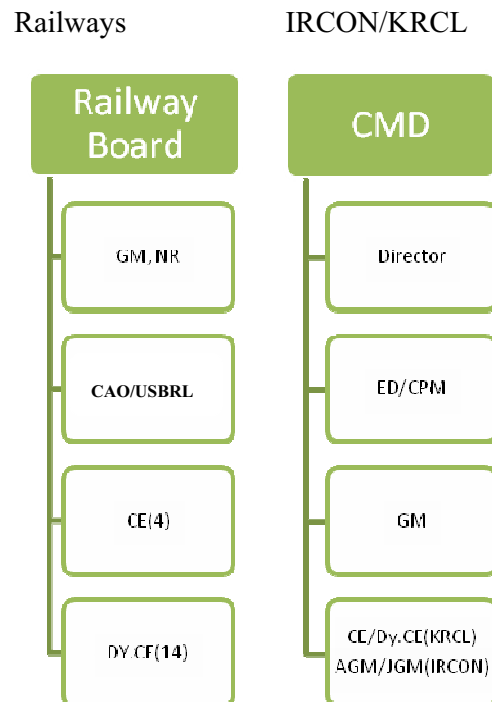


## Chapter 6 Monitoring

A project of this magnitude cannot succeed unless a proper structure for monitoring is in place. As can be seen from the structure given below, there are clear lines of reporting and authority with regard to the project activities both in the Railways as well as in the two public sector undertakings entrusted with the execution of this project viz. KRCL and IRCON.



The overall in charge of the project is Member (Engineering) in the Railway Board. Chief Administrative Officer, Construction, Northern Railway (CAO/USBRL) is responsible for the day-to-day construction activities. As envisaged in the Agreement with the executing agencies, the latter are to submit reports on the progress of the execution of the project as well as their plans for the following month to CAO/ USBRL, NR on a monthly basis. CAO/ USBRL is to forward these reports along with his own assessment to the Railway Board. It is evident that conventional hierarchy based system of project management was followed. Decision making structure for this strategic project involved many layers and the CAO (USBRL Project) had limited autonomy in technical and financial matters. A project of this magnitude would have thus benefited from an independent project management structure with adequate authority to take appropriate decisions with Railway Board monitoring overall progress rather than the conventional hierarchy based process of decision making.

Although a separate post of CAO/USBRL was created exclusively to monitor this project, CAO/USBRL had not been entrusted with adequate authority to take decisions relating to the project – either financial or administrative. In fact, the Expert Committee constituted for reviewing the alignment in 2008 recommended greater financial powers to CAO/USBRL. As a result, quality of monitoring was found to be ineffective.

Audit scrutiny revealed that both KRCL and IRCON had been scrupulously submitting the progress reports regularly and CAO/USBRL had also been sending these reports to the Railway Board at prescribed intervals. However, considering that follow up action on issues where decision was required was not taken promptly, this exercise did not serve the intended purpose. Some of the specific instances where follow up action/decisions were not taken with the required urgency are given below.

- In Leg I (Udhampur to Katra), tunnel T-1 started deforming in December 2002. However, instead of ensuring the stability of the tunnel, the CAO/USBRL allowed the contractor to excavate until the tunnel was through which subsequently collapsed and had to be abandoned, rendering the expenditure incurred (₹ 53.51 crore) infructuous. As soon as the deformation of the tunnel was noticed, excavation should have been stopped for investigations.
- In T-3 of Leg I, heavy ingress of water started during July 2003. Here again, an early solution to the problem of water seepage due to a buried channel, fact of presence of which already known to the administration, was not sought which resulted in aggravation as the tunnel excavation was allowed to continue.
- Decision for suspension of work on Leg-II from Katra to Banihal was taken in February 2008. However, the decision was communicated only in July 2008. Further, the decision relating to realignment and restart of work was taken as late as in September 2009 resulting in numerous claims from contractors for the suspension period amounting to ₹ 251.68 crore, out of which the Railway Administration had admitted an amount of ₹ 57.24 crore. The total impact of this delay in terms of the cost and time overrun on the project could not be quantified at this stage because a number of works which were foreclosed were yet to be re awarded and the extra financial impact in respect of six works, which had been re awarded, was ₹ 1097.34 crore as of July 2012.
- KRCL submitted in March 2004 that the alignment from km. 52 to 62 was not feasible due to the existence of bridges of unmanageable spans. The proposal was approved as late as in May 2006.

- KRCL, after detailed investigations, submitted (May 2004) that the alignment in Pie Khad area was passing through the Reasi Thrust and proposed a revised alignment. However, approval to this request was accorded as late as in October 2008, resulting in infructuous expenditure amounting to ₹ 50.65 crore.
- Though the work for construction of tunnels in Sangaldan area was awarded in October 2005, contracts for construction of bridges in this sector were yet to be awarded.
- Contract for construction of tunnel T-77 B & C could be awarded as late as in June 2010 due to non finalization of design and the work on the stretch had again been suspended for further review of alignment.

*As can be seen from the above illustrative instances, delay in decision making was one of the important reasons for the delays in the execution of the USBRL project.*

In reply, the Ministry admitted that delays had occurred at the Board level and stated that the CAO/ USBRL had been given additional powers on the recommendations of the Expert Committee.