

## Chapter-1 : Pradhan Mantri Gram SadakYojana - An Overview

### 1.1 Background

Rural roads constitute a basic infrastructure requirement and play a vital role in the socio-economic growth of the rural community. They contribute significantly to rural development by providing access to goods and services located in nearby villages or major towns and market centres. The increased mobility of men and materials facilitates economic growth, thereby assisting in reducing poverty and leading to over all social development.

Development of rural roads received a major thrust under the Fifth Five Year Plan (1974-79) when it was made a part of the erstwhile Minimum Needs Programme (MNP). 65,000 villages with population of 1,500 and above were connected during the Fifth and Sixth Plan (1980-85) periods. From the Seventh Plan (1986-90) onwards, the target was to connect villages with population of 1,000 and above. In the terminal year of the Eighth Plan (1992-97), the MNP was merged with the Basic Minimum Services (BMS) programme.

### 1.2 About the Programme

Rural roads, despite given thrust since Fifth Five Year Plan, suffered greatly due to lack of systematic planning. Quality assurance and quality control were also not taken seriously resulting in poor quality and ultimately resulting in premature loss of the assets created.

With a view to redressing these issues, Gol launched a rural road programme known as Pradhan Mantri Gram Sadak Yojana (PMGSY) in December 2000 with the objective of providing single all-weather road connectivity to all eligible unconnected habitations in rural areas with population of 1,000 persons and above by 2003 and all unconnected habitations with population of 500 persons and above by 2007. The eligibility criteria for the programme are given in **Table -1.1:**

**Table-1.1 : Criteria for being eligible for connectivity**

Areas/states	Population eligibility of habitations (as per Census 2001)
In plain areas	500 persons and above
Special category states <sup>1</sup> , Desert areas, Tribal areas (Schedule-V of Indian constitution) and selected tribal and backward districts	250 persons and above
Most intensive Integrated Action Plan (IAP) blocks	100 persons and above

Government of India decided to prioritise the provisions of all-weather road connectivity to all habitations with a population of 1000 persons (500 persons in the case of hilly and tribal areas) by the year 2009, and accordingly, linked this sub-set of PMGSY under a new programme “Bharat Nirman” launched in February 2005 to provide a time-bound plan for action in rural infrastructure in the area of Irrigation, Roads, Electricity, Housing, Drinking Water and Telecommunication.

In May 2013, with the aim to consolidate the entire rural road network, PMGSY-II was launched for upgrading existing selected Through Routes and Main Rural Links. Selection of roads was based on their economic potential and their role in facilitating the growth of rural market centres and rural hubs. At present, PMGSY-II is running simultaneously with ongoing PMGSY. The allocation of fund for PMGSY-II was within the annual budget of PMGSY.

### **1.3 Source of funding**

The programme is funded from various sources *viz.*, Gross Budgetary Support having two components, i.e., Plan Assistance and share of Cess on High Speed Diesel (HSD), assistance from multilateral agencies like the World Bank and the Asian Development Bank and loans from the National Bank for Agriculture and Rural Development (NABARD).

<sup>1</sup> In October 2013, “Special Category States” were adopted under PMGSY in place of “Hill States” for inclusion of Assam. Special category states include Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh, Jammu & Kashmir and Uttarakhand.

#### 1.4 Funding pattern

Unlike PMGSY-I, which is fully funded by GoI, PMGSY-II is on cost sharing basis between the Centre and states/Union Territories. The funding pattern of PMGSY-I and PMGSY-II is given in **Table-1.2**.

**Table-1.2 : Funding Pattern**

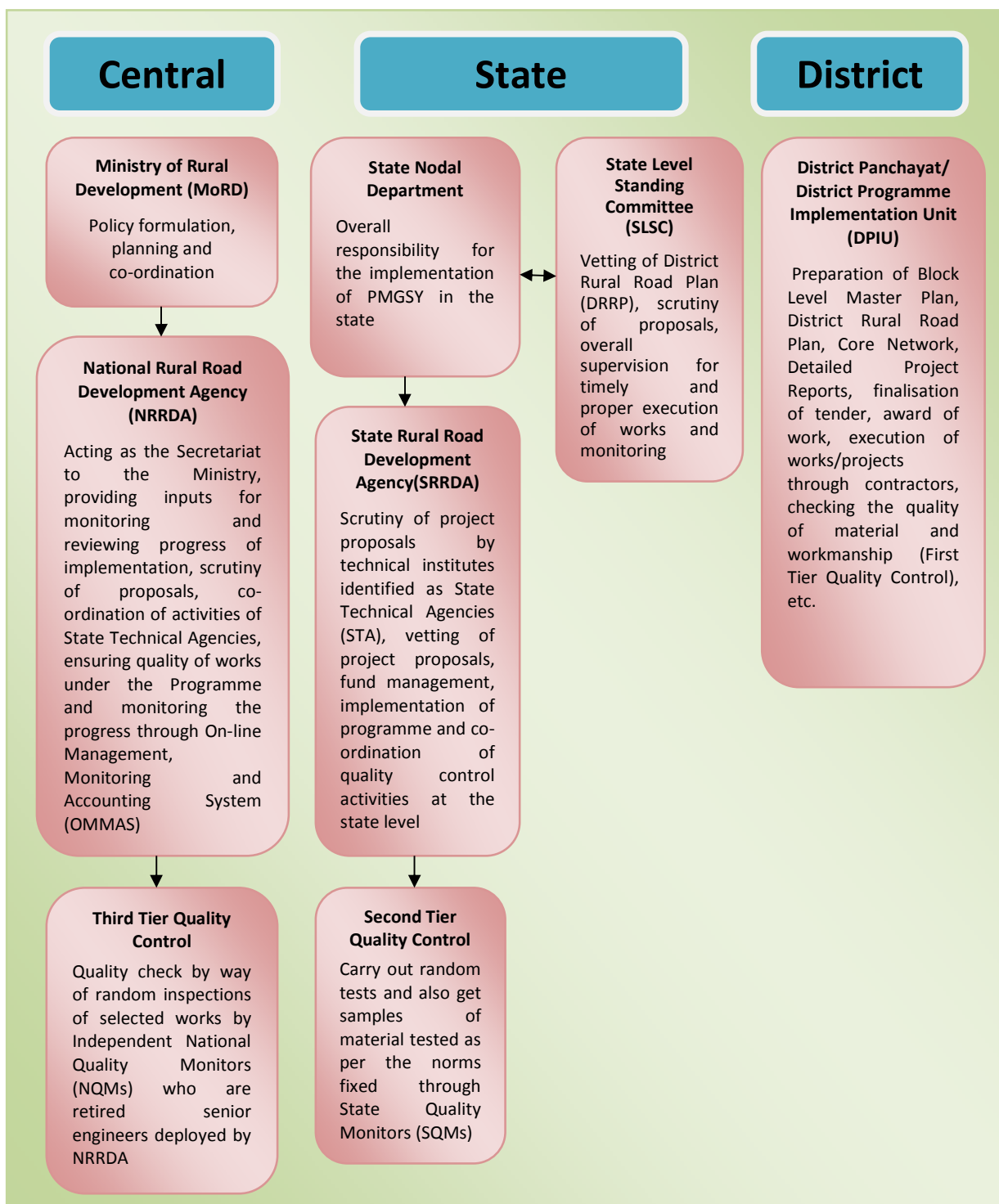
Programme	Central share	State share
<b>PMGSY-I</b>		
All States	100 per cent	
<b>PMGSY-II</b>		
Normal states	75 per cent	25 per cent
Special category states, DDP areas, Schedule-V areas, BRGF districts and IAP districts	90 per cent	10 per cent

(The cost of road maintenance and renewal is to be fully borne by the state governments.)

#### 1.5 Organisational arrangements

The Ministry of Rural Development (MoRD) is the nodal Ministry for implementation of the PMGSY. The responsibility of various agencies for delivery of the programme is given in **Chart-1.1**.

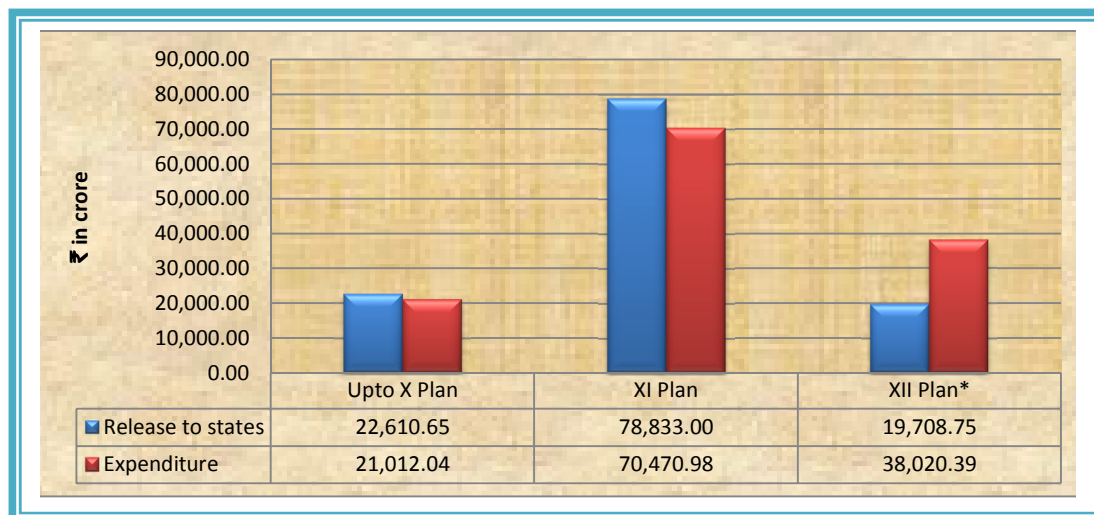
Chart-1.1 : Organisational Levels



### 1.6 Achievements so far

- (i) Financial status of the programme indicating release and expenditure is given in **Chart-1.2**

**Chart -1.2 : Financial Progress**



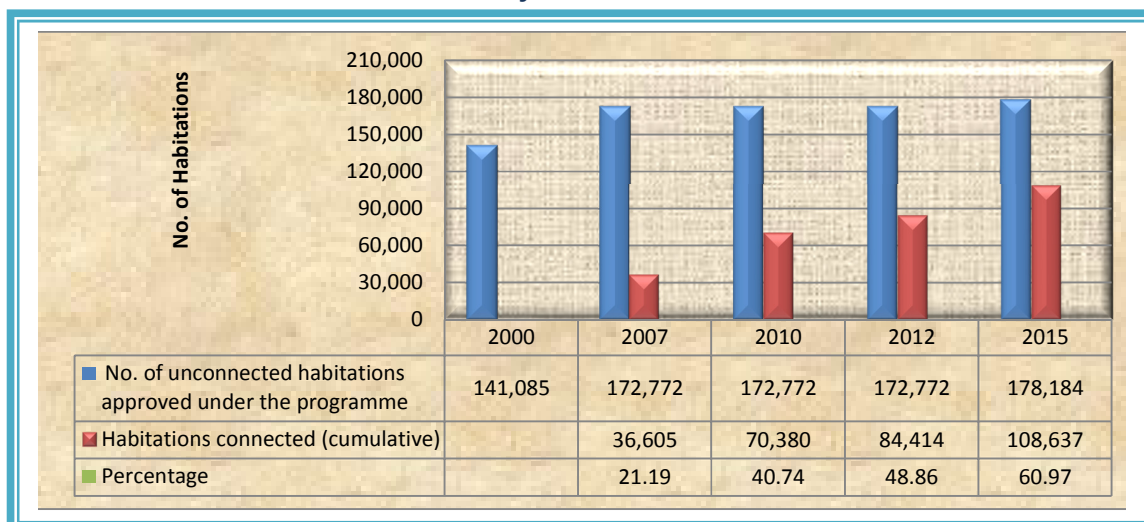
Source: Ministry's records

\* For 2012-13 to 2014-15

Note: Excess expenditure beyond the release of the Ministry during 12<sup>th</sup> plan indicates that difference is met by state share (cost of long span bridge, acquisition of land and expenses not found eligible under the PMGSY, etc.) and interest component of the funds lying with the states.

- (ii) The status of the eligible unconnected habitations and connected as of 31 March is given in **Chart-1.3** below:

**Chart -1.3 Physical Achievements**



Source: Ministry's records