Development Programme* (MSRDP).

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 2)

2.3 The presence of unspent balances in almost all the schemes of the DoRD is one of the major concerns of the Committee. The Committee note with concern that Rs.6,000.35 crores in MGNREGA (as on 23.10.2024), Rs.3,346.86 crores in PMGSY (as on 24.10.2024), Rs. 3,062.12 crores in NRLM (as on 30.09.2024), Rs. 1,469.91 crores in DDU-GKY (as on 18.10.2024), Rs. 7,500.34 crores in PMAY-G (as on 23.10.2024) and Rs. 4,857.26 crores in NSAP (as on 21.10.2024) lie unspent. The Committee, although note the various constraints being faced and measures adopted by the DoRD in tackling and mitigating the issue of unspent balances are still in a quandary on the meagre increase in fund allocation for the Department on one hand, existing pendencies in schemes like MGNREGA as reflected through wage and material component liabilities or delay in installment releases in PMAY-G on the other hand underutilization of allocated funds. The Committee opine that allowing unspent funds allocated for various schemes despite the invariable constraints faced by the Department is not going to help in the development of rural poor people as envisaged by the Government. The Committee therefore strongly recommend the DoRD to take appropriate and effective steps so that unspent balances do not keep piling up regularly for various schemes and it should gear up its mechanism for proper and effective implementation of all the development schemes/programmes for the welfare of poor and marginalized section of the rural populace across the country.

Reply of the Government

2.4 MGNREGA: Mahatma Gandhi NREGS is a demand-driven wage employment Scheme .Funds release to the States/UTs is a continuous process depending upon the demand on the ground .Funds released towards Material & Admin component of the programme particularly in the terminal month of the financial year becomes unspent balance in some States, due to delayed availability of funds to the State Govt .through RBI, subsequent delay in release by State Finance Department to Bank Account of Implementing Agency at State, some technical issues come up during the fund transfer order generation at field or administrative issues at field. The ministry adjusts such unspent balance, if any, at the time of subsequent releases in the beginning of next financial year .Ministry ensures the liquidation of last release prior to the subsequent release.

From the FY 2022-23, if the unspent balance is more than 25 %of the total of Central release and State share, in such a situation, no further Central funds are being released to the State/UTs. Further, Ministry of Finance has introduced SNA SPARSH mechanism for the release of Material/Admin components of Mahatma Gandhi NREGS to various States/UTs, which will further improve the situation in the following financial years.

PMAY-G: Liquidation of Unspent balance has an indirect impact in progress of the scheme. To minimize the Unspent Balances & ensuring better implementation of the scheme, the following steps are being taken by this Ministry

i. Micro monitoring of house sanction and completion using latest IT tools and technologies.

ii. Continuous review at the levels of Secretary/ Deputy Director General level.

iii. Focus on completion of those houses where 3rd or 2nd installment of funds has been released

iv. Separate review of States with high target, poor performing States and delayed houses

v. Timely release of funds as per requirements of States/UTs.

vi. The Aadhaar Based Payment System (ABPS) has been integrated with PFMS by linking the beneficiaries' Aadhaar numbers with their bank accounts and other financial details in the PFMS database. This allows for a seamless flow of funds from the government to the beneficiaries through ABPS.

PMGSY: PMGSY is not a DBT module scheme. Under PMGSY, funds are released to States as an advance against the Value of Projects (VoP) sanctioned. As such some amount of funds will always remain with the States. However, to avoid parking of funds, further funds are released to states only when they spend 75% of the previously released funds. The same is tracked through PFMS and fully ensured. Further, the Ministry of Finance has issued fresh guidelines for releasing the funds against expenditure to be called "Just in Time" release through SNA-SPARSH. Once this is fully implemented, the funds will be released against the expenditure and no amount will be available in the bank account of the State/UT. At the beginning of the year, a Mother Sanction will be issued indicating the drawing limit of each state/UT which can be revised upward and downward depending upon the funds flow. The actual release will take place against the bills pushed on PFMS by the State Finance MIS portal called "Integrated Financial Management and Information System (IFMIS). In this scenario, no unspent balance will be available with states. Upon on-boarding on SNA-SPARSH, the unspent balance available in the account of the state nodal account will have to be returned in the Consolidated Funds of India/State/UTs in the proportion of existing funding pattern based on the pre-defined Standard Operating Procedure. Some States like Assam, Rajasthan, and Chhattisgarh have already on-boarded and others will also follow suit very soon.

DAY-NRLM: With the implementation of guidelines on "Procedure for Release of funds under the Centrally Sponsored Schemes (CSS) and monitoring utilization of the funds released" by Ministry of Finance, Government of India (GoI), each installment is now limited to 25% of the allocation and proposal for next installment can be raised only on spending of 75% of the available funds including State Share. In case State share is not released, proposal for next installment cannot be processed. All the sub-schemes of DAY-NRLM have been on-boarded at PFMS platform in all states and all the expenditures is being done through PFMS. This enhances transparency in transfer of fund and unspent balances at all levels.

In addition to the above, this Division rolled out a new electronic fund management system namely e-FMAS (e-Financial Management and Accounting System) through which expenditure position of the State can be monitored daily. It will help this Division to monitor State-wise expenditure and unspent balance position more vigilantly and guide lagging States for timely utilization of funds.

Further, to control the unspent balance, Finance Review Meetings are held with States to review the progress of the expenditure and resolve any impediments in smooth flow of funds and pace of expenditure. Performance Review Meetings with the States are also held regularly at highest level under the Chairmanship of Secretary (RD) which are attended by the Additional Chief Secretaries/Principal Secretaries of all States.

It is also pertinent to mention that this Division is also in process to implement SNA-SPARSH model in the States to comply the principle of 'just-in-time' release. Once, the implementation of SNA-SPARSH completed with all the States, there may not be any unspent balances with the States.

DDU-GKY Skills: DDU-GKY has 3-year Action Plan as the minimum project duration. Funds are not released annually but only when there is a demand for the same.

Unspent Balances include State Share, Interest earned and miscellaneous receipts under the scheme.

The unspent balance lying with the States/UTs under DDU-GKY as on 15.02.2025 was Rs.1313.43 crores as compared to Rs.1469.91 crores in DDU-GKY as on 18.10.2024 indicating reduction in unspent balances.

However, to reduce the float following action have been taken:

- Detailed forecasting of funds requirement
- 75% expenditure before release of next tranche
- Further under DDUGKY, Implementation of SNA-SPARSH is under process which will resolve this issue to a great extent.

Monthly review of balances at State level.

NSAP: The actual expenditure under BE 2024-25 of NSAP schemes as on 08.01.2025 is Rs. 6536.81 crore and as per the trend of expenditure the balance unspent amount of Rs. 3115.19 is expected to be utilized by March, 2025. The unspent balance reported for NSAP in the current year is mostly the recent releases made to the States/UTs. As regards unspent funds with States/ UTs, there is an inbuilt mechanism of monitoring unspent balances with States/UTs in NSAP guidelines where the unspent balance is reduced from the first installment to be released to States/UTs. Now, since grants are released in four tranches of 25% each on reporting expenditure of 75% of earlier released funds instead of two installments of 50% each on reporting 60% expenditure, the issue of parking of funds has been mitigated. Besides, since pension is released by most of the States/UTs on monthly basis, the possibility of building up of unspent balance with States/UTs has significantly reduced.

DISHA: The actual expenditure under DISHA as on 13.02.2025 is Rs.0.71 crore which is 7.47% of RE (Rs.9.50 crore). The variations of BE/RE and actual expenditure are primarily due to delayed submission of bills for DISHA meetings by States/UTs and lower number of meetings conducted by State/UTs than required. In addition, the payment for the salaries of DISHA PMU personnel were previously made to National Institute for Smart Governance (NISG) by DISHA Division. However, following the termination of contract on 31.03.2024 with NISG, the salaries of DIHSA PMU personnel are made by IT Division.

NIRD&PR:

Release of grant to SIRDs/ETCs: It is mentioned that fund is released to the SIRDs/ETCs under the scheme MSRDP and SDPP as per the demand received from them. Till FY 2023-24 funds were released to the SIRDs/ETCs based on individual proposals received from SIRDs/ETCs, however from FY 2024-25 onwards a training portal has been developed to receive the composite proposal from SIRDs/ETCs i.e. Single proposal from one state. Due to change in the pattern of release of grants, funds could not be released in the first two quarters of the FY 2024-25. However, efforts are being made to release funds in the remaining quarters. From FY 2025-26 onwards, funds will be released in timely manner as a result of the development of training portal.

Release of grant to NIRD&PR: Grant is released to NIRD&PR under two heads i.e. General and Salary. Grant is released as per the requirement/demand received from the institute.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 12)

2.5 The Committee note that one of the issues associated with the rural connectivity projects through linkage of habitations with roads came to the fore was that of roads reaching the hinterland quite far away from the actual population density. The Committee further note that in various cases, the roads touch the periphery of villages and get counted in the achievement of target for connecting habitations but in actual the habitation residing in majority lies at least 2-3 km inside the periphery. This defeats the purpose behind habitation linkage and many needy villages especially, Majras/Tolas are not getting the benefit of connectivity. The Committee, therefore, in view of this practical need recommend the DoRD to review the policy of road connectivity more accurately and create means so that the roads constructed under PMGSY actually reach the habitation and are not merely touching the outskirts of villages.

Reply of the Government

2.6 Under the newly launched PMGSY-IV, provision has been made that while connecting a habitation, the nearby government educational and health institutions, market and growth centres should be connected as far as feasible with the all-weather road for the benefit of the rural masses.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 15)

2.7 Self-Help Groups (SHGs) under the scheme of DAY-NRLM are a boon to the rural women who work together for means of livelihoods. However, the Committee note that the women of SHGs may be better served in terms of generating revenue for their livelihoods if products prepared by them like dairy products, agriculture, handicrafts etc. have a proper platform for their marketing and income generation. Various efforts like organisation of Saras Fairs, Saras Gallery and tie-ups with national ecommerce platforms like Amazon, Flipkart, Meesho and JioMart have been taken for marketing of the SHG products. The Committee would like to be apprised of the status of such efforts along with the revenue generated by the SGHs.

Reply of the Government

2.8 The Ministry of Rural Development has undertaken various steps for the enabling marketing access for SHG products. These initiatives include providing multichannel market access to SHG's i.e.:

National Saras Mela organised in FY 2024-25

Saras Melas	Sales
Saras Mela Gurugram	12,30,25,216
Saras Mela IITF, New Delhi	8,42,11,743
Saras Food Festival, New Delhi	2,64,88,171

ii. **A retail store – Saras Aajeevika Gallery** is set up in Central Delhi for sale of curated products of women SHG. The details are as under:

Saras Gallery	
Particulars	Sales (in Cr) from inception (December 2021) till 31 December 2024
Order value of the products sold (in Cr)	5.54

iii. **Dedicated eCommerce platform** eSARAS for selling of curated SHG products have been made available on Google Play and App Store. The details are as under:

Particulars	Sales (in Lakhs) from inception (June 2022 till 31 December 2024

eSARAS Platform	**16.73**
Other platforms (GeM, Amazon, Flipkart, Meesho & JioMart)	**19.35**

iv. **eSARAS - ONDC Compliant**

eSARAS was made Seller Network Participant on ONDC. Curated products of women SHGs are now available on 11 Apps of ONDC network i.e. Paytm, Mystore, Craftsvilla, Jagran, Snapdeal, Novopay, Easypay, Gonuclei, Rubaru, Mappls, Himira. As on date 75 orders have been received through ONDC platform.

v. **Tie-ups/ partnership with other eCommerce players** i.e. GeM, ONDC, Amazon, Flipkart, Meesho and JioMart have been established. The details are as under: -

	Sellers On-boarded	No. of products on-boarded	No. of Orders	Total Sales since inception
Amazon	138	3,456	10,401	13,59,214
Flipkart	145	2,803	5,192	14,42,016
Meesho	84	300	85	33,708
GeM	130	1,124	90	4,95,600
JioMart	31	1,121	101	35,518

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 16)

2.9 Time and again, the Committee have taken note of the casual conduct of District Development Coordination and Monitoring Committee (DISHA) Meetings. The sole aim of such meetings is overseeing the effective utilisation of Government money for the welfare of the commons masses and as such these meetings assume paramount importance and a tool of great value in the implementation of various rural schemes. However, the purpose for holding such Meetings is defeated with the non-appearance of responsible Officials at the helm of affairs, in lieu thereof, junior officers with no knowledge of the projects attending such DISHA meetings has become the order of the day. As on 21st October, 2024, only 135 meetings at District Level are conducted while no meetings at the State level have been conducted for the year 2024-25. The Committee therefore, implore upon DoRD to take serious note of this approach of District Development and Monitoring officials in the matter and ensure that the Meetings of DISHA Committees are held regularly as per the guidelines and also sufficient number of senior level representatives from the concerned Department is present there in these committees.

Reply of the Government

2.10 Recognizing the critical importance of DISHA, this Ministry is persistently working to ensure that these meetings are convened on regular basis. All the States/UTs have been requested to take necessary actions and to instruct the relevant Member Secretaries to ensure timely convening of the District Level DISHA meetings. A Help Desk has also been established in the Ministry that persistently follows up the matter with respective District Administrations about overdue DISHA meetings through mails, message services and phone calls. As a result, the frequency of DISHA meetings has improved. During 2024-25 total of 462 meeting held at District Level as on 12/02/2025.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 17)

2.11 With a view of developing 'Adarsh Grams' which would serve as models for other villages to follow, the Members of Parliament were directly involved in Saansad Adarsh Gram Yojana (SAGY) that was launched on 11 October 2014. Noseparate funds were allocated for SAGY, instead a new approach was mooted under which the on-going development schemes would be implemented on priority basis, through convergence, in the adopted villages under SAGY by the local MPs. However, the Committee are concerned to witness the sorry state of affairs being faced by the MPs who have adopted the villages under SAGY but are not able to see any prioritized implementation of development schemes in the concerned villages. For some reason or other, the real intent and efforts of the MPs are not translated into a holistic development of the villages under SAGY. Primarily, there is an urgent need to carry out convergence/implementation of Schemes at ground level on priority basis. The nodal agencies not only need to be adequately sensitized for providing desired impetus to the development of SAGY villages. Therefore, echoing the sentiments of MPs, the Committee recommend the DoRD to ensure priority-based implementation of Rural Development Schemes in the SAGY villages effectively.

Reply of the Government

2.12 SAGY is a 100% convergence-based scheme without allocation of any funds for developmental projects undertaken under the scheme. Resources for SAGY projects are mobilized from the funds available under Central & State schemes, CSR funds and Member of Parliament Local Area Development Scheme (MPLADS) fund & Member of Legislative Assembly Development Scheme (MLALAD) Fund. The Ministry, however, provides administrative support to States/UTs for monitoring the implementation process of SAGY under "Management Support for Rural Development Programme" (MSRDP). For smooth convergence of Central & State Schemes following actions were taken:

i. The Ministry has brought out a compilation of 127 Central Sector and Centrally Sponsored and 1806 State Schemes for convergence under SAGY. This document serves as a ready reckoner especially for the Members of Parliament, District and Village level officials about the different schemes for possible convergence at the GP level. This document is available on SAGY website (saanjhi.gov.in) and is updated periodically.

ii. 26 Schemes of 17 Ministries of Government of India have been amended / appropriate advisories have been issued to accord priority to SAGY in respective schemes.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Recommendation (Serial No. 18)

2.13 The Committee are of the view that the grass-root experience of MPs can be much better utilized in the implementation of the Schemes, if they are actively involved in the consultative capacity. Being the Elected Representatives, the Hon'ble MPs represent the sentiments and ethos of local population and their grass-root experience can be used in an extremely efficient manner in the implementation of various schemes of the DoRD. The Committee also feel that utilising the wealth of local knowledge in various aspect of the different schemes would help in strengthening and enriching the policy formulations and implementation of the schemes. The Committee desire that inspecting teams, DPR preparation teams, etc. should invariably avail the benefits of the inputs from the local MPs to have a real picture of the issues concerning that locality. In view of such scenario, the Committee recommend the DoRD to review its consultative mechanisms in such a way that MPs are mandatorily kept in the loop of advisory set-ups for the effective implementation of the schemes.

Reply of the Government

2.14 **MGNREGA:** The Ministry of Rural Development extends its gratitude to the Standing Committee for their invaluable guidance and constructive feedback on the consultative mechanism under the Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS). The recommendations of the Standing Committee have been noted.

PMAY-G: Under the PMAY-G, the role of the Members of Parliament (MPs) is already defined in the existing Framework For Implementation (FFI) of the scheme. The FFI of the PMAY-G provides important role in the implementation and monitoring of the scheme for the MPs. According to the provisions, the district DISHA committee headed by the MP will also monitor the progress and implementation of PMAY-G. The State Governments/ UT Administration are required to extend all support to these committees in monitoring implementation of PMAY-G. For some major activities of the PMAY-G such as workshops organised to sensitise the beneficiaries, 'GrihPravesh' programs, organised on Awaas Diwas of PMAY-G, the MPs are invited to attend the functions. The Ministry has time and again reiterated the provisions of the scheme guidelines related to the role of the MPs, to the States/UTs.

PMGSY: The PMGSY has inbuilt provisions for consultations with the Public representatives and an advisory has been issued time and again to the State Governments/UTs to meet the provisions of the programme guidelines. Special provisions have been made in the newly launched programme guidelines of PMGSY-IV for consultation with the Public representative before the preparation of DPRs. In the meeting held with States and in the Workshops held in various locations for rolling out of PMGSY-IV, this issue has been explained in detail to State functionaries.

DAY-NRLM: The Standing Committee's recommendation on the involvement of Members of Parliament (MPs) in the consultative processes for the implementation of schemes is appreciable.

While the grassroots experience and local knowledge that MPs bring to the table is significant, the Ministry of Rural Development has established structured and robust consultative mechanisms for the implementation of the National Rural Livelihoods Mission (NRLM) and other schemes. These mechanisms are designed to ensure that the schemes are implemented efficiently, with inputs from relevant stakeholders such as state and district officials, field experts, and technical support agencies, and other voluntary organizations.

The DAY-NRLM scheme is effectively implemented through the State Rural Livelihoods Missions (SRLMs), which are responsible for the on-ground execution and monitoring of activities. The SRLMs work closely with local institutions and communities, ensuring that the program is tailored to the unique needs of each area.

Hon’ble MPs are actively engaged through other forms of communication, which allows their feedback to be considered via appropriate channels.

DDU-GKY Skills: The Scheme of Rural Skills Division namely Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and Rural Self Employment Institutes (RSETI) both are covered under DISHA and the same is being monitored at District level by Hon’ble Member of Parliament.

Regular inspection teams go as National Level Monitors (NLM) and for Common Review Mission (CRM) on periodic basis and coordinating division may take suitable action regarding Local MPs of the visit, as per availability and requirement.

NSAP: NSAP provides basic level financial assistance to most vulnerable category of citizens identified by States/UTs and assistance under the scheme is disbursed through the State Governments/UT Administrations. Review of implementation as prescribed in terms of NSAP Guidelines is done through Nodal Officers’ Meeting, Periodic Performance Review Committee (PRC) Meetings, National Level Monitors (NLMs), etc., NSAP Guidelines also provides for constitution of State Level Committee’s for monitoring & evaluation of NSAP Schemes. States/UTs are advised in this regard from time to time.

In addition, monitoring of implementation of NSAP is also done by DISHA (District Development Coordination & Monitoring) Committees, which have been functioning at State Level (State Level DISHA Committee), and District Level (District Level DISHA Committee). DISHA seeks to achieve this by facilitating a quarterly review of all development activity at the district level. Senior most Member of Parliament (Lok Sabha) elected from the district and nominated by the Ministry of Rural Development chairs DISHA Committee.

DISHA: District Level DISHA Committees have been re-constituted for 785 districts recently under the chairmanship of Hon’ble Member of Parliament with a view to fulfil the objective of ensuring better coordination among all the elected representatives in Parliament, State Legislatures and Local Governments (Panchayati Raj Institutions, Municipal Bodies), in monitoring the progress of major projects aimed at socio-economic transformation at the district level. Through this unique dispensation, inter alia, following are the key objectives envisaged to be achieved:

- Intensively monitor identified key central sector programmes and schemes.
- To oversee that identified priorities get needed focus.
- Ensure adherence to the guidelines associated with the Programme/Scheme.
- Facilitate coordinated solution to remove implementation constraints.
- Identify gaps and suggest mid-course correction.
- Ensure timeliness in delivery of social sector initiatives aimed at universal coverage.

The Guidelines of District Level DISHA Committee provides for organization of DISHA meetings at least once in every Quarter. Department actively pursue with the State Governments and district administrations to convene meetings.

Similarly, State Development Coordination and Monitoring Committees also have been constituted under the chairpersonship of Chief Minister to attend to the matters which need to be resolved at the highest level in the State. Recently Ministry of Rural Development has nominated 186 Hon'ble Members of Parliament (127 from Lok Sabha and 59 from Rajya Sabha) as member for 36 State level DISHA Committees. The Secretary, Department of Rural Development in the State/UT is designated as Member Secretary of the Committee. As per DISHA guidelines, meetings of the State Level DISHA Committees should be held at least once every six months.

The Schemes/ Programme under implementation of Department of Rural Development are covered under above said State/ District Development Coordination and Monitoring Committee (DISHA).

SAGY: It has been desired by committee that MPs are mandatorily kept in the loop of advisory set-ups for the effective implementation of the schemes. As regard, SAGY is concerned, the inputs may be as follows:

(i) **Selection of SAGY GPs:**

The MP would be free to identify a suitable Gram Panchayat for being developed as Adarsh Gram, other than his/her own village or that of his/her spouse. Primarily, the goal was to develop three Adarsh Grams by March 2019 and five such Adarsh Grams (one per year) by 2024. The identification of Gram Panchayats under SAGY by the Hon'ble MPs was monitored phase-wise in 8 phases up to 2023-24. Now the selection of new GPs under SAGY has already completed on 31st March, 2024. However, the implementation of VDPs of the existing GPs identified by Hon'ble MPs under SAGY till March 31, 2024, is in progress.

(ii) **Preparation of Village Development Plan (VDP) of SAGY:**

The Gram Panchayats adopted under SAGY through a participatory process under the guidance of Hon'ble Members of Parliament prepare Village Development Plans (VDP) containing prioritised time-bound activities to achieve holistic progress of the village through convergence of resources.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE

IN VIEW OF REPLIES OF THE GOVERNMENT

NIL

(Department of Rural Development O.M. No. G-20011/3/2021-B&A dated 07.06.2023)

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 3)

4.1 An oft repeated concern of the Committee pertaining with MGNREGA has been that of increase in wage rate. Despite several recommendations in this regard, there has been no noticeable change in the stance of DoRD. While DoRD has always been sending stereotype response regarding revision of wages every financial year, but realistically, the quantum of revision, in all earnest, merits a relook. Rising inflation and cost of living, be it is urban or rural setting, has risen manifold and is evident to all. Even at this moment, going by the notified wage rates of MGNREGA, per day wage rate of around Rs. 200/- in many States defies any logic when the same State has much higher labour rates. It becomes inexplicable as to why the wages under MGNREGA still can't be linked to a suitable index commensurate with the existing inflation. Aware of the demand of increase in wages under MGNREGA from various quarters, the Committee urge DoRD unequivocally to revisit their stand and devise a mechanism for raising the wages under MGNREGA.

Reply of the Government

4.2 "As per Section 6 (1) of Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may by notification, specify the wage rate for its beneficiaries. Further, section 6 (2) of the Act, provides that until such time a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum wages Act, 1948 for Agricultural Labourers shall be considered as the wage rate applicable to that area. Accordingly, as per provision of Section 6(2) of the Act, from the inception of the scheme till the financial year 2010-11, the wage rate in Mahatma Gandhi NREGA was determined on the basis of the minimum wage set by the respective State Governments. However, from the financial year 2011-12, the Government of India started determining the wage rates using the Consumer Price Index for agricultural labour (CPI-AL).

To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year, based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different States/UTs as notified by Labour Bureau Shimla. If the calculated wage rate of any State/UT is coming lower than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The wage rate is made applicable from 1st April of each financial year. The overall % increase in wage rate for FY 2024-25 from the FY 2023-24 is about 7 %.

However, each State/UT can provide wages over and above the wage rate notified by the Central Government."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.8 of Chapter I of the Report)

Recommendation (Serial No. 4)

4.3 One of the main areas of concern that has always attracted the attention of the Committee is that of the existing disparity between the wage rate assured under MGNREGA in different States/UTs. It is still beyond comprehension as to how is it possible that a single scheme having the provision of giving hundred days of guaranteed work to poor people in rural areas can have different yard- stick when it comes to the payment of wages across the length and breadth of the country. The Committee further observe that as per clause (d) of Article 39 of the Constitution directing certain principles of Policy to be followed by the State provides that there is a provision of equal pay for equal work for both man and woman. Hence under the directive there cannot be different wages for different States under the MGNERGA. In view of Article 39 of the Constitution and to have parity in wages, the Committee strongly recommend that MGNREGA beneficiaries must be paid wages without any disparity in order to bring equality in wages under MGNREGA across all States/UTs urgently.

Reply of the Government

4.4 "As per Section 6 (1) of Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may by notification, specify the wage rate for its beneficiaries. Further, section 6 (2) of the Act, provides that until such time a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum wages Act, 1948 for Agricultural Labourers shall be considered as the wage rate applicable to that area. Accordingly, as per provision of Section 6(2) of the Act, from the inception of the scheme till the financial year 2010-11, the wage rate in Mahatma Gandhi NREGA was determined on the basis of the minimum wage set by the respective State Governments. However, from the financial year 2011-12, the Government of India started determining the wage rates using the Consumer Price Index for agricultural labour (CPI-AL).

To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year, based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different States/UTs as notified by Labour Bureau Shimla. If the calculated wage rate of any State/UT is coming lower than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The wage rate is made applicable from 1st April of each financial year. The overall % increase in wage rate for FY 2024-25 from the FY 2023-24 is about 7 %.

However, each State/UT can provide wages over and above the wage rate notified by the Central Government."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.11 of Chapter I of the Report)

Recommendation (Serial No. 5)

4.5 A demand driven scheme such as MGNREGA having a statutory status and aimed at securing some sort of livelihood for the destitute and marginalized having no other 'fall back options' is defeated in its intent in the wake of pendency of payment of Rs.7,056.32 crores (as on 23.10.2024) against the material component. While the pending wages are confined to a few States, the material share is spread across the States. The Committee feel that both the aspect of MGNREGA, i.e. a demand driven nature of the scheme and creation of assets under the scheme are severely hampered through such pendencies. Any administrative or procedural lapse causing delays in wage payments and material fund release in the context of a scheme of such enormous proportion like MGNREGA which caters to the nook and corners of the country and has millions of beneficiaries enrolled as job card holders would only deter the needy person from availing the benefits of the scheme. Therefore, the Committee recommend DoRD to spruce up its financial management of the scheme and tighten their grip on the fallacies that may have crept in the implementation of MGNREGA at ground level for the earliest eradication of pendencies in wages and material components.

Reply of the Government

4.6 "Under Mahatma Gandhi Mahatma Gandhi NREGS, wage payments are directly credited by the Central Government to the account of beneficiaries through the Direct Benefit Transfer protocol.

With the regard of material, States/UTs furnish funds release proposals to Government of India. The Ministry releases funds periodically in two tranches with each tranche consisting of one or more installments, keeping in view the "agreed to" Labour Budget, demand for works, opening balance, pace of utilization of funds, pending liabilities, overall performance and subject to submission of relevant documents by the States/UTs.

Fund release to the States/UTs is a continuous process and Central Government is committed in making funds available to States/UTs for the implementation of the Scheme as per the demand for work on the ground. This Ministry regularly interacts and follows up with States/UTs Government regarding timely submission of prescribed documents in order to avoid delay in release of funds for the implementation of scheme.

Periodic communications based on expenditure projections have been made to the Ministry of Finance for making sufficient provisions under revised estimates 2024-25 and budget estimates 2025-26."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.14 of Chapter I of the Report)

Recommendation (Serial No. 6)

4.7 The Committee view the demand for increase in number of days from 100 to 150 not only beneficial for the needy but also for the aim of the Scheme regarding creation of durable assets as it would provide continuity of same experienced workforce on a project for a longer time. Although the State Governments may make provisions for additional days, still the Committee are of the firm view that the mandatory increase in number of guaranteed days should be brought about by the DoRD by moving an amendment in the Act in order to make it applicable for the entire country, so that the demand of needy beneficiaries may not hinge upon the will of the State Governments. Therefore, the Committee recommend for increase in number of days of work sought under MGNREGA from 100 to 150 days and implore upon DoRD to take up the matter in right earnest and come out with some concrete measures in this regard.

Reply of the Government

4.8 The Mahatma Gandhi National Rural Employment Guarantee Act)Mahatma Gandhi NREGA(, 2005, is an Act to provide for the enhancement of livelihood security of the households in **rural areas of the country** by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.

The Ministry mandates the provision of additional 50 days of wage employment)beyond the stipulated 100 days (to every Scheduled Tribe Household in a forest area, provided that these households have no other private property except for the land rights provided under the Forest Rights Act)FRA(, 2006.

In addition to this, there is a provision for up to additional 50 days of wage employment in a financial year in drought/natural calamity affected notified rural areas .

As per Section 3)4 (of the Act, the State Governments may make provision for providing additional days of employment beyond the period guaranteed under the Act from their own funds.

Details of National average days of employment provided per households under Mahatma Gandhi NREGS in the last five financial years 2019-20, 2020-21, 2021-22, 2022-23 2023-24 are given below**.**

Financial Year	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
National average days of employment availed per households	52.08	47.83	50.07	51.52	48.4

Under Mahatma Gandhi NREGS, the average days of employment per household in each financial year in the last five financial years has remained around 50 days .Therefore, the Ministry is emphasizing generating awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under Mahatma Gandhi NREGS based on the demand from the ground.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.17 of Chapter I of the Report)

Recommendation (Serial No. 7)

4.9 The documents of DoRD reveal that out of the total 5,73,311 landless beneficiaries identified under PMAY-G so far 3,60,837 (59%) beneficiaries have been provided land for the construction of houses. The Committee find that there are still 2,12,474 beneficiaries remaining to get land/assistance from the State/UT to construct their house under PMAY-G. Therefore, the issue of landlessness is affecting the progress of PMAY-G and may also cause delay in the completion of target. In this context, the Committee recommend DoRD that in order to ensure land to landless people for their own house, a policy be framed in public interest within a specified period so that land must be allotted to identified persons to expedite the timely construction of houses in their respective States under PMAY-G.

Reply of the Government

4.10 "The Ministry has been actively pursuing this matter with the States/UTs for providing land to remaining landless beneficiaries. A module for capturing details of landless beneficiaries has been developed on the AwaasSoft. Since the land is a State subject, the Ministry is not in a position to frame a policy on the matter. However, the Ministry during FY 2021-22 has already requested the States/UTs for constituting a Task force under the chairpersonship of the Chief Secretary concerned with the Secretary (Revenue) and the Secretary, in-charge of Department dealing with the PMAY-G. The Ministry in next phase of the PMAY-G (2024-29) would further monitor the provision of land to all landless beneficiaries."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.20 of Chapter I of the Report)

Recommendation (Serial No. 8)

4.11 The Committee observe that as against the PMAY- (G) initial target of 2.95 crore houses to be constructed by March, 2025, 2.66 crore houses were constructed as on 22.10.2024 and 29 lakh houses are yet to be completed. An additional target of construction of 2 crore houses in next 5 FYs i.e. 2024-2029 has been approved by the Government. In light of this, the Committee feel that with proper synergy between different agencies and stakeholders including availability of skilled manpower and material, the target set as well as the intended objective could be achieved. Therefore, the Committee recommend the DoRD to urge the agencies involved to explore all means in order to complete the construction of houses within the target fixed by the Government.

Reply of the Government

4.12 "The Ministry had allocated target of 2.95 crore houses to the States/UTs which were to be completed by March, 2024. The Union Cabinet in its meeting held on 09.08.2024 has approved the continuation of the scheme beyond March, 2024 for 5 more years till March, 2029 for completion of 2 crore additional houses. The houses targeted for completion till 31.03.2024 of the previous phase are also to be completed by March, 2025 as per the Union Cabinet's approval.

It is informed that as on 27.02.2025, 1st installment of assistance has been released for 2.82 crore beneficiaries and 2.69 crore houses are completed and ~26 lakh houses are yet to be completed. These incomplete houses include ~12 lakh houses which are delayed i.e. not completed even after 12 months have passed from date of release of first installment of assistance. An exercise was conducted with the States/UTs to identify the reasons for delay in completion of these houses and it was observed that issues such as landlessness, unwilling beneficiary, misuse of funds by the beneficiary, death of beneficiary without a legal heir, permanent migration, etc. are some of the major reasons for non-completion of the delayed houses.

In view of the above, the Ministry has requested the States/UTs to mark the delayed houses on the AwaasSoft MIS of the PMAY-G in 3 categories viz. (a) Houses which can be completed; (b) Houses which cannot be completed and recovery of funds is possible; (c) Houses which cannot be completed and recovery of funds is also not possible.

Further, the State Level Committee constituted under the chairpersonship of the Chief Secretary of the State/UT has been empowered to take decisions in respect of the incomplete delayed houses. This Committee has been empowered to give recommendations to write off the houses which can never be completed and funds/ assistance cannot be recovered. The Ministry is continuously following up with the States/UTs for completion of the incomplete delayed houses within the set deadlines.

The Ministry is regularly following up with the States/UTs to ensure completion of all pending houses within stipulated timelines."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.23 of Chapter I of the Report)

Recommendation (Serial No. 9)

4.13 The Committee note that the deadline of PMAY-G has been extended to March, 2025 with the target of 2.95 crore houses. An additional target of construction of 2 crore more houses in next 5 FYs i.e. 2024-2029 has been also approved by the Government. All necessary formalities also reportedly seem to have been completed to ensure that the list of beneficiaries are updated. The per unit assistance under PMAY-G for plain areas is Rs. 1.2 lakh and for hilly areas is Rs. 1.3 lakh which has remained static for a considerable period of time. With rising inflation having detrimental effect on the cost factor associated with the raw material, transportation cost, labours cost etc., constructing a new house of the requisite area under PMAY-G for the poor and needy beneficiary with such assistance amount seem to be an arduous task. The vision “Housing for All” may not achieve its envisaged target until and unless the beneficiaries are provided with proper ‘hand-holding’ in terms of financial assistance of right value and at right juncture. Moreover, there are instances wherein houses remain incomplete for want of finance and thereby keeping the target lagging. In view of the foregoing, the Committee find it utmost necessary that a review of per-unit assistance be done on priority basis, particularly when the scheme has been extended to March, 2029. Therefore, the Committee recommend the DoRD to revise the per unit assistance under PMAYG through suitable hike in the assistance component for the much-required augmented help to the needy beneficiaries.

Reply of the Government

4.14 “The Union Cabinet in its meeting held on 09.08.2024 has approved the continuation of the PMAY-G for 5 more years to construct 2 crore additional houses. The scheme has been approved to continue with existing unit assistance of Rs. 1.20 lakh in plain areas and Rs. 1.30 lakh in North Eastern Region (NER) States and Hill States.

No proposal is under consideration for revision in unit assistance of the scheme.”

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.26 of Chapter I of the Report)

Recommendation (Serial No. 10)

4.15 The Committee note with concern the behaviour of the contractors at the bidding stage to acquire the tender of projects under PMGSY by quoting 25-30% lower amount than the minimum bidding amount. This approach by contractors has a cascading detrimental effect over the quality of construction of roads under PMGSY. This is a strategy which does not augur well for the effectiveness of the scheme. The Committee are of the view that the DoRD should bring out a mechanism at least by which a certain quantum of amount component equivalent to the difference between bidding and actual quoting is kept aside as security and may be released only after ensuring that the constructed road satisfy the stipulated quality norms. The Committee, therefore, recommend the DoRD to entail all measures for curbing the down-tendering in PMGSY and review its provision to incorporate the security component for quality assurance of roads.

Reply of the Government

4.16 Tendering of PMGSY works are done by the respective State governments and they are expected to follow the Standard Bidding Documents (SBD) norms while awarding the PMGSY works. In the interest of the quality of roads being built under PMGSY and for protection against Abnormally Low Bids (ALBs), provisions of taking the additional performance security from the contractor have been made in the SBD. All States have been advised to deal with cases of ALBs as per SBD provisions which are enumerated as under.

(a) Qualification of the Bidder:

To make sure that contractors who are bidding for the works have sufficient backgrounds in execution of good quality works, the following Qualification criteria are laid down in clause 4 of the SBD:

(a) Contractor to provide the aggregate monetary value of civil construction projects executed in each of the preceding five years.

(b) Furnish a record of past involvement in projects similar in nature and scale for each of the past five years. Additionally, include particulars of ongoing or contracted projects, along with endorsements from a relevant authority not lower than the rank of an Executive Engineer or its equivalent.

(c) Present comprehensive information regarding the technical personnel slated for engagement in the project.

(d) Confirm that the contract aligns with the qualifications specified in Clause 4.4 B(b) (ii) of ITB for the construction.

(e) Submit a proposed schedule for construction activities and a Quality Management Plan outlining the anticipated timeline for project completion in adherence to technical specifications and the stipulated completion period.

(b) Additional Bank Guarantee:

As per clause 46, sub-clause 46.1 and 46.2 of the SBD, the Performance Security equal to 5% (five percent) of the Contract Price and additional Security for unbalanced bids shall be provided to the Employer.

(c) Blacklist/Termination of Contract

As per clause 52, sub-clause 52.1 and 52.2 the Employer can terminate the Contract if the Contractor commits a major breach of contract in terms of quality and other contractual commitments i.e. failure to correct a specified defect promptly, non-maintenance of required Security, delaying project completion beyond allowable liquidated damages period and not completing a specified portion of work on time.

It may be noted that SBD already has strict provisions to ensure that good quality contractors are engaged for the execution of PMGSY works; however, the States/UTs have been further advised to ensure strict technical evaluation during the technical scrutiny of bids. While reviewing the quality aspects of PMGSY works, it is ensured that more focus is given to such works which have been awarded at abnormally low rates. Ministry has devised a mechanism whereby special quality checks are conducted for such works by deputing a team of NQMs. All such works are inspected by NQMs. In case abnormally low bids result in poor quality of works, States are advised to take necessary action against such contractor and rectify the works at their cost. As such Ministry has always been actively involved in the implementation aspects of various provisions of SBD norms and necessary instructions are issued as well as hand-holding is undertaken at appropriate levels.

The States are also requested to align their Schedule of Rates (SoRs) with market rates so that the instances of down-tendering are minimized.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.29 of Chapter I of the Report)

Recommendation (Serial No. 11)

4.17 The roads constructed under PMGSY at certain sites are not up to the stipulated norms and standards of construction and quality of materials used are compromised, even if they survive five years of the warranty period. Beside this, the effort of constructing quality roads providing rural connectivity gets marred in the aftermath of poor maintenance aspect. The Committee note the concern raised from various quarters that the roads constructed under PMGSY at various places suffer from poor maintenance and start getting degraded before 5 years of warranty. It has been noted that there are provisions for maintenance of the road constructed in the guidelines but same is not strictly adhered. Even the monitoring mechanism of the elaborately laid down principle for the maintenance aspect of roads constructed under PMGSY remains a cause of concern. The Committee note that the two separate issues starting initially with the quality of construction and later the maintenance aspect, both require equally strict regulation and compliance by the Contractors. In view of this scenario, the Committee recommend DoRD to ensure that the quality norms as prescribed under the provisions of PMGSY should not at all be compromised so that the roads built have strong durability. The Committee further recommend the DoRD to ensure due coordination with the Nodal agencies and requisite surveillance for proper maintenance of the PMGSY roads post construction.

Reply of the Government

4.18 Ensuring the quality of PMGSY works is the responsibility of the State Governments, who are implementing the programme. A three-tiered Quality Control mechanism is in place under PMGSY for ensuring the construction of quality road works and durability of road assets under PMGSY including the works undertaken by sub-contractors.

Guidelines to regulate the quality control process have been issued to States from time to time. In order to ensure that people engaged in quality checks are adequately proficient and well trained, NRIDA has been conducting proficiency tests of NQMs, SQMs, PIU, etc. It has been made mandatory for all personnel engaged as NQM/SQM to pass the proficiency test. Further, their skills are also developed through webinars, and seminars or by sending them to various training institutions, etc.

To strengthen the quality check mechanism, the establishment of a field Lab has been made compulsory. These labs are also to be geo-tagged. Unless these are ensured, no payment is allowed to be made against such roads. Also, a new version of the Quality Monitoring System App has been developed to include e-forms and other initiatives that have strengthened quality monitoring systems. Consequent upon the introduction of e-Marg, payment on account of maintenance to the contractor, during the defect liability period, is made commensurate with the quality of roads maintained by him/her through a performance-based contract management system.

PMGSY roads are constructed by State Governments with a minimum design life of 10 years. As per PMGSY guidelines, the responsibility for their maintenance rests with the State Governments. Initial maintenance during the first five years is governed by contracts signed along with the construction contract, as per the Standard Bidding Document, with the same contractor managing both phases. Maintenance funds required for this period are budgeted by the State Governments and placed with the State Rural Roads Development Agencies (SRRDAs) in a dedicated maintenance account. Following the five-year post-construction maintenance period, PMGSY roads are transitioned to **Zonal Maintenance Contracts**, encompassing maintenance and periodic renewal works in five-year cycles.

To enhance focus on road maintenance during the **Defect Liability Period (DLP)** and streamline routine maintenance processes, the **Electronic Maintenance of Rural Roads (eMARG)** system has been introduced. This system is built on **Performance-Based Maintenance Contracts (PBMC)**, where contractor payments are linked to the road's condition and compliance with predefined performance standards, rather than specific tasks. Payments are based on the maintenance of road structures, cross-drainage works, and traffic assets, ensuring better accountability and quality.

Building on the success of eMARG during the Pre-5-Year DLP, a **Post-DLP eMARG module** has been developed to extend maintenance responsibilities beyond the initial defect liability period. This module covers key activities such as:

1. **Initial Rehabilitation**: Restoring structural integrity and functionality through repairs, overlays, and drainage improvements.
2. **Routine Maintenance**: Addressing minor issues like pothole patching, cleaning, and repainting to prevent deterioration.
3. **Renewal Works**: Periodic resurfacing and surface treatment to extend the road's lifespan.
4. **Emergency Works**: Repairs to address damages caused by natural disasters or unforeseen events.

Moreover, eMARG has been revamped and post DLP maintenance have also been included in the revamped eMARG. Under PMGSY, best performing States are provided with financial incentive money for maintenance of PMGSY roads post DLP. It has been made mandatory to spend incentive money for maintenance of roads through eMARG only. Under PMGSY-III, roads are to be maintained for 10 years by the states and necessary funds are to be provided by them as per MoU entered into with each state. The States are being encouraged and incentivized to undertake maintenance post-DLP through eMARG. In the recently launched PMGSY-IV, many new initiatives are being taken to strengthen the quality of construction.

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.32 of Chapter I of the Report)

Recommendation (Serial No. 13)

4.19 The Committee note that PMGSY roads are getting damaged due to the heavy vehicles that ply on them because these are generally low volume roads and were never meant to bear the load of heavy vehicles. In most of the cases, heavy vehicles plying on NHAI roads would also use the PMGSY roads as last mile connectivity to meet the ever-growing needs and expansion of industrial projects to the rural areas as well. The Committee, therefore recommend that the Department of Rural Development should take serious view of this matter and come out with some concrete and effective solution at the earliest to protect the PMGSY roads from getting damaged by heavy vehicles.

Reply of the Government

4.20 "The recommendations of the Committee were taken up with Ministry of Road Transport & Highways (MoRTH). MoRTH vide letter dated 19.01.2024 opined that the National Highways network provides arterial connectivity whereas last mile connectivity is invariably provided by State Roads including village roads. Considering this, it is important that while planning road network and its design, area development plans, existing/proposed land use, type & volume of traffic is duly considered by road development authorities. Based on road network requirement; State Highways, Major District Roads, Other District Roads & Village Roads should be designed. It would ensure that the roads are adequately designed for service life and are not damaged due to movement of commercial traffic. The Ministry states that the proposals under PMGSY are appraised for traffic requirements and sanctioned as per IRC, etc. norms accordingly. The PMGSY guidelines also stipulate that States may use District Mining/Mineral funds for construction/maintenance of the roads in convergence model in case of mining areas keeping in view the traffic load of these roads.

This Ministry has further informed that State Authorities are expected to enforce regulations on legal loading of commercial vehicles. The MoRTH has also mentioned that National Highways are also getting damaged in many stretches due to menace of overloading and that Ministry had been making efforts to control this by levying penalty and toll fee and requesting State Governments to enforce provisions of Motor Vehicle Act & rules. The MoRTH also requested MoRD to take up the matter with the State Governments for strict enforcement of Motor Vehicle rules to discourage overloading.

Accordingly, this Ministry has written a letter to all states/UTs asking them to take up the matter with their concerned Transport Departments for strict enforcement of the Motor Vehicle Act & Rules and to discourage overloaded vehicles from plying on PMGSY roads, so that there may not be damage to these roads by such overloaded vehicles."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.35 of Chapter I of the Report)

Recommendation (Serial No. 14)

4.21 National Social Assistance Programme (NSAP) is a 100% Centrally Funded Centrally Sponsored Scheme which has been continued for 15th Finance Commission Cycle (2021-26) also. NSAP caters to 3.09 Crore BPL beneficiaries with a scheme-wise ceiling/cap for each State/UT on the number of beneficiaries (fixed in Nov., 2012 and revised in September, 2022). The amount of assistance aimed for old aged, widows, disabled persons and bereaved families on death of primary bread winner belonging to BPL households, under the sub-schemes of NSAP, i.e. IGNDAPS, IGNWPS and IGNDPS ranges from Rs.200/- to Rs.500/- per month has been a cause of concern to the Committee for a long period of time. The Committee note this amount abysmally low when the cost of living has increased during the last couple of years. The Committee feel that there is an urgent requirement for the upward revision of the social assistance provided under NSAP. The Committee, therefore, again recommend to the DoRD to look into this issue with utmost sincerity and concretize the result on ground level as soon as possible.

Reply of the Government

4.22 "NSAP aims to provide a basic financial support to old age, widow and severely disabled persons. As social security, invalid and old age pensions figure as items 23 and 24 in the Concurrent List (7th Schedule) of the Constitution, both the Central Government and States/ UTs have the responsibility for working in tandem in rolling out a comprehensive social security framework in the country. Accordingly, the State/UTs are encouraged to provide top up amounts at least of an equivalent amount to the assistance provided by the Central Govt. so that the beneficiaries could get a decent level of assistance. At present, the States/UTs are adding Top up amounts ranging from Rs.50 to Rs.3200 per month per beneficiary under NSAP schemes.

Based on various recommendations/ evaluation studies, the Department submitted the proposal for revamp of NSAP during the 15thFinance Commission cycle. In addition to the proposal for prescribing the criteria for beneficiary identification on the basis SECC (Automatic Inclusion and any two Deprivations), it was also proposed to enhance the minimum pension rate for elderly and widows from Rs.200/- and Rs.300/- respectively to Rs.800/- per month and for the disabled from Rs.300/- to Rs.1000/- per month. For the elderly of 80+ years, it was proposed to be enhanced from Rs.500 to Rs.1200. Further, one-time lump sum amount of Rs.20,000/- on the death of primary breadwinner was proposed to be enhanced to Rs.80,000/-.

The Union Cabinet in its meeting held on 19th January 2022, however, approved continuation of NSAP in its present form. As such, as per the approval, the existing rate of assistance prescribed for NSAP scheme will continue till completion of 15thFinance Commission cycle i.e. up to FY 2025-26."

(DoRD O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

Comments of the Committee

(Please see Paragraph No. 1.38 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

NIL

(Department of Rural Development O.M. No. G-20011/03/2021-B&A Dated 03.04.2025)

NEW DELHI
21 July, 2025
30 Ashadha, 1947 (Saka)

Saptagiri Sankar Ulaka
Chairperson
Standing Committee on Rural Development & Panchayati Raj

ANNEXURE I

STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ (2024-25)

MINUTES OF THE THIRTIETH SITTING OF THE COMMITTEE HELD ON MONDAY, THE 14th JULY, 2025

The Committee sat from 1100 hrs to 1255 hrs in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Saptagiri Sankar Ulaka -- *Chairperson*

MEMBERS

Lok Sabha

2. Shri Raju Bista
3. Shri Bhajan Lal Jatav
4. Dr. Mohammad Jawed
5. Shri Jugal Kishore
6. Shri Naba Charan Majhi
7. Shri Imran Masood
8. Shri Janardan Mishra
9. Shri Ramashankar Rajbhar
10. Shri Omprakash Bhupalsinh *alias* Pavan Rajenimbalkar
11. Shri Ganesh Singh
12. Shri Vivek Thakur

Rajya Sabha

13. Smt. Geeta *alias* Chandraprabha
14. Shri H. D. Devegowda
15. Shri Iranna Kadadi

Secretariat

1. Shri D. R. Shekhar - Additional Secretary
2. Shri V. K. Shailon - Director

XXX XXX XXX XXX XXX XXX

XXX XXX XXX XXX XXX XXX

XXX XXX XXX XXX XXX XXX

XXX XXX XXX XXX XXX XXX

XXX XXX XXX XXX XXX XXX

XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX	XXX

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for (i) consideration and adoption of the Draft Report on Action Taken by the Government on the Recommendations contained in the 1st Report on Demands for Grants (2024-25) pertaining to the Department of Rural Development (Ministry of Rural Development) and XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX.

3. The Committee considered the Draft Reports and after discussion, adopted both the above-mentioned draft Reports XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX.

4. The Committee then authorized the Chairperson to finalize the draft Reports and present the same to the Parliament in the forthcoming Monsoon Session.

[Thereafter, the representatives from the XXX XXX XXX XXX XXX XXX XXX *were called in]*

5. XXX XXX XXX XXX XXX XXX XXX.

6. XXX XXX XXX XXX XXX XXX XXX.

[The Witnesses then withdrew]
A record of verbatim proceedings has been kept.
The Committee then adjourned.
*****

XXX Not related to the Draft Report.

ANNEXURE II

[*Vide* para 4 of Introduction of Report]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIRST REPORT (18TH LOK SABHA) OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ

I. Total number of recommendations: 18

II. Observations/Recommendations which have been accepted by the Government:

Serial Nos. 1, 2, 12, 15, 16, 17, 18

Total: 7
Percentage: - 39%

III. Observations/Recommendations which the Committee do not desire to pursue in view of replies of the Government:

Serial No. NIL

Total: NIL

Percentage: 0%

IV. Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Serial No. 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14

Total: 11

Percentage: - 61%

V. Observations/Recommendations in respect of which final replies of the Government are still awaited:

Serial No. NIL

Total: NIL

Percentage: 0%