

Executive Summary

- Ministry of Road Transport and Highways (MoRTH) had set a target for widening and up gradation of National Highways (NH) at 20 km per day. It was, however, noticed that NHAI's achievement during 2009-10 to 2012-13 ranged between 3.06 km and 17.81 km per day.

(Para 2.3)

- There was inconsistency in adopting carrying capacity/tollable traffic as yardstick for determining the Concession Period by National Highways Authority of India (NHAI). This resulted in fixing higher concession period and higher burden on road users by way of toll for the extended period. Users have to pay an additional toll of ₹ 28095.54 crore (NPV ₹ 3233.71 crore).

(Para 4.3.1)

- NHAI incurred ₹ 856.80 crore on account of change of scope in 23 projects, out of which ₹ 662.53 crore was on account of deficient Detailed Project Report (DPR)/Feasibility Report (FR).

(Para 5.9)

- NHAI could not start toll collection in six completed annuity projects due to delay in achieving of commercial operation date (COD). This resulted in forgoing toll collection of ₹ 259.47 crore. Further toll of ₹ 171.37 crore could not be collected due to delay in issue of toll notification (₹ 157.65 crore) and failure to commence toll collection after issue of toll notification (₹ 13.72 crore) for these projects.

(Para 6.1)

- Two projects were approved for 4-laning despite the fact that the minimum threshold traffic was not expected to be achieved in the next five to 12 years. Unwarranted 4-laning would result in extra cost of construction ₹ 1724.10 crore which was avoidable apart from increased user fee to be paid by road users which is higher by 66.67 per cent for 4-lane as compared to 2-lane.

(Para 4.2.1)

- The Total Project Cost (TPC) worked out by the concessionaires was higher as compared to TPC worked out by the Authority. In 25 projects, TPC worked out by the concessionaire was higher by 50 per cent. Such variance has serious risks for NHAI in the event of termination.

(Para 5.4)

- The projects considered unviable on Build Operate and Transfer (BOT)-Toll either by DPR consultants/Authority/Public Private Partnership Appraisal Committee (PPPAC) or during bidding process were re-structured after making major changes in the initial project parameters to make them viable, but fresh RFQ were not invited in such cases, which vitiated the process of competitive bidding.

(Para 4.1.2)

- NHAI's decision to allow tolling on four partially completed stretches resulted in extra burden on the road users amounting to ₹ 161.67 crore.

(Para 5.7)

- Toll amount of ₹ 902.89 crore collected by the concessionaires in three 6-laning projects was not transferred to 'withheld amount account' though milestones were not achieved.

(Para 5.8)

- In four projects, NHAI prematurely released VGF amounting to ₹ 769.53 crore in contravention of the provisions of MCA.

(Para 7.6)

- NHAI is managing its staff strength mostly with officials on deputation from other government departments and by appointing consultants. Department of Personnel & Training (DoPT), Ministry of Personnel, Public Grievances & Pensions, Government of India, directed MoRTH in November 2009, to ensure that within two years, the structure of NHAI be reformed to provide for its own independent cadre through direct recruitment and absorption of deputationists. However, as at the end of 31 March 2013, the ratio of persons on deputation to regular employees was 83:17.

(Para 7.2)

- MoRTH did not furnish records related to selection and prioritization of road stretches for up-gradation, therefore, Audit was unable to assess whether MoRTH selected road stretches in an objective, transparent and rational manner.

(Para 2.1)

Organisation Chart of NHAI

