

CHAPTER I: INTRODUCTION

1. Indo China Border Roads (ICBRs)

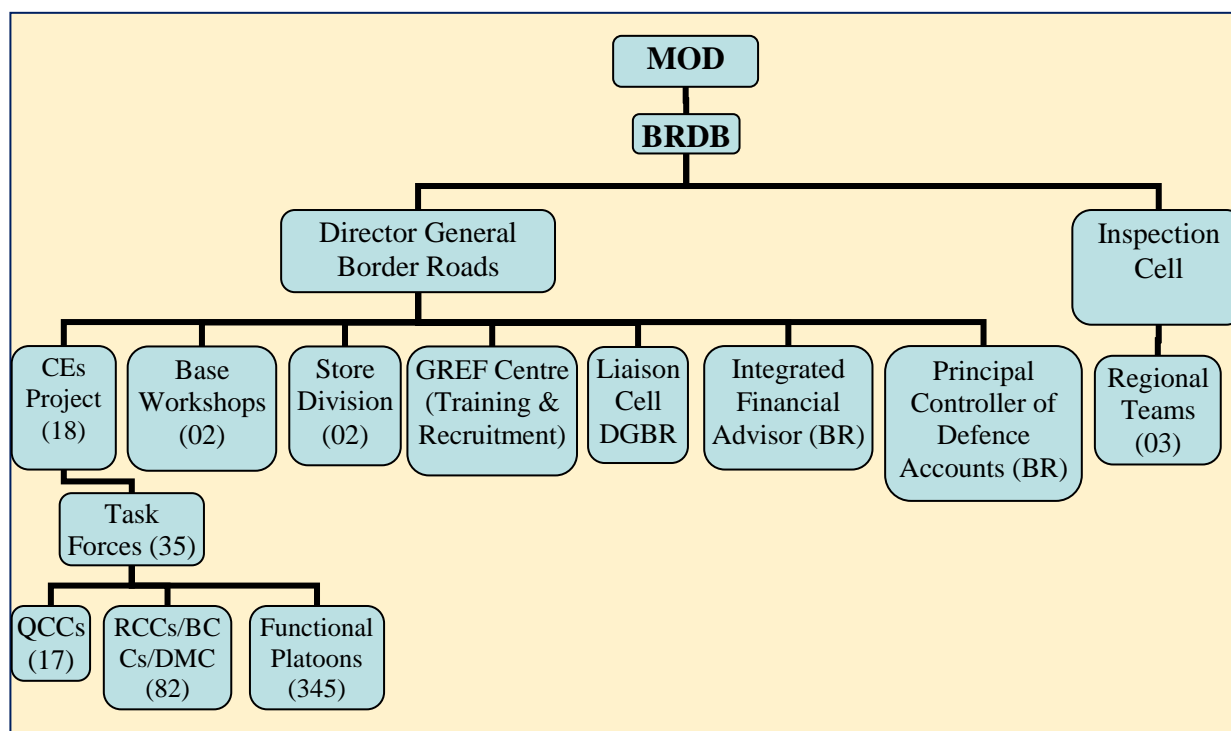
The China Study Group (CSG) was constituted by the Government of India to study the requirement of road communication along the China border to facilitate brisk movement of troops in case of any aggression along the Northern and Eastern frontiers. The heightened road/ track constructional activities by China in 1997, made CSG to identify CSG roads along the Line of Actual Control (LAC) to facilitate effective border management, security and development of infrastructure in inaccessible area. The construction proposal of these roads was approved by Cabinet Committee on Security (CCS) at a cost of ₹ 676 crore in 1999, with probable dates of completion (PDC) ranging from 2003 to 2006 which were further extended to 2006-2011. Stress was laid in 2006 to complete the 13 CSG roads as per plan to assert our territorial claims and upgrade our own logistic sustenance capability in these areas. Further, a sub-committee, constituted in June 2007 under the chairmanship of Director General Military Operations (DGMO) identified 33 General Staff (GS) roads as ICBR to be completed in a time bound manner by 2012 as part of Infrastructure development along LAC. In addition, 27 roads along the border with China were identified as ICBRs by Indo Tibet Border Police (ITBP) under the Ministry of Home Affairs (MHA) in consultation with DGMO which were to be developed by 2012. Thus a total of 73 strategically important roads along the China Border were identified as ICBRs.

Out of these 73 ICBRs, execution of 61 roads having a total length of 3409.27 km at an estimated cost of ₹ 4643.75 crore comprising of 13 CSG, 33 GS and 15 ITBP roads were entrusted to Border Road Organisation (BRO) with their targeted completion by 2012. The balance 12 ITBP roads were entrusted to other agencies such as CPWD, NBCC and State PWDs for execution of works.

1.1 Structure of Border Roads Organisation

Border Roads Organisation (BRO) headed by Director General of Border Road (DGBR) is responsible for construction, development, improvement and maintenance of roads in border areas. BRO functions under Border Roads Development Board (BRDB) in the Ministry of Defence (MoD) which is headed by Raksha Rajya Mantri (RRM). The functions of BRDB are to lay down policy, performance and priorities for development of road communication in border areas, approve the annual works and procurement plan of BRO, arrange necessary funds for execution of works in consultation with MoD (Finance), review progress of work, etc. The organisational structure of BRO is given in **Chart-1** below:

Chart-1: Structure of Border Roads Organisation



As could be seen from the above Chart that DGBR is in overall control of executive force namely General Reserve Engineer Force (GREF) for construction of projects and is responsible for giving advice on the technical matters.

The works relating to construction of roads and bridges by the BRO are executed through 18 sanctioned Projects¹, each with a defined area of operations. Each project is headed by a Project Chief Engineer (CE) who is responsible for the planning, construction and maintenance of roads/bridges falling in its jurisdiction. CEs have two or more Border Road Task Forces (BRTFs) under them, each headed by a Task Force Commander of the level of Superintending Engineer. The BRTF is the basic unit for execution of jobs and comprises of Road Construction Companies (RCCs) and Bridge Construction Companies (BCCs) for construction of roads and bridges respectively which are commanded by Executive Engineers.

Inspection Cell under the command and control of Secretary, BRDB comprises of one Technical Examiner and three Regional Teams headed by Deputy Technical Examiner. Inspection Cell carries out the inspection of all works executed by the BRO involving inspection of roads, bridges and miscellaneous works under DGBR as well as works being executed by other public agencies but funded through BRDB.

¹Beacon, Himank, Deepak, Chetak, Shivalik, Rohtang Tunnel, Vartak, Arunank, Swastik, Vijayak, Setuk, Sampark, Hirak, Dantak, Sewak, Pushpak, Brahmanak and Udayak.

Principal Controller of Defence Accounts [PCDA (BR)] discharges payment, accounting, financial advice and internal audit functions in relation to BRO through CDA (BR) Guwahati, Joint CDA (BR) Chandigarh, PAO GREF, Pune and other offices co-located with the BRO units. Integrated Financial Adviser (Border Roads) [IFA (BR)] functions as Financial Adviser to the DGBR.

1.2 Distribution of ICBRs entrusted to BRO

Details of the 61 ICBRs entrusted to BRO state-wise along with their length and financial estimate are given in **Table-1** below:

Table 1: State wise distribution of ICBRs entrusted to BRO

State	CSG	GS	MHA	Total ICBRs	Total length (in km)	Financial Estimate (₹in crore)
Arunachal Pradesh	11	11	05	27	1788.24	2435.67
Himachal Pradesh	-	02	03	05	116.99	241.19
J & K	01	09	02	12	1093.14	1009.83
Sikkim	-	03	-	03	56.10	33.75
Uttarakhand	01	08	05	14	354.80	923.01
Total	13	33	15	61	3409.27	4643.45

1.3 Audit Objectives

Performance Audit (PA) on ICBRs was conducted to obtain reasonable assurance regarding:

- (i) planning for designing, preparing estimates and execution of road projects was in accordance with the requirement;
- (ii) quality and timeliness of execution of works either departmentally or through contracts;
- (iii) adequacy and utilization of budgetary allocation;
- (iv) timely procurement and efficient utilization of resources *viz.* plant and machinery, stores *etc.* by BRO and deployment of sufficient manpower to execute the works;
- (v) adequacy and enforcement of quality/ internal control mechanisms to ensure that the roads and bridges were constructed as per the planned specifications and users' satisfaction.

1.4 Audit Criteria

Audit Criteria for evaluation of performance were derived from the concept of ICBR/CSG roads mentioned in CCS notes of 1999, 2006, 2008 and 2009, Border Road Regulations, DGBR Hand Book, Integrated Financial Adviser (Border Roads) Manual, Defence Procurement Manual (DPM), Technical Instructions, Standard Schedule of Rates (SSR), Indian Road Congress (IRC) Specifications, Annual Targets Estimates, Schedule of Completion of Works, other instructions/orders issued by BRDB/DGBR and MoD from time to time, Action Taken Notes (ATNs) of MoD on previous Performance Audit/ Audit Reports and Report of the Parliamentary Standing Committee on Defence.

1.5 Scope of Audit

The PA, covered the period from 2012-2013 to 2015-2016. For test check, 24 out of 61 ICBRs entrusted to BRO, were selected. The audit was carried out at BRDB, DGBR, six CEs and 12 BRTFs. In addition, the works sanctioned on these selected 24 roads prior to 2012-13 but still not completed, were also examined in the audit. The data related to financial as well as physical progress of works related to the ICBRs included in the audit report has been updated up to March 2016 as per its availability. Total expenditure of the BRO on the 61 roads up to 31 March 2016 was ₹ 4536 crore. An expenditure of ₹2714 crore, spread over 24 ICBRs comprising of eight CSG, eleven GS and five ITBP roads in six CEs, constituting 59.83 per cent of the total expenditure, was covered in audit. The CEs and BRTFs, in respect of the selected 24 ICBRs are indicated location-wise in **Table-2** below:

Table-2: Details of CEs/BRTFs in respect of the selected ICBRs

Sl. No.	Name and location of CE (Project)	Name and location of BRTF	Type and Name of the selected ICBRs	No of Roads
1.	Himank -Leh (J&K)	a) 753 BRTF-Leh b) 16 BRTF-Leh	GS: Shakti-Warila-Agham (S-W-A), Harong-Chushul (H-C), Sasoma-Saserla (S-S)	3
			CSG: Darbuk-Shyok-Daulat-Beg-Oldi (DS-DBO)	1
			ITBP: Koyal-Photile-Chushmule-Zarsar (K-P-C-Z)	1
2.	Special Task Force (STF) Hirak- Tanakpur (Uttarakhand)	STF Hirak-Tanakpur	CSG: Ghatiabagarh-Lipulekh (G-L) ITBP: Gunji-Kuthi-Jolingkong (GK-J)	1 1

Sl. No.	Name and location of CE (Project)	Name and location of BRTF	Type and Name of the selected ICBRs	No of Roads
3.	Arunank-Naharlagun (Arunachal Pradesh)	a) 23 BRTF-Daporijo b) 756 BRTF-Naharlagun	CSG: Nacho-Tama-Chung-Chung(N-TCC), Tama Chung Chung-Taksing (TCC-T), Tama Chung Chung-Maza (TCC-M), Hapoli-Sarli-Huri (H-S-H)	4
4.	Shivalik -Rishikesh (Uttarakhand)	a) 21 BRTF-Joshimath b) 36BRTF-Uttarkashi	GS: Naga-Nilapani (N-N), Joshimath-Malari (J-M) ITBP: Ghastoli-Rattakona (G-R)	2 1
5.	Vartak-Tezpur (Assam)	a) 14 BRTF-Tenga Valley (AP) b) 763 BRTF-Khirmu (AP) c) 42 BRTF-Khasiabari (AP)	GS: Balipara-Charduar-Tawang (BCT), Banga Janga Gompa-Naga GG (BJG-NGG), Lungro GG-Damteng-Yangtse (LDY), Banga Janga Gompa-Lungro GG (BJG-LGG), Jang – Ramasapper (J-RS), Orang-Kalaktang-Shergaon-Rupa-Tenga (OKSRT)	6
6.	Brahmank-Pasighat (Arunachal Pradesh)	a) 44 BRTF- Aalo (Along) b) 761 BRTF-Yinkiong	CSG: Tato- Manigaon- Tadadege(T-M-T), Manchunka-Tangkrola-Yarlung (M-T-Y) ITBP: Yarlung-Lamang (Y-L), Bona-Gelling (B-G)	2 2
Total				24

1.6 Audit Methodology

A preliminary study to collect the background information had been conducted at BRDB and HQ DGBR. The PA commenced with an entry conference on 15 June 2015 wherein the scope, objectives and methodology were discussed and criteria were agreed upon. The PA was carried out during the period from June 2015 to November 2015 to evaluate the performance in the selected 24 ICBRs being executed by six CEs. Field audit included examination of records, collection of information through issue of audit memo, various Proformae and questionnaires. Replies of the DGBR dated 15 July 2016 to the draft audit report issued on 13 April 2016 have been suitably incorporated in the revised report. The Ministry's reply as well as the Exit Conference was, however, still pending (December 2016).

1.7 Acknowledgement

We gratefully acknowledge the co-operation we have received in the course of our audit from the BRDB, DGBR, CEs, BRTFs and Officers and staff of the Headquarters/units/formations visited by us.