

States averse to transparency in road projects

Intransigence forces Centre to put on hold two-month-old directive

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NEW DELHI: The Union Ministry of Rural Development (MoRD) recently put on hold a bid to ensure more transparency in award of tenders under the Pradhan Mantri Gram Sadak Yojana (PMGSY). The MoRD retreated after several state governments took the position that the move would delay construction of roads to connect villages.

Couple of months ago, the MoRD issued a circular seeking to put in abeyance an earlier missive that asked all state governments to introduce some measures to check any single tender response to bids floated under the PMGSY. But the State Governments pointed it out that the proposed measures could slow down the process of awarding the contracts and thus overall implementation of the projects under the PMGSY.

The Centre had also warned the states that if any contract for building roads under the PMGSY was awarded through single tender, it would deduct the full sanctioned amount from future releases to the respective states. The MoRD, however, had to back off and put on hold the mechanism due to opposition from a "large number of states".

The PMGSY is a fully-funded Centrally sponsored scheme intended to provide all-weather road connectivity in the country's rural areas. The programme envisages connecting all habitations with a popula-

tion of 500 persons and above in plains areas and 250 persons and above in hills, desert and tribal areas as well as in districts affected by left-wing extremism.

The existing tendering procedure under the PMGSY is based on "single stage two envelope" system and technical and financial bids are sought simultaneously.

Good response

The government has been stressing on e-procurement, wide publicity and transparency to evoke good response to the call for bids.

"With a view to have transparency in awarding tenders under the PMGSY, there is a dire need to check against any single tender response to the bids floated. In addition, it is equally important that any bid which eventually becomes a single tender through rejection of all other technical bids also need to be monitored," MoRD Director (Rural Connectivity) Y S Dwivedi had on November 3, 2011, written to the state governments' principal secretaries and secretaries who oversee PMGSY's implementation in the respective States.

He conveyed to the state governments the MoRD's decision that the State Rural Road Development Agencies or SRRDAs would place "all cases of single bids as well as eventual single bids" before the state-level standing committees headed by chief secretaries or additional secretaries, for approval.

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