Evaluation Study on Suvarna Raste Vikas Yojane Karnataka Public Works, Ports & Inland Water Transport Department

Executive Summary

I Introduction

Infrastructure development plays a significant role in the economic growth of any country. An efficient transport connectivity is very crucial for socioeconomic development of the region. Every form of business operation relies on transportation opportunities afforded by roads and rail. In India, though agricultural sector is a predominant sector accounting for large share of employment but with poor road connectivity, the agricultural producers are facing many constraints to bring their products to nearby markets. In rural India, the performance of non-farm activities heavily depend on the agricultural sector. For the transportation of produced goods from the rural area to the nearby markets, roads play a vital role. Road transport is the life line for the economic development of rural sector. The improved road condition will reduce travel cost, time and also enhance the comfort of commuters and security in the area.

Looking at the performance of the Indian economy from the last two decades, rural India is lagging behind. It is a challenging task for the policy makers to bring rural economy to the mainstream of economic development. Among the identified factors for the poor performance of India's rural economy, connectivity of rural areas to urban centers is one among them. Here, the role of improved road has a vital role for rural –urban connectivity.

Realizing the importance of improved roads, particularly in socio-economic development of rural sector, the Karnataka state government has introduced novel scheme "Suvarna Raste Vikas Yojane" during the year 2009-10 for the

improvement of roads throughout the state. The scheme mainly focuses on the improvement of Major District Roads(MDRs). In almost all the districts of the Karnataka state, the scheme is underway and work is in different stages of progress. Under the Suvarna Raste Vikas Yojane, since 2009-10, Rs 320 crore budget grant has been made for all the districts of the Karnataka state. Since 2009-10, Rs 23.43 crore grant has been allocated to Belgaum district works. It is expected to improve 200.71 K.M covering 66 roads spread over all 10 taluks of the Belgaum district, spread over three years. Till December 2011, improvement in 42 roads, covering 141.3 K.M has been completed and work in remaining 24 roads, covering 59.41 K.M is in progress.

From the improved roads, it was expected that there will be a spur in the overall economic development of the area surrounding MDRs developed under the scheme. At this juncture, it is important to evaluate the performance of the scheme in terms of achieving its targeted goals and to ascertain the loopholes and suggest remedial measures by an independent agency. With this back drop, terms and references of the evaluation study, the present study raises the pertinent questions. Does Suvarna Raste Vikas Yojane make any difference in terms of reducing transportation cost, travel time and enhance the comfort of commuters of the area surrounding MDRs developed under the scheme? What are the selection criteria of the major district roads under the scheme? Is there any socio-economic improvement in the region after the introduction of the scheme? To answer these questions the present study sets the following objectives.

II Objectives of the Study

- Evaluation of the scheme in terms of achieving expected goals, selection criteria of major district roads of Belgaum district and also achievement in terms of physical and financial targets.
- Assessing the effectiveness of the scheme in improving the socio economic development of the region.
- To ascertain the limitations, if there are any and suggest remedial measures.

III <u>Research Design and Methodology</u>

The study is based on secondary data, field survey, and interaction with the stakeholders and discussions with the implementing agencies. To assess the effectiveness of the scheme, survey is conducted from the surrounding villages of the improved roads under the said scheme of the Belgaum district. With the help of Gram Panchayat officials, during the months of August, September and October 2011, the scheduled questionnaires were administerd to road users. From each beneficial village, five road users consisted of one student, agriculturist, vegetable or milk producer, daily commuter and secretary gram panchayat have been selected for the survey. To assess the physical and financial performance of the scheme, the secondary data is collected from concerned departmental offices. Detailed secondary information on each village has been collected from the Government of Karnataka, Rural Development and Panchayat Raj Development Website. Secondary data pertaining to the scheme has been collected from each taluk and division office and discussed with concerned section officers and Assistant Executive Engineers (AEE) of each Taluk. The information collected

from AEE of each taluk and EE of Belgaum and Chikkodi division is pertains to till December 2012.

Along with the concerned section officers, survey has been undertaken for each road covered under the said scheme. While surveying the roads, required information such as selection criteria of the road, importance of the road, nearest towns to access market, education and health facilities for the surrounding villages, length of the road, amount sanctioned and spent, present status and spillover amount for the next financial year has been collected. And, socio -economic information of each village along with the road has also been collected. The important aspect of the study is to assess the effectiveness of the scheme in socioeconomic development of the region which is done by interacting with the users and from the available secondary data. Economic improvement is assessed in terms of i) Does improved road help the commuters to reach the market centres compared to earlier? ii) Are there new economic activities cropped up in the region? For example dairy farming, floriculture and horticulture, as such farming requires quick transport facilities to reach the nearby market centres. iii) Do such schemes encourage private individuals to invest in the rural areas, whereby new economic activities emerge with the private investment? iv) How such schemes will complement the other ongoing and forthcoming infrastructure schemes? To answer these questions, an interaction with the local users, agriculturists, entrepreneurs, commuters and others, whose views have been considered. The data is also be collected from concerned departments to assess the emergence of new economic activity. To assess the usefulness of the scheme, interaction will also be made with students, daily wage earners and other workers (including salaried class), who come to the city every day. It is important to note that in the present study, we have taken care to avoid the repetition such as similar findings, public

opinions and suggestions, which have emerged from the evaluation of improved roads under Suvarna Raste Vikas Yojane(SRVY)

III MAJOR FINDINGS AND RECOMMENDATIONS

- 1. The study finds that there was no strong reason for separate Suvarna Raste Vikas Yojane for MDRs. The same work could have been done under existing schemes meant for construction/ improvement of the roads.
- 2. The amount sanctioned under the scheme for each road is very small and it is equally distributed to each constituency.
- 3. The length of roads improved under the scheme is very small. In some places, it is less than one KM and in other places, long roads have been improved with the co-ordination of the other schemes thus resulting in an improvement in major portion of the road.
- There is a large difference between the budget allocation and actual amount spent, leading to spillover of the amount for next financial year. This has created problem for taking up for fresh work.
- 5. Large delay in release of the amount has affected the contractors to maintain the quality of the work. A major policy reform is required in this regard.
- 6. There is complete interference of the politician in the selection of the road. From the information so collected, it is found that the selection of the roads is completely done by the local MLA and there is interference of politicians even in tender process also. The study suggests that the committee consisting of elected representatives, concerned officials and civil society mbemers may be formed for the selection of road under such schemes

- 7. Though the Suvarna Raste Vikas Yojane is meant for MDRs, in many places, State Highways have been selected.
- 8. The selection of the roads in some places is very strategic. It is useful in reducing the travel cost and time, connecting the main road and very helpful for children and students to go to schools and colleges of nearby places. In some places the amount is used to repair the bad roads. In some places, it seems that roads have been selected under political considerations. For instance, at Ankali of Chikkodi division, the existing state highway has been widened in the Ankali town itself. This could have been done under other schemes meant for State Highways. In some places the scheme is very helpful in cropping up of new economic activities such as Dairy, Horticulture and Poultry. In some places helpful in transporting vegetables, fruits, flowers and sugarcane to near by places. It is difficult to expect the spur of new economic activities, diversification in agricultural activities and large improvement in nonfarm activities in the surrounding villages from the improvement of a small portion of the road. There should be good rural-urban connectivity and an holistic approach is needed in this regard.
- 9. Some of the surrounding villages are away from the main road. Unless these village roads are improved, the benefits from improved roads may not accrue to the remote villagers. It is very important to improve the remote village and MDRs to harness the existing potentiality of the village economy.
- 10.Exploring the existence of potentiality of villages, good road connectivity is very important. Good road connectivity attracts the others to come to villages and to invest in various economic activities. It is essential to attract private investment in villages. It is the responsibility of the state to

provide basic infrastructure for such villages. Looking into the geographical, economic conditions and public opinion of the surrounding villages of improved roads under Suvarna Raste Vikas Yojane(SRVY) of Belgaum District, the study observes that good road network will spur the economic activities, diversify agricultural activities and bring an improvement in the income of villagers.

11.Looking into the large volatility in food grains, fruits and vegetable prices, good road is very important for such potential and highly irrigated area. In the present context, there is the need of establishment of agrobased and food processing industries to enhance the quality of agricultural products. In this regard, it is the prime responsibility on the part of the government to improve the rural-urban connectivity.