

**Report of the  
Comptroller and Auditor General of India  
on  
Performance Audit of  
Indo-Nepal Border Road Project**



लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest



**Union Government (Civil)  
Ministry of Home Affairs  
Report No. 23 of 2021  
(Performance Audit)**



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## Preface

This Report of the Comptroller and Auditor General of India contains significant results of the Performance Audit on the Indo-Nepal Border Roads Project covering the period from 2010-11 to 2018-19 updated upto March 2021.

Government of India in November 2010 took up the construction of 1377 km of roads along the Indo-Nepal Border in Bihar (564 km), Uttar Pradesh (640 km) and Uttarakhand (173 km). The timeline for completion of the project was March 2016, but was subsequently extended to December 2022. The roads were to provide connectivity to Border Out Posts by running parallel to the international border, and would meet the requirements of the population in the border areas. The *Sashatra Seema Bal*, the designated border guarding force along the Indo-Nepal Border, was to benefit from this project by achieving faster mobility of troops to dominate the sensitive border more effectively.

The performance audit examined issues related to the planning of the project, execution of the construction works, financial management and monitoring mechanism to see whether the project was executed efficiently within the stipulated time to achieve its intended objectives.

This report of the Comptroller and Auditor General of India containing the results of audit of Indo-Nepal Border Roads Project has been prepared for submission to the President under Article 151 of the Constitution of India.

The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.





## Executive Summary

As part of the strategy to secure the borders as also to create infrastructure in the border areas of the country, several initiatives have been undertaken by the Government of India, through the Department of Border Management under the Ministry of Home Affairs (MHA). These include construction of roads, fence, floodlighting, Border Out Posts (BOPs), Company Operating Bases (COBs) and deployment of technological solutions along the international borders, including the Indo-Nepal border.

India and Nepal share an open border of 1751 kilometres which runs along the five States, namely Bihar, Sikkim, Uttar Pradesh, Uttarakhand and West Bengal. Due to its open and porous nature, Indo-Nepal Border (INB) has become vulnerable to anti-national and anti-social activities. *Sashastra Seema Bal* (SSB), the designated border guarding force on INB, operated from Border Out Posts (BOPs) along the border but many of the BOPs were not connected by roads. The lack of road infrastructure severely limited the mobility of the troops as fast operations could not be launched against anti-National and criminal elements.

The Government of India (GOI) approved (November 2010) the construction/up-gradation project of 1377 km of strategic border roads along INB in the States of Bihar (564 km), Uttar Pradesh (640 km) and Uttarakhand (173 km) at a cost of ₹ 3853 crore with a time frame of five years with effect from 2011-12 for the completion of the project. The Indo-Nepal Border Road Project (INBRP) could not be completed till March 2016 due to pending land acquisition and delay in obtaining of environment, forest and wildlife clearances in three States. Accordingly, GOI accorded (22 February 2018) approval for extension of time upto 31 December 2019 for completion of ongoing work on 471.40 km stretches of INB roads free from encumbrance and upto 31 December 2022 for completion of balance work on 828.06 km stretches. Further, High Level Empowered Committee (HLEC) (December 2019/January 2021) extended the timeline upto 31 December 2022 for construction of roads on stretches free from encumbrance.

During the years 2011-2020, High Level Empowered Committee (HLEC) had approved 27 Detailed Project Reports (DPR) of 842.86 km of road length in the States of Bihar, Uttar Pradesh and Uttarakhand at a cost of ₹ 2656.93 crore and subsequently revised the cost to ₹ 3472.25 crore. Based on the approval of HLEC, MHA released funds aggregating ₹ 1709.17 crore to these States as of 31 March 2021.

A performance audit of Indo-Nepal border roads project covering the period from 2010-11 to 2018-19 updated up to March 2021 brought out that inadequacies in planning and financial management coupled with poor contract management and execution of works as well as lack

of synchronisation and coordination of activities resulted in undue delays as well as additional costs that resulted in non-achievement of the objectives of the project.

Some of the main points brought out in the Report are summarised below:

### **Project Planning:**

- In West Champaran (Bihar), the proposed alignment approved by Cabinet Committee on Security (CCS) in September 2010 was in proximity with the INB touching Valmikinagar, which was on the northernmost side of the wildlife reserve area. Although the wildlife clearance under “Single Window System” was available for the border road, presuming that wildlife clearance would not be given by the Ministry of Environment, Forest and Climate Change (MoEFCC), RCD did not apply for the same and changed the alignment (April 2011). The alignment was shifted to the southernmost boundary (April 2011) of the wildlife reserve area more than 20 km away from the international border. Shifting of alignment did not serve the purpose of border road, as it was beyond the patrolling jurisdiction of the SSB.

*(Paragraph 2.1.1)*

- As on March 2021, 363 BOPs (81 *per cent*) were away from the main alignment of the proposed border road. Out of 363 BOPs, 125 BOPs were away at a distance of ranging one km to 20 km and 16 were away at a distance of more than 20 km. No provision was made to provide the connectivity to such BOPs which were away from the proposed border road.

*(Paragraph 2.1.2)*

- 15 bridges were constructed in the alignment of the roads along the Indo-Nepal border in Bettiah (West Champaran District) of Bihar before August 2016. After their construction, the alignment of the roads was changed by the Road Construction Department of Bihar. There was no clarity on whether the bridges were connected to the revised alignment. Audit team along with the engineers of the RCD, Bettiah (West Champaran District) conducted joint physical verification of three approachable bridges and found that the bridges were incomplete with no approach roads. The bridges remained unutilised (March 2021) as they were not connected to roads.

*(Paragraph 2.1.4)*

- There was considerable delay in acquisition of Land in the States of Uttar Pradesh and Bihar which led to non-completion of the project.

*(Paragraphs 2.2)*

- As a result of failure to obtain forest/wild life clearances in Uttar Pradesh and delay in finalization of Detailed Project Report (DPR) for Pancheshwar Dam on river Mahakali by the Ministry of Water Resources in Uttarakhand, as of March 2021, DPRs for only 842.86 km out of the targeted 1262.36 km of roads (67 per cent) were approved leaving DPRs for 419.50 km of road length (33 per cent) yet to be approved. MHA did not ensure that preparatory works such as land acquisition and Forest/Wildlife clearances were completed by the States before approval of DPR.

*(Paragraph 2.4)*

- In the approved DPRs, audit observed various deficiencies like deficient designing of road in Uttarakhand and overestimation in estimates of ₹ 11.93 crore in Uttar Pradesh.

*(Paragraphs 2.5.1 and 2.5.2)*

- There was delay of 10 years in signing of MoU with State Governments of Bihar and Uttar Pradesh.

*(Paragraph 2.7)*

#### **Financial Management:**

- Utilisation of funds was not properly managed as MHA released funds to the States though the unspent balance of previous years were not utilised by the State Governments. This resulted in blocking of funds with the State Governments during the years 2013 to 2016.

*(Paragraph 3.1.1)*

- MHA sanctioned ₹ 2.34 crore on inadmissible components like utility shifting and afforestation to the State of Uttar Pradesh. Further, the State Government had diverted/incurred expenditure on inadmissible components aggregating ₹ 13.41 crore.

*(Paragraphs 3.1.3 and 3.1.5)*

- MHA did not account for the interest of ₹ 36.74 crore earned by the State Government on unutilised central funds. Further, the advances and interest thereon aggregating ₹ 136.60 crore for mobilisation advance and equipment advance are yet to be recovered from the contractors in Uttar Pradesh and Bihar.

*(Paragraphs 3.1.4 and 3.1.6)*

- Due to the slow progress of construction of roads, the projects costs were increased by ₹ 831.30 crore in 21 stretches.

*(Paragraph 3.2)*

### **Contract management and Execution of works:**

- The progress of the work of construction of roads in all the three States was slow and the road construction could not be completed despite the lapse of ten years i.e. 2011-2021. Out of targeted 1262.36 km road to be constructed along the Indo-Nepal border, only 367.48 km of road (29 *per cent*) has been completed (surfacing work) as of March 2021. The major reasons for delay in progress of work were delay in acquisition of land/forest clearance.

*(Paragraph 4.1)*

- Various irregularities were noticed in tendering process, such as not allowing minimum time for submission of bids, invitation and opening of bids before according Technical Sanction, delay in execution of contract bonds, non-evaluation of bidding capacity and irregular award of contract, etc.

*(Paragraphs 4.2.1, 4.2.2 and 4.2.3)*

- The work was awarded without ensuring land free from encumbrance which caused arbitration and termination of contracts at various stages. This led to stoppage of work on 408.98 km (396.98 km in Bihar and 12 km in Uttarakhand), i.e. 49 *per cent* road length of the approved DPRs, up to five years. In Uttar Pradesh, the work of 8 stretches were completed after a delay ranging upto 69 months from the target date of completion. In Uttarakhand also, there was time overrun of 49 months in completion of 12 km of road length.

*(Paragraph 4.3)*

- Many irregularities in execution of works such as excess payment on claim against carriage of earth, extra payment due to non-deduction of below Bill of Quantity (BOQ) value, excess payment for price neutralisation, excess and unauthorised payments on vehicles and unfruitful expenditure were noticed.

*(Paragraph 4.4)*

### **Quality Assurance and Monitoring:**

- CCS Note envisaged that provision of the third-party inspection for the project was to be ensured for quality and timely completion of the project. However, it was not ensured either by the MHA or by the State Governments.

*(Paragraph 5.1.1)*

- In Uttar Pradesh, mandatory tests of samples at various road levels were not carried out as per norms leading to shortfall ranging from 28 *per cent* and 91 *per cent*. Further, there was substantial shortfall in field inspections by Chief Engineer and Superintending Engineers. This was fraught with the risk of sub-standard work.

*(Paragraphs 5.1.2. and 5.1.3)*

## **Recommendations**

- MHA should enhance its efforts to ensure speedy completion of this strategically important project within the revised time schedule, so that the Indo-Nepal border is effectively managed by the border guarding force and benefits accrue to the general population along the border areas.
- MHA may consider construction of link roads as a distinct component of the project, which will significantly enhance the operational and strategic value of the border roads along the Indo-Nepal border.
- MHA may set up a co-ordination mechanism amongst all the stakeholders to resolve the pending issues of land acquisition and forest clearance to complete the project within the extended time schedule given by CCS.
- MHA may strengthen its monitoring mechanism to keep a strict vigil on the utilisation of funds by the State Governments
- MHA may incorporate third party inspection clause in MoU to boost quality assurance and strengthen its monitoring mechanism.



## CHAPTER-I: INTRODUCTION

### 1. Indo-Nepal Border Road Project (INBRP)

Securing the country's borders against interests hostile to the country and putting in place systems that are able to interdict such elements while facilitating legitimate trade and commerce are among the principal objectives of border management. As part of the strategy to secure the borders as also to create infrastructure in the border areas of the country, several initiatives have been undertaken by the Government of India, through the Department of Border Management under the Ministry of Home Affairs (MHA). These include construction of roads, fences, floodlighting, Border Out Posts (BOPs), Company Operating Bases (COBs) and deployment of technological solutions along the international borders, including the Indo-Nepal border.

India and Nepal share an open border of 1751 kilometer (km) which runs along the five States of Bihar, Sikkim, Uttar Pradesh, Uttarakhand and West Bengal. The Indo-Nepal Treaty of Peace and Friendship, 1950 provides for an open border allowing free movement of Indian and Nepalese citizens without any travel document. Due to its open and porous nature, the Indo-Nepal Border is vulnerable to anti-national and anti-social activities.

*Sashastra Seema Bal* (SSB) is designated as the border guarding force on the Indo-Nepal border. As per the approved project (2010) for development of roads along the Indo-Nepal border, the SSB operated from 389 BOPs in Bihar, Uttar Pradesh and Uttarakhand, of which only 160 BOPs were connected by roads, severely limiting the mobility of troops and their ability to launch fast operations against anti-national and criminal elements.

In this context, the Cabinet Committee on Security (CCS) approved (November 2010) the proposal of the MHA for construction/upgradation of 1377 km of strategic border roads along Indo-Nepal border (INB) in the States of Bihar (564 km), Uttar Pradesh (640 km) and Uttarakhand (173 km) at an estimated cost of ₹ 3853 crore with a timeframe of five years from 2011-12 i.e. by March 2016. However, the project could not be completed by March 2016 due to delays in acquisition of land and obtaining of environment, forest and wildlife clearances in the three States. Therefore, extension of time was given by the CCS (February 2018) (i) up to 31 December 2019 for completion of ongoing work free from encumbrance and (ii) up to 31 December 2022 for completion of balance work. The High Level Empowered Committee (HLEC<sup>1</sup>) further extended (December 2019/January 2021) the timeline up to 31 December 2022 for construction of roads on stretches free from encumbrances. The main objectives of the Indo-Nepal Border Road Project (INBRP) were as follows:

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<sup>1</sup> HLEC is a fast track mechanism in MHA for approval/clearance of works related to border management and has powers to administrative and financial decision on all security issues. HLEC is headed by the Home Secretary with the Secretary (Border Management), Secretary (Defence), Foreign Secretary, Secretary (Department of Expenditure) and DG (Works), CPWD among others as members.

- The proposed roads will primarily run parallel to the border, thereby adding to the mobility of the border guarding forces and enable them to dominate the sensitive border more effectively.
- These roads shall also meet the requirements of the border population and catalyse better implementation of development initiatives in border areas.

## 1.1 Roles and responsibilities of various authorities

The roles and responsibilities of various authorities under INBRP were as follows:

**Table No. 1: Roles and responsibilities of various authorities under INBRP**

|                                    |   |
|------------------------------------|---|
| <b>Central Government/MHA</b>      | HLEC would accord administrative approval and financial sanction for the works on the recommendations of Technical Committee (TC) <sup>2</sup> .<br>MHA would release funds to State Executing Agencies through the respective State Governments.<br>MHA would enter into Memorandum of Understanding (MoU) with the State Governments for implementation of the scheme.  |
| <b>State Government/State PWDs</b> | The State Government would finalise the alignment of the roads in consultation with the border guarding forces (SSB) and MHA.<br>The State Government would acquire the land, obtain the necessary clearances, including forest/wildlife clearances and bear the cost thereof.<br>The State Executing Agencies <sup>3</sup> would prepare Detailed Project Reports (DPRs)/cost estimates in respect of road works assigned to them in phased manner.<br>The State Executing Agencies would execute the construction of roads and for their maintenance. |

## 1.2 Audit objectives

The objectives of the performance audit were to ascertain whether:

- Planning was adequate for ensuring fulfillment of the project's objectives;
- Funds were released and utilised efficiently for executing the works;
- Construction activities were carried out efficiently to ensure the completion of the project within the stipulated time; and
- Effective mechanism for monitoring and quality assurance of the project existed.

<sup>2</sup> TC headed by DG (Works), CPWD examined estimates framed by executing agencies and placed its recommendations for approval before HLEC.

<sup>3</sup> Public Works Department in Uttar Pradesh and Uttarakhand; and Road Construction Department in Bihar.



### 1.3 Scope of audit

The performance audit covered the period from 2010-11 to 2018-19. The status of the physical and financial progress of the project has been updated up to March 2021<sup>4</sup>. The audit involved scrutiny of records and other evidence in MHA, SSB and executing agencies in the three States, viz. Bihar, Uttar Pradesh and Uttarakhand.

### 1.4 Audit methodology

An entry conference was held with MHA on 19 November 2019 wherein the audit objectives, scope and methodology were explained. The records relating to implementation of the scheme at the central level in MHA and at State level in the three States were examined. The draft audit report was issued to the MHA on 29 October 2020. Exit conference with the MHA was held on 4 February 2021, wherein major audit findings were discussed. Replies received from the MHA (upto 31 December 2021) and State Executing Agencies from time to time and deliberations during the Exit Conference have been considered and suitably incorporated.

### 1.5 Audit criteria

The criteria adopted to arrive at the audit conclusion are:

- Note for the Cabinet Committee on Security: 2010 & 2018;
- MoU between MHA & State Governments;
- Specification for road and bridgeworks of MHA prescribed by Ministry of Road Transport and Highways (MoRTH) and Indian Road Congress (IRC); and
- PWD Codes and Public Works Accounts (PWA) Codes etc. of the stakeholder States.

### 1.6 Acknowledgement

Audit acknowledges the co-operation and assistance extended by the Ministry of Home Affairs, State Public Works/Road Construction Departments (executing agencies) and their officials during conduct of this audit.

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<sup>4</sup> Wherever necessary as per the information furnished by the MHA.

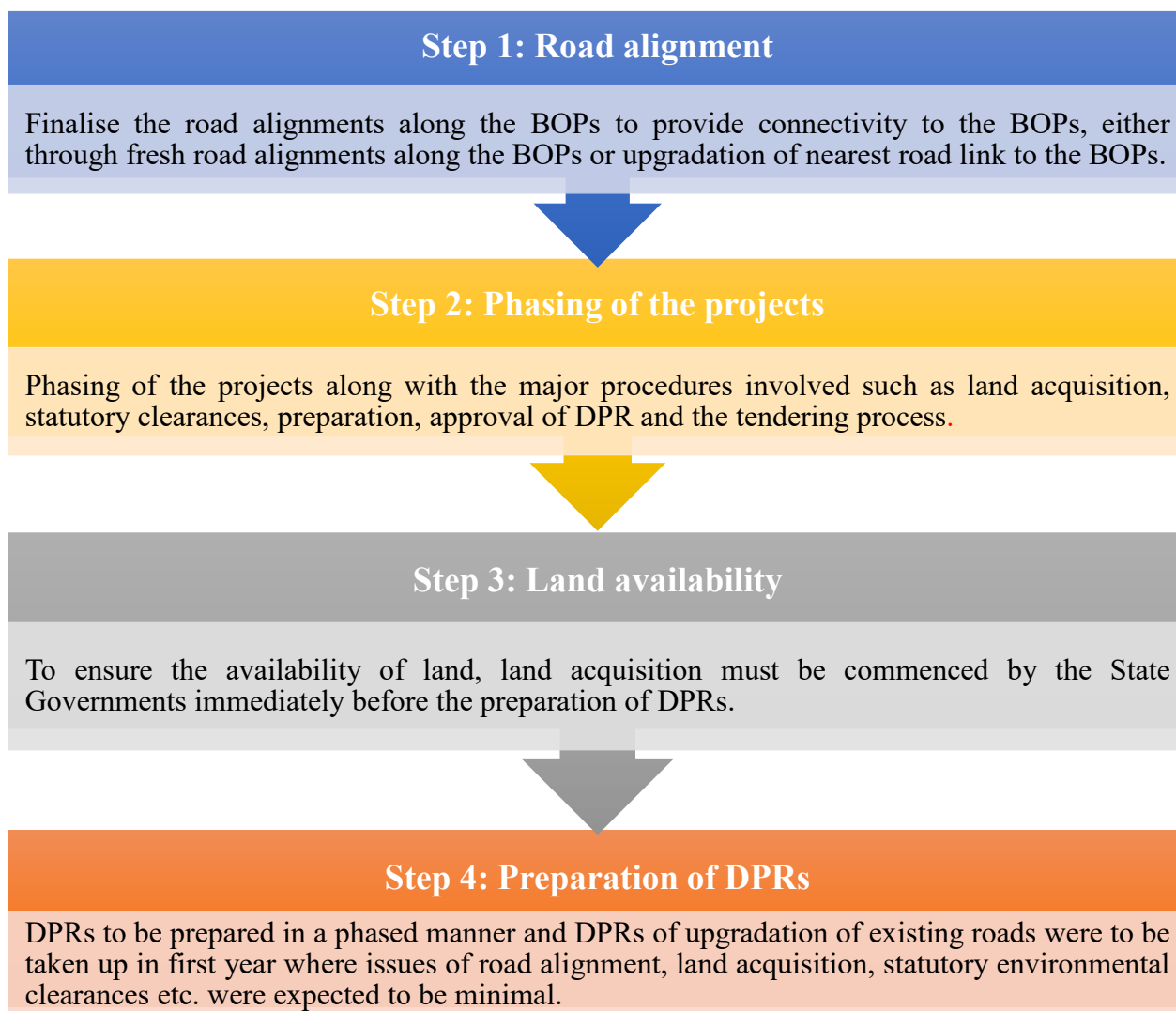
## CHAPTER-II: PROJECT PLANNING

### 2. Planning and Preparatory Works

The work on construction of roads was to be preceded by preparatory work of identification of the alignment of roads, getting statutory clearances for roads passing through forests and wildlife sanctuaries, acquisition of private land falling on the planned alignment, and preparation of detailed project reports.

MHA directed the States in November 2010 to initiate all the necessary preparation and procedural issues so that work could commence by April 2011 and to start work in patches where land acquisition and statutory clearances under Forest Conservation Act and Wild Life Protection Act were not required. It had, *inter-alia*, envisaged step-wise implementation of the projects, as detailed in **Chart No. 1** and conveyed the same to the States (January 2011).

**Chart No. 1: Pictorial presentation of implementation of the project**



Source: MHA

As per the implementing strategy of the project<sup>5</sup>, the State governments were responsible for finalisation of alignment of roads in consultation with SSB, obtaining necessary clearances including forests and wildlife clearances, acquisition of land and preparation of Detailed Project Reports (DPR).

Audit noted that there were deficiencies in finalizing alignment of the roads, considerable delays in obtaining forest/wildlife clearances, acquisition of land and shortcomings in preparation of DPRs, which resulted inter alia in time as well as cost overrun of the project. The detailed observations are given below:

## 2.1 Alignment of road

As per the CCS Note (2010), the proposed INB road would enable the SSB to dominate the border by providing connectivity to BOPs and adding to the mobility of the SSB<sup>6</sup>. The patrolling jurisdiction of SSB is 15 km from the international border for chase, search and seizure. In this context, while MHA (May 2021) maintained that no specific guidelines or SOPs regarding proximity of BOPs to the border roads or international border were available with them, it stated that as a general practice and to guard the mandated border in a proficient manner, BOPs are established as close to the zero lines as possible taking into consideration various factors, viz. dominating ground, rivers, reserve forests/National parks, availability of suitable land etc. It is thus imperative that the alignment of roads along the Indo-Nepal border are close to the border, and the BOPs are connected to these roads. However, in the absence of any clear SOPs, Audit observed wide variations in the distance of roads from BOPs (as discussed in Para 2.1.2). The following paragraphs bring out the issues with regard to alignment of the roads along the border and its impact on the SSB's strategic ability to guard the international border.

### 2.1.1 Change in alignment in Bihar

The Wildlife (Protection) Act, 1972 and orders of Hon'ble Supreme Court (November 2000) make it mandatory to obtain clearance from Ministry of Environment, Forest and Climate Change (MoEFCC) for taking up any non-forestry activity inside a wildlife habitat. MoEFCC prepared (March 2011) guidelines to get wildlife clearance for such activities. According to para 2.10 of the guidelines, a simultaneous clearance under the Forest (Conservation) Act 1980 and wildlife clearance was available for border roads under the "Single Window System".

Audit observed that in West Champaran (Bihar), initial alignment proposed by CCS (September 2010) was in proximity with the INB touching Valmikinagar, which was on the northernmost side of the wildlife reserve area. However, even though wildlife clearance under

<sup>5</sup> Para No. 5 of CCS Note 2010.

<sup>6</sup> Para No.2.2 of CCS Note 2010, it was mentioned that a significant number of BOPs in three States were not connected by roads, which severely limited the mobility of the troops as fast operations cannot be launched against anti-national and criminal elements.

the “Single Window System” was available for the border road, Road Construction Department (RCD), Government of Bihar did not apply for the same and changed the alignment (April 2011), presuming that wildlife clearance would not be given by the MoEFCC. Accordingly, the alignment was shifted to the southernmost boundary (April 2011) of the wildlife reserve area which was more than 20 km away from the international border. This shift in alignment did not serve the desired purpose as it was beyond the patrolling jurisdiction of the SSB which extended up to 15 km.

RCD, Bihar replied that as per the guidelines, only rural habitations were permitted to take up non-forestry activity in forest areas and no extension or widening of roads as also construction of bituminous roads were allowed in forest areas. It was further informed that the reason for shifting the alignment will be analysed and provided to Audit.

This confirms the fact that the RCD did not ensure environmental guidelines before finalising initial alignment of roads (2010). Moreover, the Department also did not approach MoEFCC for permission under Single Window System for border roads. Besides, reasons for not approaching MoEFCC and shifting of alignment were also not provided (January 2021) by the RCD.

### 2.1.2 Non-connectivity to BOPs from the main alignment of proposed roads

As of March 2021, 471 BOPs were authorised in Bihar (231), UP (169) and Uttarakhand (71). While details were not available in respect of 24<sup>7</sup> BOPs, of the remaining 447 BOPs, 84 BOPs (19 per cent) were on alignment of roads and remaining BOPs, i.e. 363 BOPs (81 per cent), were away from the alignment of roads, as tabulated in **Table No.2**:

**Table No. 2: BOPs away from the main alignment of the proposed border**

| State         | 0 km      | Up to 1 km | >1-5km     | >5-10km   | >10-20 km | > 20 km   | Total      |
|---------------|-----------|------------|------------|-----------|-----------|-----------|------------|
| Bihar         | 39        | 89         | 64         | 11        | 5         | 16        | 224        |
| Uttar Pradesh | 26        | 104        | 36         | 3         | -         | -         | 169        |
| Uttarakhand   | 19        | 29         | 6          | -         | -         | -         | 54         |
| <b>Total</b>  | <b>84</b> | <b>222</b> | <b>106</b> | <b>14</b> | <b>5</b>  | <b>16</b> | <b>447</b> |

Source: SSB

It could be seen from above that 125 BOPs were away at a distance ranging from one to 20 km from the alignment of roads and 16 BOPs were away at a distance of more than 20 km.

Ministry replied (May 2021) that out of 471 BOPs, 355 BOPs were connected by road. However, the details of connectivity were not furnished to Audit. Audit noted that SSB had

<sup>7</sup> Nine BOPs were yet to be established and for 15 BOPs in Uttarakhand, alignment/DPRs issues yet to be resolved

requested MHA/State Governments, especially at the time of preparation of DPRs (2011-13) to provide connectivity through link roads to BOPs which did not fall on the main alignment of the proposed roads. Further, check of records in SSB revealed that there was a requirement of 506.36 km of link roads (April/September 2020) for providing connectivity to 234 BOPs from the alignment of proposed border roads in Bihar and Uttar Pradesh. However, as per CCS approved note (2010), construction of link road was not part of this project and hence, provision of link roads was not made while framing the DPRs.

MHA stated (December 2020) that since construction of border roads is the priority area, in the present circumstances MHA is of the view that construction/improvement of feeder roads cannot be considered along with the proposal of border roads. In the exit conference, MHA further added (February 2021) that a meeting was held under the chairmanship of Secretary (BM) in August 2020 which was attended by senior officers of SSB. After deliberations, it was decided that link road connecting SSB BOPs would be taken up separately as it is beyond the scope of CCS approval.

The reply is to be read with reference to the objective of the INBR Project, which was to provide connectivity to the BOPs thereby adding to their mobility. Though the CCS approved the project in November 2010, the alignment of roads for the INBR project was finalised in 2011-12, and the alignment in some places was far away from the International border. MHA did not apprise the CCS thereafter about the non-connectivity of BOPs and the requirement of link roads to provide connectivity to the BOPs which did not fall on the proposed alignment of roads of INB. Hence, construction of link roads did not become part of the project although it was a prerequisite for fulfillment of one of the main objectives of the project. Thus, the strategic and operational needs of the SSB remained unfulfilled in view of the absence of a provision for link roads as part of the Indo-Nepal Border Road Project. Audit is of the view that providing a distinct component of construction of link roads in the project will significantly enhance the operational and strategic value of the border roads along the Indo-Nepal border.

MHA further stated (December 2021) that a separate proposal to provide basic infrastructure facilities including road connectivity to the BOPs of Border Guarding Forces (BGFs) is under consideration.

Ministry needs to expedite the proposal so that benefits are obtained in a timely manner.

### **2.1.3 Proposed road alignment away from the international border**

Though the actual work of the SSB involves patrolling the international border from pillar to pillar, as pointed out in para 2.1, the patrolling jurisdiction of SSB is 15 km from the international border for chase, search and seizure. Audit observed that in Bihar, the alignment finalised by the RCD in April 2011 was away from the international border at 14 locations in

West Champaran district at a distance ranging from 16 km to 41 km<sup>8</sup>. Resultantly, in these stretches, SSB would be constrained to patrol effectively as the border roads would be beyond its jurisdiction.

In view of MHA's confirmation (May 2021) about the absence of minimum distance criteria or specific guidelines or SOPs regarding proximity of BOPs to the border roads or international border, the proposed road in such alignments would not serve the SSB's objective, viz. to dominate the sensitive border area.

The MHA replied (August 2021) that the audit observation is not correct as the construction of border roads was also planned to provide good connectivity to the border areas with Nepal which are densely populated. Further, as per CCS approval, construction of border roads is the priority.

The reply of MHA is not acceptable as the CCS Note (2010 and 2018) clearly envisaged that the roads are of strategic and operational significance to the border guarding force deployed along the border and these roads running parallel to the border would add to the mobility of the border guarding force for dominating the border effectively.

MHA further stated (December 2021) that construction of link roads connecting Border Road to SSB BOPs (where no good road connectivity reported by SSB) is to be taken up separately and a separate proposal to provide basic infrastructure facilities including road connectivity to the BOPs of Border Guarding forces (BGFs) is under consideration.

Ministry needs to expedite the proposal in a timely manner.

#### 2.1.4 Construction of Bridges without connecting to main alignment

Audit also noted that as per the records of MHA<sup>9</sup>, the State Government of Bihar (SGoB) in 2013 had arranged its own finances through loans from NABARD to construct 40 major and 81 minor bridges falling in the alignment of the roads along the Indo-Nepal border. Examination of records in the State revealed that the construction of bridges was initiated in July 2013; while 101 Bridges (84 *per cent*) were completed, 20 were under progress (June 2020). Total expenditure incurred till this stage of construction was ₹ 928.77 crore. In West Champaran District, 34 bridges were sanctioned for ₹ 395.75 crore (March 2013) and majority of these bridges were completed before August 2016. It was seen that after the bridges were constructed, RCD changed (August 2016) the road alignment between the chainage 10.60 to 77.36 in Bettiah (in West Champaran), as detailed in **Annexure-1**, due to the existence of forest land along the old alignment finalised in April 2011. There was no clarity on whether 15 bridges<sup>10</sup> constructed

<sup>8</sup> As per the information given by SSB

<sup>9</sup> CCS Note 2018

<sup>10</sup> The expenditure on these bridges was ₹ 146.06 crore

in these chainages were linked to the new alignment. RCD stated (July 2019) that no bridge had gone out of alignment. However, RCD neither provided details of common alignment points, nor any document related to land acquisition, both for road and bridge, in support of their reply.

Audit team along with the engineers of the RCD, Bettiah (West Champaran District), conducted joint physical verification of three approachable bridges at chainage 67.212, 72.703 and 75.734 and found that the bridges were incomplete with no approach roads. Remaining bridges were not approachable due to non-existence of alignment pillar and non-connectivity.

**Picture Nos. 1 to 4: Incomplete bridges noticed during joint physical verification**



*Picture No. 1: Galgalia to Pintola in Kishanganj district under Mechririver (chainage 124.12).*



*Picture No. 2: Jobna river (chainage 123.30) in Kishanganj district*



*Picture No. 3: 16x25 bridge at chainage 67.21 (river)*



*Picture No. 4: 7x30 bridge at chainage 75.734 (agricultural land)*

Further, physical verification of 29<sup>11</sup> bridges revealed that 23 bridges did not have connectivity because of land acquisition issues in construction of INB roads, and incomplete construction of roads.

<sup>11</sup> Kishanganj-nine bridges, Motihari-three bridges, Katihar-six bridges and Sitamarhi-11 bridges

The SGoB reiterated (June 2021) that the bridges were in alignment of the INB road. It further added that the incomplete bridges will be completed by the RCD.

However, in the absence of documents in support of this reply, Audit could not ascertain whether the bridges would be utilised in the new alignment in future or not. Further, since the defect liability period<sup>12</sup> had expired, the RCD had no recourse to get the defects rectified from the contractor, as these unused bridges are more than four years old.

## 2.2 Delays in Acquisition of Land

INBRP envisaged that the State Governments were responsible for acquisition of land. The land was to be acquired in Bihar and Uttar Pradesh, while in Uttarakhand land was available. The status of acquisition of land in States as on 31 March 2021 is tabulated in **Table No. 3**:

**Table No. 3: Status of acquisition of land in States as on 31 March 2021**

| Name of the State    | Length to be acquired (in km) | Length acquired upto March 2018 | Length acquired upto March 2021 |
|----------------------|-------------------------------|---------------------------------|---------------------------------|
| <b>Bihar</b>         | 552.29                        | 369.77 (67%)                    | 517.44 (93.68%)                 |
| <b>Uttar Pradesh</b> | 237.38                        | 137.28 (58%)                    | 219.87 (93%)                    |

Source: MHA

It is evident from the above table that the process of acquisition of land was very slow as even after seven years of the inception of the project, only 67 per cent and 58 per cent of land was acquired in Bihar and Uttar Pradesh respectively as on 31 March 2018, i.e. revision of timelines by CCS. Though as of March 2021, there was improvement in the acquisition of land, about seven per cent of land is yet to be acquired in both States. The delays in acquiring land led to cost and time over run and litigation with contractors as discussed in paragraphs 3.2 and 4.3. MHA stated (December 2021) that that promulgation of New Land Acquisition Act 2013 resulted in delay in acquisition of land. It further added that 17.17 km in Uttar Pradesh and 21.68 km in Bihar of land acquisition of road length is in process and likely to be finalised by the States by January 2022.

## 2.3 Issues related to forest clearances

As per the project implementation strategy<sup>13</sup>, the State Governments will obtain the necessary clearances including forest/wildlife clearances wherever required and make payments for the charges on account of net present value of land, compensatory Afforestation etc. As of March 2021, forest/wildlife clearances were still awaited in respect of Uttar Pradesh as discussed below.

<sup>12</sup> As per the Agreement with the Construction Agency, the Defect Liability Period was one year in case of project costing up to ₹ five crore and two years where the project cost is more than ₹ five crore.

<sup>13</sup> Para 5.1 (vii) of CCS Note 2010



In Uttar Pradesh, as against GoI sanction (November 2010) of 640 km length of road for construction/upgradation on the Indo-Nepal border, the alignment finalised by Uttar Pradesh Public Works Department (UPPWD) (during 2012-13) with the approval of SSB had only 574.59 km road under INBRP. Audit observed the following in this regard:

Out of 574.59 km of approved alignment, 302.16 km<sup>14</sup> (52.6 per cent) was in forest area requiring forest and wildlife clearances<sup>15</sup>. UPPWD submitted several proposals for forest and wildlife clearance to the Forest Department during the period from October 2013 to April 2018. The Forest Department raised several queries<sup>16</sup> on the proposals that included non-submission of prescribed certificates/information regarding non-availability of alternative suitable non-forest land for the project, inspection report of forest area involved in the project, geo-referenced digital map of compensatory afforestation site etc. Thus, the deficiencies in these proposals submitted by UPPWD led to further delays in forest/wildlife clearance.

Uttar Pradesh State Wildlife Board<sup>17</sup> (Board) in August 2018, directed that a team of officers from the Forest Department, SSB and PWD should survey the existing roads along the Indo-Nepal border and make required changes in the alignment to ensure minimum felling of trees. While the survey was completed in three districts (*Bahraich, Balrampur and Shravasti*), it was in progress (October 2019) in three other districts (*Lakhimpur Kheri, Maharajganj and Pilibhit*). Subsequently, in another meeting (November 2019), the Board directed to finalise the alignment by acquiring the forest land as per requirement of a single lane road adjacent to the no man's land in order to minimise the cutting of trees.

MHA stated (December 2020) that the revised border road alignment passing through forest area in UP had been finalised. The delay was due to difficulties in building consensus with forest/wildlife authorities & other stakeholders. In the exit conference, MHA informed (February 2021) that issue regarding the road alignment falling under forest area in UP had since been sorted out and clearance from forest department was expected by June 2021. MHA further added that (December 2021) issue regarding wild life/forest clearance yet to be resolved.

The fact remains that finalisation of alignment was flawed as UPPWD did not take the Forest Department on board while finalising the alignment. Further, faulty/incomplete forest clearance proposals submitted by UPPWD and lack of co-ordination with the Forest Department led to

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<sup>14</sup> 15.82 km under protected forest, 54.14 km under reserve forest, and 232.20 km under wildlife forest.

<sup>15</sup> As per Section 2 of the Forest (Conservation) Act, 1980, no State Government or other authority shall make, except the prior approval of the Central Government, any order directing that any forest land or any portion thereof, may be used for any non-forest purpose.

<sup>16</sup> As per *Parivesh* portal ([forestclearance.nic.in](http://forestclearance.nic.in)) of GoI, Forest Department raised queries on seven occasions for forest clearance proposal (19 February 2018, 19 March 2018, 10 April 2018, 18 April 2018, 26 April 2018, 3 May 2018 and 15 June 2019) and nine occasions for wildlife clearance proposal (10 April 2018, 20 April 2018, 28 April 2018, 8 May 2018, 14 May 2018, 28 May 2018, 6 July 2018, 17 July 2018 and 26 November 2018).

<sup>17</sup> During Exit Conference, State Government informed that Uttar Pradesh State Wildlife Board (Board) was not in existence and it was constituted in 2018.

multiple queries on forest/wildlife clearance proposals. As a result, forest/wildlife clearance was not yet received.

Delays in obtaining forest/wildlife clearance also impacted the preparation of DPRs and the eventual construction of roads in a timely manner.

## 2.4 Approval of Detailed Project Reports (DPRs)

As per the implementation strategy, State PWDs or any other agency engaged for this purpose will undertake the preparation of DPRs/cost estimates in respect of works assigned to them in a Phased manner. The DPRs/cost estimates framed by the executive agencies were to be examined by the Technical Committee and its recommendations were to be placed before the HLEC, which was empowered to take appropriate decision for execution of the projects.

Audit observed that DPRs for a significant part of the project are yet to be finalised. As of March 2021, the details of approval of DPRs are tabulated in **Table No. 4**.

**Table No. 4: Details of approval of DPRs**

(in km)

| Particulars  | Bihar  | Uttar Pradesh        | Uttarakhand       | Total   |
|--|--------|----------------------|-------------------|---------|
| Length of road approved by CCS                           | 564    | 640                  | 173 <sup>18</sup> | 1377    |
| Actual length of road at the time of preparation of DPRs | 552.29 | 574.59               | 135.48            | 1262.36 |
| DPRs approved by HLEC                                    | 552.29 | 235.57 <sup>19</sup> | 55                | 842.86  |
| DPRs yet to be approved                                  | Nil    | 339.02               | 80.48             | 419.50  |

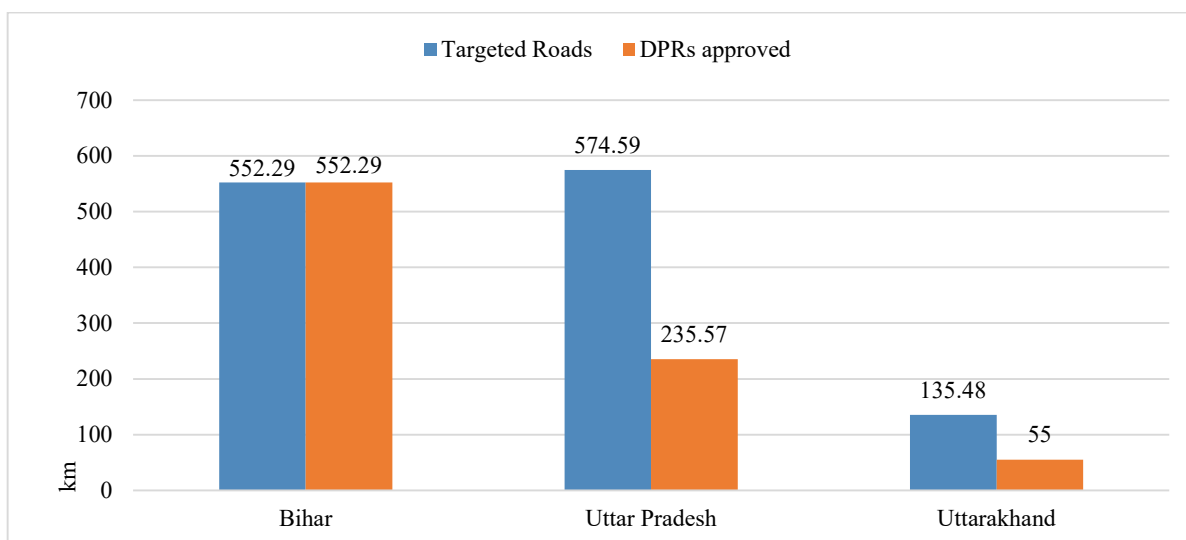
Source: MHA

As can be seen from the table above, the initial estimate of 1377 km road length was reduced to 1262.36 km as per the actual length of roads during preparation of DPRs. However, due to failure to obtain forest/wild life clearances in Uttar Pradesh and delay in finalisation of DPR for Pancheshwar Dam on river Mahakali by the Ministry of Water Resources in Uttarakhand, as of March 2021, out of 1262.36 km of roads, DPRs for only 842.86 km of roads (67 per cent) were approved leaving DPRs for 419.50 km of road length (33 per cent) remaining to be approved. A pictorial representation is given in **Chart No. 2**:

<sup>18</sup> In Uttarakhand, only one road namely *Tanakpur-Jauljibi Marg*, with length of about 173 km had been proposed.

<sup>19</sup> Length revised from 257.02 km (2012-14) to 235.57 km (during 2018-2020)

**Chart No. 2: Targeted road length and DPRs approved (in km)**



Source: MHA

Even though MHA had directed the States (November 2010) that the work may be started in patches where land acquisition and statutory clearances under Forest Conservation Act and Wild Life Protection Act was not required, it (HLEC under the MHA) approved 27 DPRs estimated to cost ₹ 2656.93 crore (**Annexure-2**) during May 2011 to July 2016 of which only one DPR in Uttar Pradesh (estimated cost - ₹ 22.03 crore) for Thuthibari-Bargadwa road (7.6 km) was free from encumbrances, as it did not involve either land acquisition or forest land. In the remaining 26 approved DPRs, either land was not acquired or wildlife/forest clearance was not obtained.

The approval of these 26 DPRs costing ₹ 2634.90 crore by HLEC without ensuring availability of land and requisite clearances resulted in time and cost overruns which are discussed in paragraphs 3.2 and 4.3.

MHA stated (December 2021) that DPRs were approved in anticipation that the work of land acquisition and wildlife/forest clearance would be completed by the State executing agencies.

The reply is not tenable as approval of DPRs by HLEC without ensuring land free from encumbrance resulted in blockage of funds, award of works by the State Government without availability of land, and cost escalation. Further, Audit noted that HLEC had itself not approved 16 DPRs submitted by the SGoUP (2013) due to non-availability of land and forest clearance.

## 2.5 Deficiencies in preparation of DPRs

INBRP envisaged that DPRs would be prepared by State executive agencies and sanctioned by HLEC on the recommendation of Technical Committee (TC). Examination of the DPRs revealed the following deficiencies.

### 2.5.1 Deficient designing of road in Uttarakhand

CCS Note (21 September 2010) finalised the requirement of a strategic road along the Indo-Nepal border and provided that these works were proposed to be carried out as per Indian Road Congress (IRC) codes and Ministry of Road Transport and Highways (MoRTH) specifications. The quality of road held special strategic significance as it was meant for movement of troops and defence equipment.

Section 3.2.3 of the Guidelines for the Design of Flexible Pavements (IRC-37-2001) provides that using simple input parameters like design traffic in terms of cumulative number of standard axles known as Million Standard Axle (MSA<sup>20</sup>) and California Bearing Ratio<sup>21</sup> (CBR), value of sub-grade, appropriate designs could be chosen for the given traffic and soil strength. IRC-37-2001 further envisaged that thickness of crust of road of painted surface should be 540 mm to 660 mm for 10 MSA and CBR value varying from five *per cent* to 10 *per cent*.

The DPR for 0 to 12 km stretch (Upgradation of Kakrali Gate-Thuligad road) was approved by HLEC in May 2011. It was observed that no traffic census was conducted before preparing DPR for 0-12 km road. However, survey was conducted (10 to 16 June 2012) before preparing DPR for the 12 to 55 km stretch. It was concluded that traffic density worked out to 10 MSA on the basis of 969 CVPD<sup>22</sup> after conducting traffic census at Kakrali Gate (km 0.00) which is the starting point of the road (km 0-12). Also, the CBR value of the road was between five *per cent* and 10 *per cent*.

As PWD Uttarakhand prepared DPR for 0-12 km road without conducting survey, it failed to consider data on parameters like traffic census and CBR value of sub-grade in preparation of DPR. This led to non-compliance with IRC norm resulting in construction of crust with lesser thickness (340 mm). Further, non-adoption of IRC specification of thickness (540 mm) for the above mentioned 10 MSA and CBR (5-10 *per cent*) resulted in laying of inferior binding course as well as wearing course for construction of pavement of road. As a result, instead of using Dense Bituminous Macadam and Bituminous Concrete as Binding and Wearing Course, Bituminous Macadam (BM) and Semi Dense Bituminous Concrete (SDBC) were used. Hence, the quality of road, which was of strategic importance meant for movement of troops and defence equipment, did not meet the required IRC specifications.

PWD Uttarakhand stated (March 2019) that the road was designed under provisions for Other District Road/Village Road (ODR/VR) as well as on the instructions of Senior Officers.

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<sup>20</sup> It is used for the designing of the pavement. It tells us about the number of commercial vehicles that would be occupying the road at the end of the design life of road.

<sup>21</sup> The CBR test is a penetration test meant for the evaluation of subgrade strength of roads and pavements. The results obtained by these tests are used with the empirical curves to determine the thickness of pavement and its component layers.

<sup>22</sup> Commercial Vehicle per Day.

It further added that the DPR was vetted by HLEC. MHA endorsed (December 2021) the views of SGoU.

The reply of PWD Uttarakhand was not acceptable as it failed to conduct traffic census in advance and incorporate the right parameters<sup>23</sup> for the design of the road. Moreover, the reply that the road was designed as per provisions of ODR/VR was also not correct as IRC-SP-20-2002, meant for designing ODR/VR, did not permit designing of road if CVPD was beyond 450. It also did not provide design for crust thickness (340 mm) with CBR value varying from five *per cent* to 10 *per cent* and laying of BM and SDBC.

### 2.5.2 Over-estimation in estimates for road works

As per INBRP, road works were proposed to be carried out as per Indian Road Congress (IRC) Codes and Ministry of Road Transport and Highways (MoRTH) specifications.

Scrutiny of 12 approved DPRs revealed that in nine DPRs, UPPWD applied different hire charges for the same machines (batch mix hot mix plant and generator) in analysing Dense Graded Bituminous Macadam (DGBM) and Bituminous Concrete (BC). The hire charges applied were also at variance with MoRTH rate for these machines, which inflated cost of the projects by ₹ 11.93 crore (**Annexure-3**). Hence the certificates to the effect that rates were analysed as per MoRTH data book, given in the faulty DPRs, were questionable. Audit also noticed that the office of Chief Engineer (INB) also did not apply due diligence while according technical sanction to the DPRs on inflated cost.

SGoUP replied (January 2020) that rates were different for different capacities of machines as per the quantum of work and therefore, inference of Audit that the different rates were applied for the same machines was not correct. Ministry endorsed (August 2021) the views of the SGoUP.

The reply was not tenable as the rates for batch mix hot mix plant and generator in the rate analysis of nine DPRs were not in conformity with rates prescribed by MoRTH for the same capacity of machines. In addition, the rate analysis for DGBM and BC in these nine DPRs also lacked uniformity in the application of rates for these machines. As a result, the rates arrived at in the DPRs for DGBM and BC were inflated.

### 2.6 Delay in finalisation of Detailed Project Reports

The State Government of Uttarakhand (SGoU) submitted (04 October 2013) DPR of 123.475 km to MHA. The DPR was revised incorporating the current rates and re-submitted (27 August 2014) to MHA. However, following the meeting (21 October 2014) of HLEC and

<sup>23</sup> As per MoU between MHA and PWD, Uttarakhand, proposed roads of the Project shall be of two lane configuration as specified for State Highways with 12 metre formation width, 7 metre carriage way width and right of the way as per IRC, and all these works shall be carried out as per IRC and MoRTH specifications.

two subsequent meetings between HLEC & MHA to discuss the effect of submergence of the proposed road upstream of proposed Pancheswar Dam on river Mahakali, it was decided (28 January 2016) to start the work in the unaffected length (km 12 to 55). Consequently, fresh DPR for 43 km was prepared and submitted (26 February 2016) to GoI as the level of submergence could not be communicated in earlier meetings due to non-finalisation of DPR for the dam. After meeting queries of MHA and after several rounds of discussion, the HLEC accorded final approval on 28 July 2016. Thus, it took five years for obtaining approval of DPR for km 12 to 55 since the approval of DPR for km 0 to 12 in July 2011 resulting in much delay in commencing of the work.

MHA confirmed (December 2020) the facts. Further, MHA informed (December 2021) that the finalisation of DPR of the Pancheswar dam was still pending thus affecting completion of the work.

## **2.7 Memorandum of Understanding**

As per INBRP, MHA would consider signing of MoU with the State Government/implementing agencies for implementation of the scheme. Signing of MoU binds the State Governments to complete the work as per agreed terms and conditions within the stipulated time limit. Audit, however, noted that while MoU was signed with Uttarakhand in April 2014, it was signed with Bihar in July 2020 and with Uttar Pradesh in March 2021, i.e. after a delay of 10 years from the approval of the project (2010). This resulted in lack of clarity on terms and conditions for implementation of the project by the State Governments.

MHA accepted (December 2021) the observation and stated that due to consensus building on some terms and conditions of MoUs *viz* Agency charges took much time in finalisation and signing of MoUs with State Governments.

However, Audit noted that Ministry took inordinately long to finalise the MOUs, with the result that some of the expenditure, i.e charges of utility shifting and afforestation, which were to be borne by the State Governments as per the MOUs, were borne by MHA.

### **2.7.1 Incorporation of irregular condition in MoU with PWD**

MoUs between MHA and State Governments stipulate that “PWD/RCD, may take up this work on Deposit basis as per provisions of the CPWD manual. PWD/RCD shall be paid agency charges at seven *per cent* of the actual cost of the work”. Further, Clause 11 of MoU states that “agency charges/balance agency charges will be paid in last installment after all requirements like submission of Project Completion Report etc. have been fully complied with by the executing agency.”

As per the CPWD manual, the term ‘Deposit Works’ is applied to works of construction or repairs and maintenance, the cost of which is met out of Government grants to Autonomous or Semi-Autonomous Bodies or Institutions through their Administrative Ministries, or is financed from non-Government sources wholly or partly from: (a) Funds of public nature, but not included in the financial estimates and accounts of the Union of India or (b) Contributions from the public. As per para 3.6 of the CPWD Works Manual, the deposit for a work should be

realised before any liability is incurred on the work. Further, it has to be ensured that the expenditure incurred is not more than the deposit received for the work. Further, as per Para 3.1.1.4 of CPWD manual, no departmental charges are to be levied for Government Works. Departmental charges are to be levied for the works of private organisations, Local bodies and PSUs.

CCS Note envisaged that the Central Government will only bear the construction cost and all other expenditure will be borne by the State Government. Further examination of other Central Sponsored Schemes like Centre Road Fund and Pradhan Mantri Gram Sadak Yojana (PMGSY) revealed that the Central Government does not bear any agency charges except the construction cost.

Audit noted that there is no justification for incorporating the clause related to seven *per cent* agency charges to State Governments, as the clause is not in compliance with the above provisions and instructions. It will lead to extra financial burden of ₹ 270 crore<sup>24</sup> on Central Government.

MHA stated (December 2020) that the draft MoUs were finalised by it in consultation with Integrated Finance Division that includes a Technical Cell. Technical Cell mentioned that five to 10 *per cent* (agency charges) is being added in the estimates towards difficult working conditions of border areas and that as per CPWD manual, maximum seven *per cent* Agency Charges are payable for works costing more than ₹ five crore. In view of this, the Agency Charges was fixed at seven *per cent* on recommendation/approval of IFD.

The reply of the MHA is not acceptable as the MoU signed with State Governments provided for seven *per cent* agency charges on deposit works as per CPWD manual. However, nothing regarding levy of agency charges due to difficult terrain conditions was mentioned in the MoU and approved CCS Note. Moreover, as per Para 3.1.1.4 of CPWD Manual 2019, no departmental charges are to be levied for Government Works.

In the exit conference (February 2021) Audit requested that the matter be taken up with the State Government so that no agency charges should be taken for such projects with national security implications. MHA agreed and requested (March 2021) State Governments accordingly.

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<sup>24</sup> Seven *per cent* of ₹ 3853 crore projected cost as per CCS Note 2010.

## CHAPTER-III: FINANCIAL MANAGEMENT

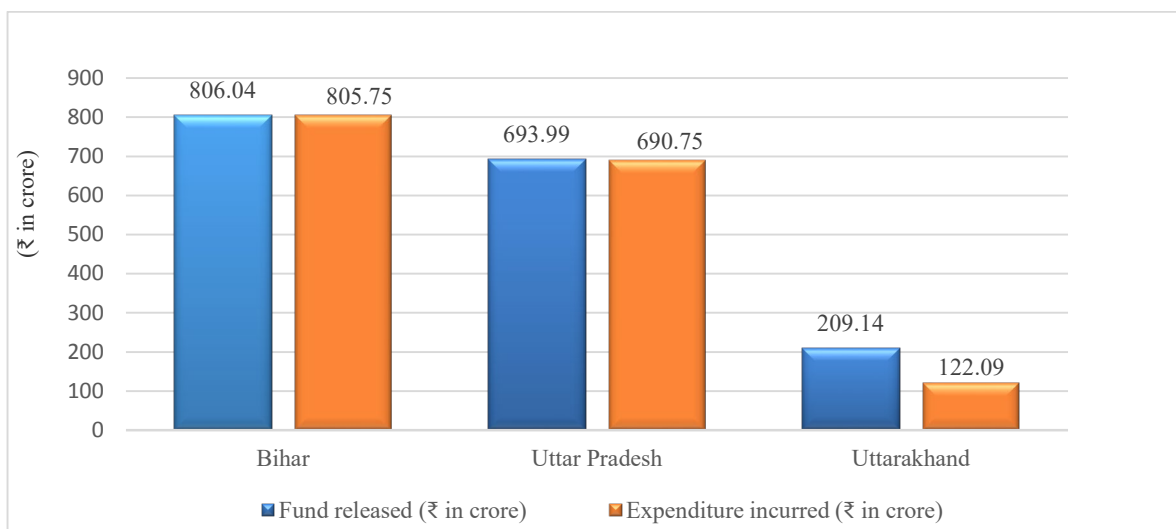
### 3. Financial Management

As per CCS Note 2010, the expenditure for construction of proposed roads was to be borne by the Central Government while expenditure on account of land acquisition (LA), utility shifting (US) and forest clearance (FC) and future maintenance of the roads was to be met by the State Governments from their own resources.

#### 3.1 Release and utilisation of funds

HLEC had approved 27 DPRs of ₹ 3472.25 crore (including the revised cost of the DPRs) as of March 2021 (**Annexure-2**). Based on the approval of HLEC, MHA released funds to States. During the period 2011-12 to 2020-21, MHA released funds aggregating ₹ 1709.17 crore to the States of Bihar, Uttar Pradesh and Uttarakhand, out of which, the States incurred expenditure of ₹ 1618.59<sup>25</sup> crore, leaving an unspent balance of ₹ 90.58 crore (five per cent). The State-wise position of utilisation of funds released for the period 2011-12 to 2020-21 is depicted in **Chart No. 3**.

**Chart No. 3: State-wise funds released and expenditure incurred**



Source: MHA

It can be seen from the above chart that though Bihar and Uttar Pradesh had been able to utilise the funds released to them, Uttarakhand had not been able to utilise 42 per cent of the funds released as of March 2021.

<sup>25</sup> In case of Bihar, MHA reported an expenditure of ₹ 805.75 crore. However, as per the monitoring reports of physical/financial progress of work, Bihar reported an expenditure of ₹ 808.05 crore resulting in a difference of ₹ 2.30 crore.

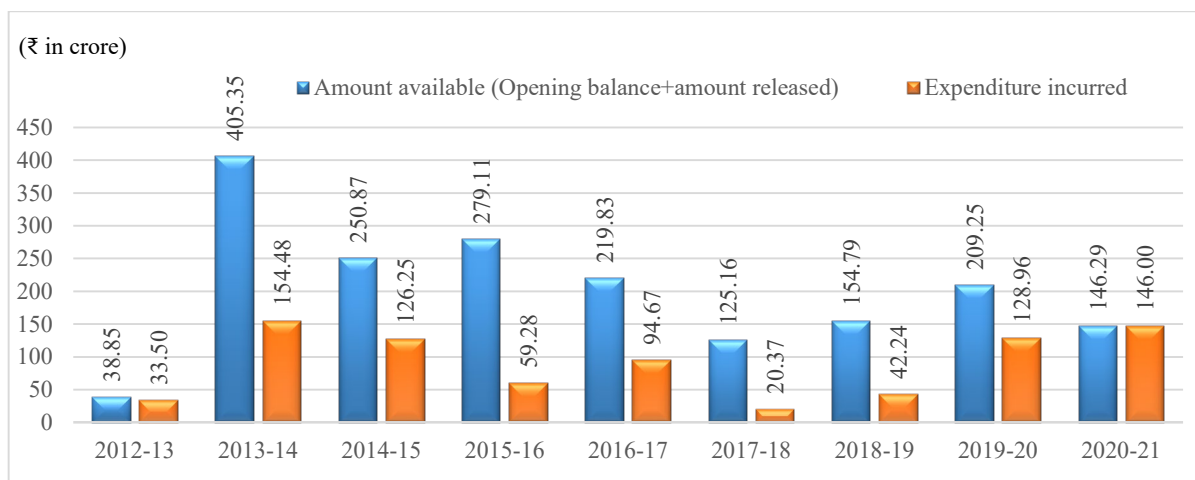


The audit findings related to release and utilisation of funds are discussed in the subsequent paragraphs.

### 3.1.1 Injudicious release of funds by MHA

The pace of expenditure by the States was slow as compared to funds released by MHA due to delay in acquisition of land and obtaining of forest/wildlife clearances by the States. MHA did not analyse the year-wise trend of expenditure of the States before releasing funds on the basis of requisition, resulting in unspent balance of funds lying with the States each year, as seen from the details given in **Chart No. 4**.

**Chart No. 4: Funds available and expenditure incurred in Bihar**



Source: MHA

It can be seen from the above that in Bihar, less than 50 per cent of the funds available were utilised during the years 2013-14, 2015-16, 2016-17, 2017-18 and 2018-19. For all the 13 DPRs involving 15 stretches of land of total length of 552.293 km, land was to be acquired or forest clearance was to be obtained or both were to be acquired/obtained before the approval of DPR or at the time of approval of DPR. Release of lump sum amount of ₹ 400 crore by MHA in 2013-14 without acquisition of land or forest/wildlife clearance was not prudent. The State was able to utilise ₹ 400 crore released in 2013-14 only by end of 2016-17. Thus, release of ₹ 154.49 crore in 2015-16 was unwarranted as the State already had an unspent balance of ₹ 124.62 crore at the end of 2014-15. Further, expenditure during the year 2015-16 was only ₹ 59.28 crore, which could have been met from the unspent balance of 2014-15. Similarly, an amount of ₹ 50 crore was released during the year 2018-19 even as the State Government already had an unspent balance of ₹ 104.79 crore. MHA was also aware that during the year 2015 and onwards, the construction work on 372.93 km at nine stretches came to a complete halt due to arbitration cases by the contractors, and this fact could have been factored in the subsequent release of funds to the State Government.

### Requisition of funds in excess of requirement

Audit noted that SGoB requisitioned funds from GoI (April 2013 and August 2013) for civil work without assessing the actual requirement and kept these funds unutilised in the current account for different periods. On two occasions<sup>26</sup>, more than ₹ 100 crore was blocked in the bank account for 12 to 17 months. Further, funds aggregating ₹ 100 crore received from the GoI in October 2013 were blocked in the bank account for 17 months as release of funds to the Divisions started only from February 2015.

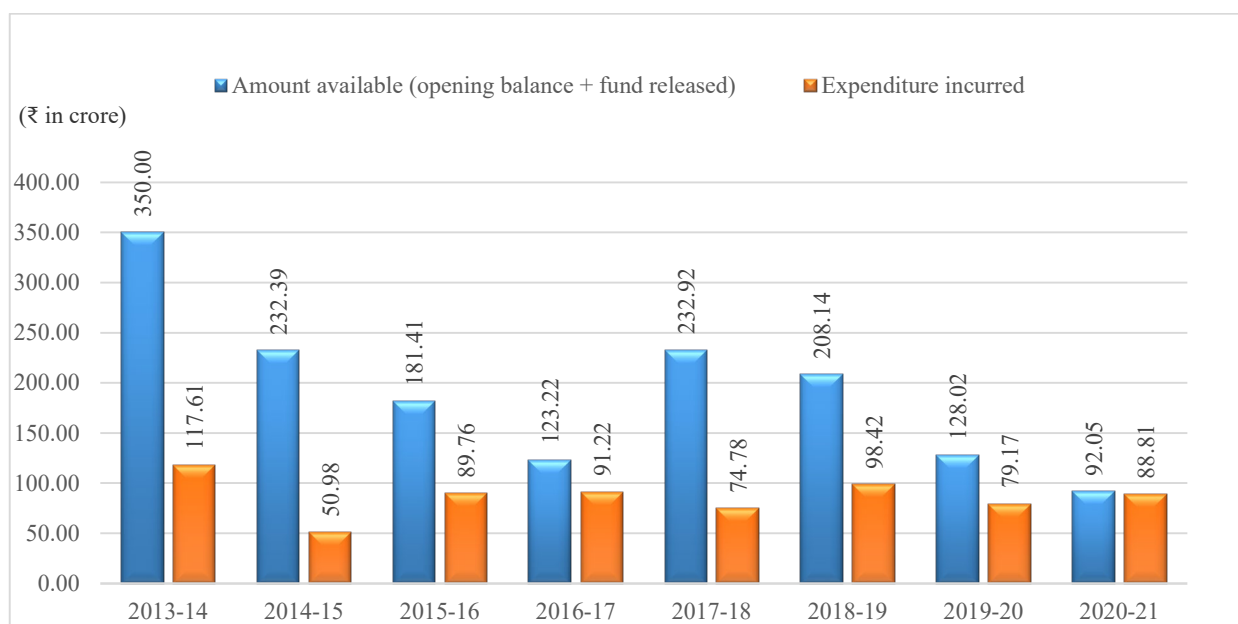
Requisition of funds in excess of requirement and parking the funds in the current account was not prudent management of funds as it not only blocked public money but also resulted in interest loss of ₹ 21.56 crore.

The Department replied that current account was opened in State Bank of India with the approval of the competent authority. Besides, MHA also did not instruct to keep funds in an interest-bearing savings account.

The RCD accepted the audit contention and attributed the reason for low utilisation of funds to non-availability of land for road construction. After February 2020, RCD deposited the unused balance fund in the interest bearing sweep account.

Thus, the funds requisitioned in excess of requirement not only resulted in idling of funds in current account in the bank but also resulted in loss of interest.

**Chart No. 5: Funds available and expenditure incurred in Uttar Pradesh**



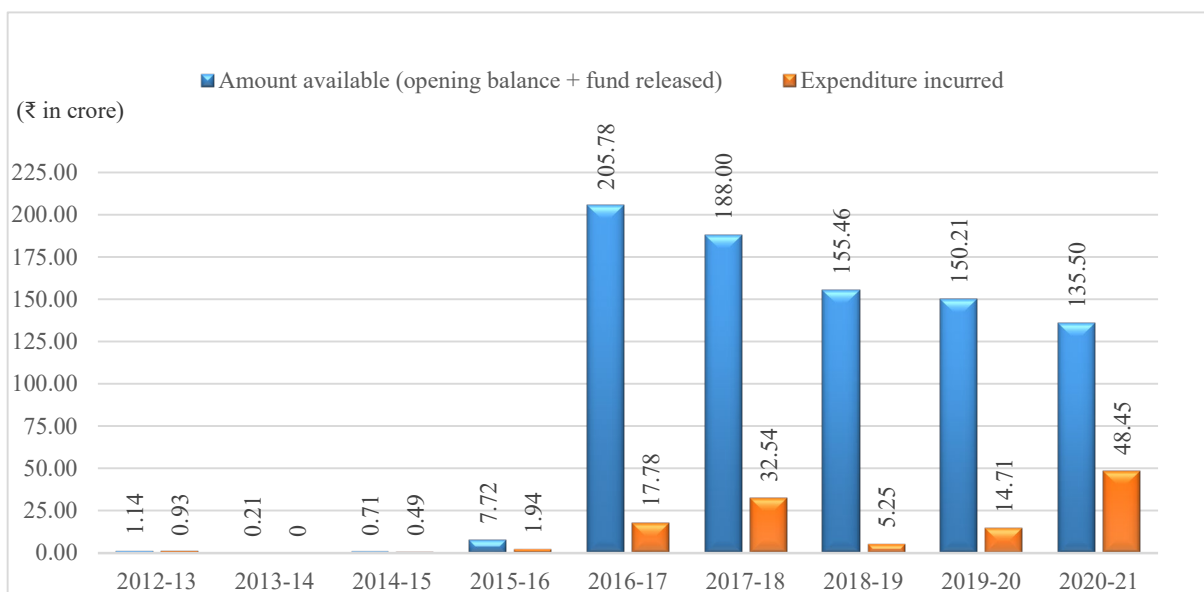
Source: MHA

Similarly, in Uttar Pradesh, the gap between amount available and expenditure incurred was highest in 2013-14 followed by 2014-15 and 2015-16 and then in 2017-18 to 2018-19. As seen from **Chart No. 5** above, less than 50 per cent of the funds available were utilised during the years 2013-14 to 2015-16, 2017-18 and 2018-19. In the year 2013-14, ₹ 350 crore was released which the State utilised only in four years i.e. 2016-17. In view of this trend of expenditure, release of ₹ 200.92 crore in 2017-18 in two instalments was not prudent. Further, the State

<sup>26</sup> Minimum balance ₹ 141.59 crore for the period October 2013 to September 2014 and minimum balance ₹ 109.08 crore for the period August 2015 to December 2016.

could only utilise this fund upto 2018-19. Thus further release of ₹ 50 crore in 2018-19 was injudicious in view of unspent balance of ₹ 158.14 crore available at the beginning of the year.

**Chart No. 6: Funds available and expenditure incurred in Uttarakhand**



Source: MHA

Out of the three States, utilization of funds in Uttarakhand was the lowest. As seen from **Chart No. 6** for the year 2013-14, expenditure was ‘nil’ whereas for the period 2015-16 to 2020-21, expenditure ranged from 3.38 to 35.76 per cent. In 2016-17, ₹ 200 crore was released for the stretch of 43 km of road of Thuligad-Rupaligad. Audit noticed that the State Government could utilise only ₹ 122.09 crore out of ₹ 209.14 crore as of March 2021. Hence, release of ₹ 200 crore in one installment was also injudicious in view of the trend of expenditure in earlier years as well as the fact that construction of road is done in stages for which proportionate amount can be released periodically.

Thus, even though the utilisation of funds by States was not able to keep pace with the release of funds, MHA continued further releases without taking cognizance of the status of utilisation, resulting in idling of funds.

MHA replied (January 2020) that in Uttarakhand funds had not been utilised due to litigation and non-finalisation of DPR of Pancheshwar Dam Project. MHA further stated (December 2020) that the main intent of MHA in releasing funds was to ensure that the progress of work should not be affected due to want of funds. MHA in exit conference (February 2021) added that now the release of funds has been streamlined and funds are being released on the basis of physical and financial progress of the work. MHA further added (December 2021) that in retrospect, it would have been better if funds had not been released to Government of Uttarakhand in anticipation of timely resolution of impediments.

### 3.1.2 Improper reporting of utilisation of funds by Bihar

As per Rule 239 of General Financial Rules 2017<sup>27</sup> Form 12-C prescribed for Utilisation Certificate (UC), the UC shall disclose separately the actual expenditure incurred and loans and advances given to suppliers of stores and assets which do not constitute expenditure at the stage.

Audit observed that expenditure (civil cost) reported in the UC by the SGoB to MHA did not exhibit correct financial progress. In five test-checked Divisions<sup>28</sup>, the reported expenditure aggregated to ₹ 280.91 crore (2012-13 to 2019-20) against the actual expenditure of ₹ 177.44 crore. The reported expenditure included Mobilisation and Tools & Plant (T&P) advances aggregating ₹ 103.47 crore to agencies<sup>29</sup>. Besides, refund of ₹ 91.99 crore by contractors from the mobilisation advance after retaining them for more than five years, was also not depicted in the UCs submitted to GoI. The refund increased the cash balance with RCD, whereas the same was already reported as expenditure to GoI. Consequently, GoI was not informed of actual availability of funds with GoB.

RCD replied that earlier advances to contractors being shown as expenditure were for getting further allotment from MHA. However, the UC would be rectified in the current year after incorporating the amount of advances returned by the contractor.

On being pointed out by Audit, MHA (March 2021) directed State governments to provide the UCs strictly in accordance with the provisions of the GFR.

### 3.1.3 Irregular release of ₹ 2.34 crore by MHA

As per the MoU, the expenditure on shifting of utility services and afforestation charges were to be borne by the State Governments. Scrutiny of records in MHA revealed that HLEC in its 45<sup>th</sup> meeting (29 October 2018) and 47<sup>th</sup> meeting (28 January 2020) approved the revised estimates of three DPRs aggregating ₹ 195.81 crore and two DPRs aggregating ₹ 147.23 crore, respectively, which included the charges of utility shifting and afforestation aggregating ₹ 2.34 crore sent by SGoUP. The approval of utilities shifting charges aggregating ₹ 2.34 crore by MHA was, thus, irregular.

MHA accepted (December 2021) the audit observation and informed that the amount will be adjusted/recovered from future release of funds.

<sup>27</sup> Earlier version i.e. Rule 212 of GFR 2005 laid down that a certificate of actual utilization of the grant received for the purpose for which it was sanctioned should be insisted upon.

<sup>28</sup> Bettiah, Kishanganj, Madhubani, Motihari and Sitamarhi.

<sup>29</sup> NKC Projects Private Ltd, JKM Infra Projects Ltd.

### 3.1.4 Non-accounting of interest earned

As per Rule 209 (6) (xi) of GFR, 2005 relating to ‘Principles and Procedure for award of grants-in-aid’, the stipulation in regard to refund of the amount of grant-in-aid with interest thereon should be brought out clearly in the letter sanctioning the grant.

MHA, while releasing grants to the States, in some of the sanctions incorporated a clause that “the amount sanctioned so far against the project is subject to the condition that interest earned on the unutilised amount, if any, would be deposited to the GoI (MHA) account”. The State-wise position regarding stipulation of this condition in the financial sanctions under the project is given in **Table No. 5**.

**Table No. 5: State-wise position of the financial sanctions**

| Name of the State    | No. of sanctions included the stipulation   |
|----------------------|---|
| <b>Bihar</b>         | No such condition was stipulated in any of the financial sanctions for release of funds aggregating ₹ 806.04 crore during the period 2012-13 to 2020-21.  |
| <b>Uttarakhand</b>   | Out of ₹ 209.14 crore released through five sanctions, no such condition was stipulated in four financial sanctions aggregating ₹ 9.14 crore.             |
| <b>Uttar Pradesh</b> | Out of ₹ 693.99 crore released through nine financial sanctions, no such condition was stipulated in five financial sanctions aggregating ₹ 361.50 crore. |

Source: MHA

MHA did not furnish any reason for non-stipulation of the said condition in all the financial sanctions for release of funds to States and stated that details regarding interest earned are not maintained in MHA.

Audit noted that State Governments of Uttar Pradesh and Uttarakhand earned interest aggregating ₹ 1.16 crore (up to December 2019) and ₹ 35.58 crore (up to March 2021), respectively but SGoU did not disclose the same in its utilisation certificates submitted to MHA. In case of Bihar, the Central funds were parked in current account, as outlined in Para 3.1.1 (Box).

The SGoUP intimated in utilisation certificate submitted in May 2019 about the interest earned aggregating ₹ 1.06 crore. MHA was instructed (May 2019) by its Integrated Finance Division that it may be ensured that all interest and other earning accrued by any organisation against amount released have been mandatorily remitted to Consolidated Fund of India.

On being pointed out by audit, MHA (March 2021) directed State Governments to provide the UCs strictly in accordance with the provision of GFR. However, MHA did not address the issue regarding the interest earned by the State Governments and also not take any action to direct

the State Governments to deposit the interest earned as of March 2021. MHA further intimated (December 2021) that interest earned has been deposited/transferred to the Consolidated Fund of India by SGoUP.

### 3.1.5 Diversion of funds by State Governments

As per the CCS Note 2010 and MoU, State Governments would obtain the necessary clearances including forest/wildlife clearances wherever required and make payment for the charges of Net Present Value of land, compensatory afforestation etc. Audit noted that State Governments of Uttar Pradesh and Uttarakhand diverted ₹ 13.41 crore<sup>30</sup> to meet expenditure like afforestation payments, repair of causeways falling on the roads, and shifting of utility services which were against the norms of the CCS Note 2010 and MoU.

On being pointed out by audit, MHA (March 2021) directed State governments that the funds diverted may be reported to the Ministry for adjustment from further release of funds and States should ensure that no diversion of funds takes place in future.

### 3.1.6 Unadjusted advances and interest thereon

In Bihar, mobilisation advances and Plant & Machinery (P&M)/Equipment advances aggregating ₹ 103.47 crore<sup>31</sup> on interest basis were given to contractors during March 2013 to June 2014. In Uttar Pradesh, interest free mobilisation and equipment advances aggregating ₹ 84.85 crore<sup>32</sup> were given to contractors during May 2013 to March 2018. The details of advances and its recoveries are tabulated in **Table No. 6**:

**Table No. 6: Details of advances and recoveries**

(₹ in crore)

| State         | Nature of advance | Advance amount | Interest amount | Amount recovered |              | Amount recoverable |               |
|---------------|-------------------|----------------|-----------------|------------------|--------------|--------------------|---------------|
|               |                   |                |                 | Advance          | Interest     | Advance            | Interest      |
| Bihar         | Mobilisation      | 93.99          | 107.14          | 91.99            | 13.01        | 2.00               | 94.13         |
|               | P&M/Equipment     | 9.48           | 8.68            | --               | --           | 9.48               | 8.68          |
| Uttar Pradesh | Mobilisation      | 31.81          | --              | 23.88            | --           | 7.93               | --            |
|               | P&M/Equipment     | 53.04          | --              | 38.66            | --           | 14.38              | --            |
| <b>Total</b>  |                   | <b>188.32</b>  | <b>115.82</b>   | <b>154.53</b>    | <b>13.01</b> | <b>33.79</b>       | <b>102.81</b> |

Source: MHA

As evident from above table, in Bihar, while Mobilisation advance of ₹ 91.99 crore was recovered (June 2018 to February 2020), P&M advance of ₹ 9.48 crore is yet to be recovered. Out of the total interest accrued on Mobilisation and P&M advance aggregating ₹ 115.82 crore,

<sup>30</sup> Uttarakhand- ₹ 9.21 crore and Uttar Pradesh - ₹ 4.20 crore

<sup>31</sup> ₹ 93.99 crore as Mobilisation advance + ₹ 9.48 crore as P&M advance

<sup>32</sup> ₹ 31.81 crore as Mobilisation advance + ₹ 53.04 crore as P&M advance

only ₹ 13.01 crore was recovered leaving a balance of ₹ 102.81 crore to be recovered from the contractors (July 2020). The work was stopped for more than five years as land was not acquired and the contractor retained the fund of ₹ 103.47 crore for this period.

Ministry endorsed (August 2021) the views of the SGoB, which stated that recoveries of interest due on advances during retaining period would be made on the basis of award of the tribunal.

In Uttar Pradesh, ₹ 22.31 crore (₹ 7.93 crore + ₹ 14.38 crore) was pending for recovery as of December 2019. No time limit was prescribed for recovery of these advances in the Model Bid Document (MBD) and recoveries were linked with the progress of work. Misuse of mobilisation advances by contractors could not be ruled out.

The SGoUP replied (January 2020) that grant of Mobilisation advances/Equipment advances and recoveries thereof were done as per the contract conditions. The fact remains that provisions of MBD regarding interest-free mobilisation advances without a fixed schedule of recovery led to large unadjusted advances for years, which was also in violation of Central Vigilance Commission order (April 2007) that recovery should be time based and not linked with the progress of works.

### 3.2 Cost Escalation on account of slow progress of works

Due to the slow progress of construction of roads, the projects costs increased by ₹ 831.30 crore. The details are mentioned in **Table No. 7**:

**Table No. 7: Escalation in civil cost**

| (₹ in crore)  |   |                           |                                |                               |                                   |
|---------------|---|---------------------------|--------------------------------|-------------------------------|-----------------------------------|
| Name of State | No. of stretches where cost was revised | Length of stretches in km | Original cost approved by HLEC | Revised cost approved by HLEC | Increase in the cost (percentage) |
| Bihar         | 11                                      | 337.55                    | 995.67                         | 1507.67                       | 512.00 (51)                       |
| Uttar Pradesh | 10                                      | 217.07                    | 626.60                         | 945.90                        | 319.30 (51)                       |
| <b>Total</b>  | 21                                      | 554.62                    | 1622.27                        | 2453.57                       | 831.30 (51)                       |

Source: MHA

**In Bihar**, out of 15 stretches (**Annexure-4A** and **Annexure-4B**), there was a cost escalation of ₹ 512 crore (51 per cent) in 11 stretches. In the remaining four stretches, the proposals of three<sup>33</sup> stretches for revision of cost estimates were under consideration as of March 2021.

In ten stretches (396.97 km) where the progress of work was only eight per cent, the cost escalation in eight stretches was ₹ 377.12 crore (52 per cent) and two stretches were under consideration for revision (with ₹ 181.89 crore of increased cost). In nine (372.93 km) out of

<sup>33</sup> In one stretch (Dhabeli to Fatehpur), no cost escalation

ten stretches, the work was stopped for almost five years (2015-2020) as the State Government failed to provide site free from encumbrance to the contractors. Though Audit noted that there was no increase/change in quantity and the specification on these stretches (**Annexure-4A**), there was escalation in cost due to increase in the schedule of rates during the period 2011-12 to 2018-19.

**Estimates prepared without actual site conditions led to increase of cost by ₹ 90.44 crore**

HLEC had approved (2012) DPR of one stretch<sup>34</sup> (24.05 km) for ₹ 70.56 crore. SGoB had revised the cost of the project by ₹ 161 crore and the same had been approved by HLEC (2018). Hence, there was a cost escalation of ₹ 90.44 crore (128 *per cent* increase). The cost overrun was mainly due to increase in the scope of work such as provision of 1x30m additional bridge, increase in crust thickness, provision of additional RCC culverts etc., which indicated that the initial estimates approved by HLEC were not based on actual alignment of road.

Further, Audit noted that Chief Engineer, RCD, Bihar stated in the 64<sup>th</sup> Technical Committee (2018) that the preliminary estimate was prepared on the basis of Google map whereas the revised estimate was based on actual alignment of road based on SOR 2018 and also the stretch was a greenfield one, which led to increase in cost. The statement of Chief Engineer RCD confirmed that the earlier DPR (approved by HLEC in 2011) was not prepared by the SGoB on the actual site conditions and proper surveys.

The work had been stopped since 2017 and expenditure of ₹ 26.10 crore had been incurred. SGoB had retendered the work and the evaluation of bids was under examination as of March 2021.

**In Uttar Pradesh**, in 10 out of 12 stretches, there was a cost escalation of ₹ 319.30 crore (51 *per cent*) from 2013 to 2020, as detailed in **Annexure-5**. The reasons of the cost escalation were increase in the cost of material, labour and Tools & Plants; and also due to change of scope of work like provision of culverts, bridges, drain, reduction in length of road etc.

Thus, time overrun in the construction of roads on INB in Uttar Pradesh and Bihar in 21 stretches resulted in cost escalation of ₹ 831.30 crore (51 *per cent* of the original cost) as of March 2021.

MHA while accepting the audit observation stated (December 2021) that slow progress of road construction work was mainly due to delay in receiving statutory clearances, land acquisition and obtaining Forest & Wildlife clearances and the time overrun resulted into cost escalation.

<sup>34</sup> Phlubaria Ghat at Lalbakiya River to Bahar Village



## CHAPTER IV: CONTRACT MANAGEMENT AND EXECUTION OF WORKS

### 4. Introduction

As per the implementation strategy, the State Public Works Departments (PWDs) were responsible for executing the construction of road works along Indo-Nepal border. The project was to be completed by March 2016. The timelines were further revised to 31 December 2022.

The examination of records related to the execution of works in MHA and the State PWDs revealed the following:

#### 4.1 State-wise progress of the INBR Project

The State-wise status of the INBRP is depicted in **Table No. 8**:

**Table No. 8: State-wise status of the INBR Project (as of March 2021)**

| Particulars  | Bihar                          | Uttar Pradesh                 | Uttarakhand    | Total           |
|--|--------------------------------|-------------------------------|----------------|-----------------|
| Length approved by CCS (in km)   | 564                            | 640                           | 173            | 1377            |
| Actual length of Road to be constructed (in km)                            | 552.29                         | 574.59                        | 135.48         | 1262.36         |
| DPRs approved by HLEC (in km)  | 552.29 <sup>35</sup><br>(100%) | 235.57 <sup>36</sup><br>(41%) | 55<br>(41%)    | 842.86<br>(67%) |
| Formation work (in km)<br>(percentage with respect to km in approved DPRs) | 354.91<br>(64%)                | 197.35<br>(84%)               | 41.50<br>(75%) | 593.76<br>(70%) |
| Surfacing work (in km)<br>(percentage with respect to km in approved DPRs) | 155.53<br>(28%)                | 182.95<br>(78%)               | 29<br>(53%)    | 367.48<br>(44%) |

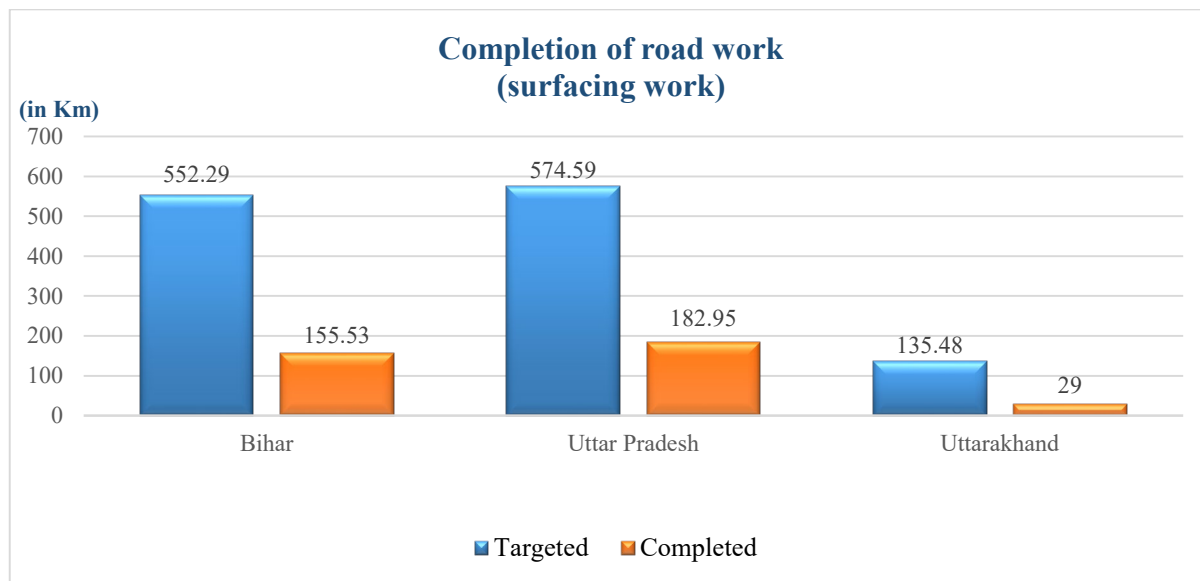
Source: MHA

Despite the lapse of 10 years i.e. 2011-2021, the progress of work of construction of roads in all the three States was slow and out of 1262.36 km road to be constructed along the Indo-Nepal border, only 367.48 km of road (29 per cent) has been completed (surfacing work) as of March 2021. The progress of work, compared to the approved DPRs (842.86 km) is 44 per cent.

<sup>35</sup> In Bihar, 564 km length was reduced to 552.29 km as per actual site conditions.

<sup>36</sup> In Uttar Pradesh, 257.02 km length was reduced to 235.57 km as per revised DPRs.

**Chart No. 7: Completion of road work**



Source: MHA

In **Bihar**, out of 15 stretches of 552.29 km, the formation work of 354.91 km and surfacing work of 155.53 km has been completed as of March 2021. While in two stretches (24.20 km) construction work has been completed, in 11 stretches (454.89 km) the work was under progress and in the remaining two stretches of 73.20 km, the work was retendered and yet to be awarded by the executing agency. **(Annexure-6)**

In **Uttar Pradesh**, out of 12 stretches (235.57 km), the construction of road in eight stretches (97.36 km) has been completed. In the remaining four stretches (138.21 km), the work of construction of road was under progress. As of March 2021, the formation work of 197.35 km and surfacing work of 182.95 km has been completed. **(Annexure-7)**.

In **Uttarakhand**, out of two stretches (55 km), the construction in one stretch (12 km) has been completed. In the remaining stretch (43 km), the construction of road was in progress. As of March 2021, the formation work of 41.5 km and the surfacing work of 29 km of road have been completed.

MHA stated (December 2021) that the concerned Executing Agencies are being geared up from time to time to complete the construction work within the time frame i.e. by December 2022.

Given the current pace of progress, Audit is of the view that the task of development of roads of operational and strategic significance in areas along the Indo- Nepal border within the revised timelines (December 2022) appears to be challenging.

## 4.2 Contract Management

Public contracting should be conducted in a transparent manner to ensure fair competition, with no scope for arbitrariness in the system. Audit examined the records of construction contracts

entered into by State executing agencies. The deficiencies in the contract management are discussed below.

#### 4.2.1 Improper tendering process

**Uttarakhand:** As per clause 13.1 of the Uttarakhand Procurement Rule (UPR) 2008, as amended from time to time, procurement of goods/works of estimated value of ₹ 25 lakh and above should be through invitation of tender. Further, sub clause V of the UPR envisages that the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later.

Audit observed that in contravention of the above provisions, during tendering (01 October 2011) for improvement and strengthening of the road stretch from 0 to 12 km of the projected road, the PWD Division prescribed only 11 days as against 21 days for sale and submission of bids by the aspirants/bidders<sup>37</sup>. Further, due to termination (7 December 2013) of the earlier bond, the Division floated a tender (29 September 2014) for the rest of the work for the same stretch of the projected road, wherein only 12 days were given for submitting bids as against prescribed 21 days<sup>38</sup>.

The SGoU stated (March 2019) that in both cases, the action was taken after appropriate circulation of tender notice. Ministry endorsed (August 2021) the views of the SGoU. The reply is not acceptable as only 11 and 12 days were given for submission of bids as against the prescribed 21 days.

#### 4.2.2 Invitation and opening of bids before according Technical Sanction and delay in execution of contract bonds

**Uttar Pradesh:** As per UPPWD order (September 1999), Notice Inviting Tender (NIT) should not be issued without obtaining technical sanction (TS) from the competent authority. Further, Engineer-in-Charge (E-in-C) directed (April 2004) that NITs should not be published without finalisation of Bill of Quantities (BOQ). E-in-C (UPPWD) order (December 2005) also provides for execution of the contract bond within 52 days from the date of NIT.

Audit scrutiny revealed that in 11 out of 13 contracts, NITs were invited by UPPWD 34 to 162 days prior to technical sanction by the Competent Authorities and financial bids were also opened up to 59 days prior to the dates of technical sanction. In nine out of 11 NITs, contract bonds were executed 18 to 146 days beyond the stipulated period of 52 days. Thus, there was

<sup>37</sup> Against which four bids were received.

<sup>38</sup> Against which only three bids were received.

no justification for inviting tenders and opening of financial bids prior to technical sanctions **(Annexure-8)**.

Further scrutiny revealed that bids of successful bidders were higher than the estimated cost ranging between 12.15 *per cent* and 49.20 *per cent*. Therefore, to bring the contract within the approved estimated cost (TS), UPPWD reduced the BOQ although the contracts were executed for the entire length of road as mentioned in NITs. However, with the reduced BOQ, construction of 53.71 km road (22 *per cent*) was not possible<sup>39</sup>.

SGoUP replied (January 2020) that in order to save time, bids were invited before TS and TS was accorded prior to the commencement of work as per the provision of FHB Volume-VI. The scope of work remained as sanctioned. It was further stated that bids of higher rates than the rates mentioned in the BOQ were accepted as retendering for the bids would have resulted in further escalation of rates. Hence, in the Government's interest it was decided to negotiate with the lowest bidder to obtain the minimum cost. Ministry endorsed (August 2021) the views of the SGoUP.

The reply was not acceptable as the invitation and opening of bids before TS violated the UPPWD order of 1999. Further, the reduction of BOQ after opening of bid was against the principal of transparency in contract management. This also led to lesser length as compared to the sanctioned length being taken up for construction. Further, the contention that rejection of bids and going for re-tendering could have resulted in higher rates was entirely based on assumption since the process of re-tendering could have also yielded lower rates also.

#### **4.2.3 Non-evaluation of bidding capacity and irregular award of contract.**

**Bihar:** As per Rule 158A of the Bihar Public Works Division code, in order to avoid the participation of unqualified tenderers and later rejection on capability grounds, a two-bid/envelop system, technical and financial, should be used. In the bid, the intending participants would be shortlisted based on the criteria of personnel, equipment and financial capabilities as per the requirement of the work specified in the tender notice. Further, as per the special condition of contracts of Standard Bidding Document, copies of evidence showing ownership/lease agreement of Tools & Plants (T&P) with the date of manufacturing and evidence of the technical personnel to be engaged in executing work and their employment must be uploaded/attached with the technical bid. The agreement was to be executed only after verification of original papers of the tools and plants and key personnel.

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<sup>39</sup> Computed on proportionate basis of quantity of BC/PQC works as per NIT and as per BOQ of the contract bonds.

Audit observed that contractor M/s JKM Infra had qualified in three groups separately which included seven<sup>40</sup> out of 15 stretches spread across four districts. M/s JKM Infra had submitted the same bidding document with same T&P and key personnel separately for each group.

It was further observed that the work in the stretch of Madanpur to Dhutaha (111.098 km) was initially awarded to M/s NKC in January 2013. However, the work remained incomplete after an expenditure of ₹ 6.47 crore (2.2 per cent of the agreement amount), as the work was stopped by the contractor in 2015 due to non-provision of encumbrance free land by the RCD.

RCD issued fresh Notice Inviting Tender (NIT) in January 2019 without closing the agreement with M/s NKC and split the work in four packages. Two out of four packages were awarded to M/s Ujjain Engicon. Besides, the contractor M/s Ujjain Engicon had also been awarded the work of road maintenance contract in the West Champaran District. The contractor was required to submit details of the availability of T&P for each group separately; however, documents of the same T&P and technical personnel were submitted in every group. This proved that though the contractor had limited T&P and technical manpower to execute the work, the Department Technical Bid Evaluation Committee did not consider it while qualifying M/s JKM and M/s Ujjain Engicon in the technical bid. Resultantly, work awarded to M/s JKM suffered and remained incomplete. Non-availability of T&P and Technical personnel was confirmed during the departmental inspection (November 2015) also. The progress of work of M/s Ujjain Engicon was far behind the work schedule approved by the EE, RCD, Bettiah.

The SGoB (July 2019) replied that by furnishing an affidavit, contractors assured that being the lowest bidder in more than one package, they would resort to new recruitment for arranging the required manpower. Regarding non-availability of tools and plants during the inspection of authority, it was stated that later it was rectified by the contractors. Ministry endorsed (August 2021) the views of the SGoB.

The reply corroborated the audit observation that the contractors did not have sufficient manpower and tools and plant at the time of bidding. Besides, no evidence was available on record regarding either new recruitment by the contractor or rectification of insufficient tools and plants.

#### **4.2.4 Apparent manipulation in the financial bid relating to DPR**

##### **(i) Overwriting in bid value**

Para 18.2 of Instruction to Bidders (ITB) of special condition of contract states that all pages of the bid where amendment has been made should be initialed by the person(s) signing the bid and a certificate of correction must be given by the employer. Further, Paragraph 18.3 of the ITB of Standard Bidding Document (SBD) provides that there should be no addition and

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<sup>40</sup> 47 per cent of the total length of road

alteration in the financial bid except those to comply with the instruction of the employer, or as necessary to correct errors made by the bidders. In that case, such corrections shall be initiated by the person(s) signing the bid.

The work for the preparation of DPR was entrusted to Bihar State Road Development Corporation Limited (BSRDCL) (September 2010). Quotations were invited (December 2010) from the empanelled Consultants. Scrutiny of records disclosed that the financial bid was opened before a Committee<sup>41</sup> on 28 December 2010. As per the comparative statement of the financial bid, M/s ICEAP, New Delhi, was the lowest bidder and quoted the lowest price of ₹ 96,557 per km.

Audit noted that the rate was altered (date not entered by bidder) from ₹ 77,144 per km to ₹ 96,557 per km. No certificate of correction was put by the employer on the pages where alteration was done. Justification for alteration of the rate was also not available on record in the form of employer's instruction to make the alteration.

## **(ii) Post tender negotiation**

As per CVC Guidelines (January 2010), post tender negotiation with L-1 *i.e.* the lowest bidder could often be a source of corruption. Therefore, it was directed that post tender negotiations with L1 should be done only in exceptional circumstances. Further, as per Rule 164 of BPWD Code, negotiation of rates should be done with the lowest tenderer only if the tender is considered to be too high.

Scrutiny disclosed that a decision was taken to hold rate negotiation with all the bidders including L-1 by the Rate Negotiation Committee<sup>42</sup> (Committee) of BSRDCL. In the rate negotiation held on 29.12.2010, the Committee negotiated the rate with all the bidders and took their consent to execute the work at the flat rate of ₹ 94,500 per km. Accordingly, the Committee decided to distribute the entire stretches of 564.16 km among all the five bidders<sup>43</sup>.

Thus, the rate was first raised through overwriting and brought down through rate negotiation with all the bidders as against the codal provision which appears to be a case of rate manipulation. The overall inflated cost of DPR preparation for 564.16 km of the road was ₹ 97.92 lakh<sup>44</sup>. Against the agreement value of ₹ 5.13 crore, the Consultants were paid ₹ 4.80 crore towards the preparation of DPR.

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<sup>41</sup> Chief General Manager (Chairman), General Manager (Member), Three Deputy General Managers (Members) and Chief Accounts Officer (Member).

<sup>42</sup> Chief General Manager (Chairman), General Manager (Member), Three Deputy General Manager (Members) and Chief Accounts Officer (Member)

<sup>43</sup> S. N. Bhobe-113 km, VKS Infratech-113 km, Caritas-113 km, CETEST-113 km and ICEAP-113 km

<sup>44</sup> (₹ 94,500 – ₹ 77,144) X 564.16 km = ₹ 97,91,560.96

SGoB replied (July 2019) that the rate quoted by the agency was higher than the normal rate. Hence, the Committee decided to negotiate the rate with all the bidders. Regarding overwriting in financial bid (quotation), it stated that as per RFP clause 2.6.1, financial proposal should contain no overwriting, except as necessary and made by the Consultant themselves and it must be initialed by the person signing the proposal.

The fact, however, remained that the Department had not fixed any normal rate. In normal parlance of contract, normal/reserve price needs to be discovered, but Audit did not find any such process in records. Besides, Rule 164 of the BPWD Code was also not complied with. Certificate of correction was not put by the employer on the pages where alterations were done. Also, the justification for the alteration of the rate was not on record.

#### 4.3 Award of work without availability of encumbrance free Land

As already pointed out in paragraph 2.4, in all the three States, the works for construction of roads were awarded without ensuring acquisition of land and forest clearance. This resulted in time overrun in the projects as discussed below.

**Bihar:** The project of 552.29 km of roads was divided into 15 stretches, out of which, 191.06 km of road was said to be available for upgradation. However, after the alignment change (April 2011), the actual land available was sufficient for road length of only 51.25 km (nine *per cent*) for upgradation, while land for the rest of 501.04 km (91 *per cent*) was to be acquired. Despite unavailability of land, RCD gave the contract for construction of road for the entire stretch of 552.29 km (March 2013). Resultantly, work could not progress, and the contractors refused to work due to unavailability of land. The contractors in nine stretches (372.93 km) had stopped work (2015) while in one stretch (24.05 km) the work was rescinded (September 2017). Nine stretches (372.93 km) were affected by arbitration/tribunal cases, while in the ten stretches put together, only 30.40 km (eight *per cent*) of work was done as of March 2021.

In reply, Ministry endorsed (August 2021) the views of the SGoB, which stated that tenders were floated between July 2012 to December 2012. It was expected that within one year, land acquisition as per old Land Acquisition Act might be completed. Hence the work agreement was signed in between December 2012 and June 2013. However, the land acquisition could not happen due to farmer's agitation.

The reply was not acceptable as the tenders should have been floated only after completion of land acquisition.

**Uttar Pradesh:** UPPWD entered into 13 contracts for execution of work (12 between May 2013-July 2015 and one in February 2018) though the land was not acquired. Audit observed that just one month prior to taking up of the construction work in May 2013, a consultancy firm was engaged for survey work (identification of land, consent from land owners

and getting registry done in the name of the State Government) and preparation of micro-plan for land acquisition. This indicates that even preparatory work relating to land acquisition was not completed and there was no scope for construction of work, the contracts were executed in anticipation of land acquisition.

Audit observed that at the time of execution of the contract, out of 12 works (13 contracts)<sup>45</sup>, in six works no land was available whereas in five works two to 37 per cent land was available and only in one work 100 per cent land was available.

Audit noted that the construction of roads in eight stretches (97.36 km) had been completed after a delay ranging between 23 and 69 months from the target date of completion. In remaining four stretches (138.21 km), the construction of roads had not been completed despite lapse of 56 to 69 months from the stipulated date of completion (**Annexure-9**).

In reply, the SGoUP stated (January 2020) that agreements were made keeping in view that some portion of the packages include government land where no land acquisition was required and construction and land acquisition process may proceed simultaneously. Land acquisition process was held up due to amendment in Land Acquisition Act (2013). Ministry endorsed (August 2021) the views of the SGoUP.

Audit noted that the agreements made without land resulted in not only time and cost overruns but also undue favor to the contractors as they were paid interest-free advances aggregating ₹ 84.85 crore as discussed in para 3.1.6 which were tied to progress of construction even though the land was not available.

**Uttarakhand:** The State PWD entered into (November 2011) an agreement with the contractor for improvement and strengthening of the road from zero to 12 km for ₹ 9.10 crore without obtaining forest clearance. As per agreement, the scheduled dates for start and completion of the work were 16 November 2011 and 15 May 2013 respectively. The Forest Department stopped the work on 25 June 2012. The Division started the process of obtaining forest clearance in March 2012, which could only be obtained from Government of India in July 2015. Meanwhile, the contractor intimated (27 May 2013) that he was unable to work on the agreed rates as passage of time had led to an increase in rates and that he would work only on the current rates (rates prevalent in May 2013). On the request (October 2013) of the contractor, the Department cancelled (December 2013) the agreement<sup>46</sup> and appointed an Arbitrator. The arbitration was awarded in favour of the contractor and the Department was directed to pay an amount of ₹ 1.32 crore along with interest. The matter was pursued in various Courts (District Court, High Court and Supreme Court), whose ruling was in favour of the contractor.

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<sup>45</sup> In *Bahraich*, road work was awarded in part to two contractors, hence, 13 contract bonds.

<sup>46</sup> Against the agreement value of ₹ 9.10 crore, work valuing ₹ 1.41 crore was executed by the contractor for which he was paid this amount.



In the meanwhile, in anticipation of the forest clearance, the Department again floated a tender for the remaining work in September 2014. An agreement for the said work was executed with another contractor (March 2015) for ₹ 7.88 crore with the scheduled date of completion as 24 September 2016. The work was finally completed in June 2017 at a total cost of ₹ 10.53 crore<sup>47</sup>.

Thus, failure of the State Government to provide clear site without encumbrance to the contractor resulted in time overrun (49 months) besides an extra burden of ₹ 1.92 crore<sup>48</sup>.

The SGoU stated (March 2019/March 2021) that the sanction of the forest land in respect of the existing motor road from 0 to 12 km was already received in 1987 and accordingly the bond was entered into and the work was awarded. Ministry endorsed (August 2021) the views of the SGoU.

The reply was not acceptable as the clearance obtained in 1987 was accorded by SGoUP and not by GoI. In fact, the agreement had to be terminated in absence of acquisition and clearance of forest land; and the Department had to acquire 3.8 hectare forest land at a cost of ₹ 0.74 crore to obtain (July 2015) forest clearances from GoI. Besides, the Department had also accepted in the Arbitration (December 2013) that the forest clearance had not been obtained and, therefore, it had to cancel the bond without levying any penalty on the contractor.

#### 4.4 Other irregularities

Audit noted some other irregularities in **Bihar** and **Uttar Pradesh** as tabulated below in **Table No. 9:**

**Table No. 9: Other irregularities**

| Irregularities  | Audit observations   |
|---|--|
| <b>1. Non recovery of difference of cost of bulk and packed bitumen</b> | In two works <sup>49</sup> (Bihar), 2545.56 MT bulk bitumen was used while as per the provision of agreement (June 2013), packed bitumen (VG 30 and CRBM 55) was to be used. This resulted in excess payment of ₹ 1.18 crore (December 2014 to January 2018). Despite that, recovery of excess payment could not be made.<br><i>MHA endorsed (August 2021) the reply of SGoB in which it was stated that the excess payment would be adjusted.</i> |
| <b>2. Excess payment on claim against carriage of earth</b>             | In two stretches <sup>50</sup> of work (Bihar), initial sanctioned lead for carriage of earth and subgrade was one km. During progress of work, the contractor claimed extra carriage of five km due to non-availability of earth within distance of one km in both the stretches. The Executive Engineer (EE), after verification, forwarded the claim of contractors to the Superintending Engineer (SE), Road Circle, Purnea.                   |

<sup>47</sup> ₹ 10.53 crore = ₹ 1.41 crore first agreement + ₹ 9.12 crore second agreement.

<sup>48</sup> The High Court awarded ₹ 1.92 crore {₹ 1.32 crore (Principal) + ₹ 43.34 lakh (Interest) + ₹ 15.85 lakh (GST)}

<sup>49</sup> *Kuari-Sikti and Dhaweli-Fatehpur and for Meerganj to Kuari and Sikti to Dhaweli*

<sup>50</sup> *Refugee Colony to Meerganj and Meerganj to Kuari-Sikti to Dhaweli*

| Irregularities   | Audit observations  |
|--|---|
|  | <p>Accordingly, the SE sanctioned the extra carriage of five km (August 2018) for the stretch <i>Refugee Colony</i> to Meerganj @ ₹ 53.43 per cum for earthwork as well as subgrade.</p> <p>For another stretch Meerganj to Kuari and Sikti to Dhaveli, the SE sanctioned the extra carriage of three km @ ₹ 38.48/cum for 40 per cent quantity (earthwork). For remaining 60 per cent quantity, extra carriage of four km @ ₹ 68.24/cum was sanctioned. In case of subgrade, SE sanctioned extra carriage of four km @ ₹ 59.51/cum (September 2016).</p> <p>Further, during March 2019, the SE sanctioned additional carriage of four km in both the stretches for same chainage for earthwork as well as subgrade. The rate was enhanced from earlier sanctioned rate of ₹ 53.43/cum to ₹ 110.09/cum in <i>Refugee Colony</i> to Meerganj stretch.</p> <p>In the stretch Meerganj to Dhaveli, rate for earthwork was revised (from earlier sanctioned ₹ 38.48/cum for 40 per cent earthwork quantity and ₹ 68.24/cum for 60 per cent earthwork quantity) to ₹ 111.09/cum. In case of subgrade, rate was revised from ₹ 59.51/cum to ₹ 120/cum.</p> <p>Thus, payment was made to contractors twice for the same quantity of earthwork and subgrade. This resulted in double payment of ₹ 8.96 crore (₹ 4.67 crore to M/s ASIP &amp; AMR and ₹ 4.29 crore to M/s Bhartiya Infra projects Ltd).</p> <p>MHA endorsed (August 2021) the reply of SGoB in which it was stated that as per PWD code and SBD clause -12 Superintendent Engineer and Chief Engineer are empowered to sanction extra carriage for construction material if required to be used in any project. Payment is made after proper sanction of claim by competent authority. SGoB further added that in both cases the payment will be checked and ensured that claims are settled on the basis of sanctioned revised estimate from MHA.</p> <p>The reply is not acceptable as approval of competent authority cannot justify the inadmissible double payment of carriage on same stretch.</p> |
| <p><b>3. Extra payment due to non-deduction of below BOQ value</b></p> | <p>The agency ASIP &amp; AMR executed an agreement with EE, RCD Araria (Bihar) to execute the work @ 9.65 per cent below BOQ (Bill of Quantities) for stretch “Refugee Colony to Meerganj”. Therefore, all the payments were to be made after reducing the gross value of the bill by 9.65 per cent.</p> <p>Scrutiny of records revealed that by not lowering the bill value by 9.65 per cent, the RCD had made payment aggregating ₹ 21.19 crore instead of ₹ 19.14 crore as admissible under the agreement, resulting in excess payment of ₹ 2.05 crore to the contractor.</p> <p>MHA endorsed (August 2021) the reply of SGoB in which it was stated that in calculation of escalation claim, the value of R is calculated after deduction of 9.65 per cent below value of the BOQ. So there is no excess payment involved. GST amount has also been calculated on the Gross amount achieved after deduction of 9.65 per cent below value of the BOQ. There is no over payment involved.</p> <p>Excess payment made in the form of Claim 2, Claim 4, Claim 7 &amp; Claim 8 is under process of recovery in the latest claim bill submitted by the contractor and would be suitably adjusted.</p> <p>Reply is not tenable as calculation entered in the measurement book did not support reply of SGoB.</p>   |

| Irregularities  | Audit observations  |
|---|---|
| <p><b>4. Excess Payment for price neutralisation</b></p>      | <p>In two contracts<sup>51</sup> pertaining to Araria Division, prices of Bitumen and WPI index used for computing price neutralisation was different from actual Bitumen prices and WPI index. Therefore, excess payment of ₹ 67.36 lakh was made under price neutralisation.</p> <p>MHA endorsed (August 2021) the reply of SGoB in which it was stated that the enhanced payment would be adjusted from the final bill of the contractor.</p>  |
| <p><b>5. Excess and unauthorized payments on vehicles</b></p> | <p>As per Clause 124 of MoRTH, the contractor shall provide a vehicle to the engineer for inspection work and will be paid accordingly as mentioned in the Bill of Quantity (BOQ).</p> <p>In Uttar Pradesh, the scrutiny of DPRs revealed that in nine out of 12 DPRs, ₹ 3.42 crore (original ₹ 1.55 crore) was provisioned for vehicles under road safety, road signage, etc. in BOQs of DPRs and accordingly sanctioned by the Competent Authority while according technical sanction to these DPRs. However, against these provisions, an expenditure of ₹ 5.15 crore with an excess expenditure of ₹ 2.46 crore was incurred on vehicles as of December 2019. It is pertinent to mention that in two works neither was this item provisioned in original DPRs nor in the revised DPRs. Thus, not only was excess payment made but items not sanctioned in DPRs were included in the contracts and payments made.</p> <p>Ministry endorsed (August 2021) the views of the SGoUP. The SGoUP stated that the vehicles had been used for the execution of Indo-Nepal border works in seven INB Divisions as per minimum requirements. As per prevailing practice, two vehicles are allowed in normal working Divisions but Divisions of INB were placed in interior and remote areas. Therefore, more number of vehicles were required to be deployed. Payments of vehicles are being charged against contingencies provided in the sanctioned estimates.</p> <p>The fact remains that not only was excess payment made on vehicles but it was also included in the BOQ of contract without having been sanctioned in the DPRs. Further, reply did not provide specific comments with regard to the excess and unauthorised payments.</p> |
| <p><b>6. Unfruitful expenditure of ₹ 4.01 crore</b></p>       | <p>Construction work from Phulwaria on the Lalbakaiya river to Bahargram in Sitamarhi district was awarded in January 2013 at a cost of ₹ 64.33 crore which was to be completed in 20 months, <i>i.e.</i> by September 2014. However, the work remained incomplete due to the change in alignment. Scrutiny disclosed that between Phulbaria Ghat to Bahargram, road alignment between chainage 99.200 to 102.30 (length 3.1 km) was changed (August 2016). However, before the change in alignment, the Division had already spent ₹ 4.01 crore<sup>52</sup> on civil cost, forest clearance and utility shifting along the old alignment. Since expenditure incurred on the Phulbaria Ghat to Bahargram road alignment was no longer in Indo-Nepal project, the above expenditure of ₹ 4.01 crore was rendered unfruitful due to the change in road alignment.</p> <p>RCD accepted the audit contention and stated that the road would be used as a link road for providing connectivity to the BOP.</p>  |

<sup>51</sup> Agreements for Kuari - Sikti and Dhaveli - Fatehpur and for Meerganj to Kuari and Sikti to Dhaveli.

<sup>52</sup> Civil cost ₹ 3.99 crore, Forest clearance ₹ 0.01 crore and Utility shifting ₹ 0.01 crore

## CHAPTER-V: QUALITY ASSURANCE & MONITORING

### 5.1 Quality Assurance

Quality assurance which involves testing and inspection of material and workmanship is extremely important in public works projects in view of their vast and complex network and involvement of huge amount of public funds. Audit findings in this regard are given in the succeeding paragraphs.

#### 5.1.1 No Provision of Third-Party Inspection

As per CCS Note 2010, provision for third party inspection was to be made to ensure quality and timely completion of the scheme. Audit noted that neither MHA nor the executing agencies made such provision. In the absence of an independent third party inspection, the quality of works executed by all the executed agencies could not be verified.

MHA informed (December 2021) provision of third party inspection is being considered by MHA. Views of State Governments have also been sought for the same.

#### 5.1.2 Mandatory quality tests of materials

**Uttar Pradesh:** Section 900 of MoRTH Standard Data Book prescribes various types of tests to be carried out for road construction work. Further, as per SGoUP instructions (August 1996), 25 *per cent* test samples, out of total samples, would be sent to Research Development and Quality Promotion Cell (QPC), Lucknow, 25 *per cent* samples to Regional Laboratory and remaining 50 *per cent* test samples would be sent to District Laboratories for testing and construction material will be used based on testing report. If District Laboratory is not available, samples will be sent to Regional Laboratory/QPC. Audit, however, observed shortfalls in tests to be carried out (as of December 2019) as given in **Table No. 10**

**Table No. 10: Shortfall against tests required to be carried out**

| Sl. No. | Road levels   | No. of tests to be carried out | No. of tests carried out | Shortfall (Percentage) |
|---------|---|--------------------------------|--------------------------|------------------------|
| 1.      | Earthwork   | 24,125                         | 5,328                    | 18,797 (78)            |
| 2.      | Granular Sub Base (GSB)                               | 3,595                          | 2,180                    | 1,415 (39)             |
| 3.      | Wet Mixed Macadam/Water Bound Macadam (WMM/WBM)       | 6,037                          | 2,630                    | 3,407 (56)             |
| 4.      | Dense Bituminous Macadam/Bituminous concrete (DBM/BC) | 3,906                          | 2,800                    | 1,106 (28)             |
| 5.      | Dry Lean Concrete (DLC)                               | 6,686                          | 595                      | 6,091 (91)             |

Source: MoRTH specifications and PWD Divisions

As evident from the above, the maximum shortfall of tests was in “DLC” followed by “Earthwork”. Further, against the norm of 50 *per cent* samples required to be sent to QPC and

RI, only 0.58 *per cent* samples were sent and no sample was sent to the district laboratories for testing.

The SGoUP stated (January 2020) that tests were carried out at site as far as possible in accordance with Section 900 of MoRTH. Third party tests and tests at QPC were also carried out to ensure quality control.

The reply was not acceptable, as CE, INB, while replying to an audit query had accepted (June 2019) that third party inspections were not carried out. Further, the Department cannot absolve itself from the primary responsibility of mandatory tests to be carried out in terms of the instructions laid down in SGoUP order issued in August 1996 as there was a shortfall of almost 100 *per cent* tests carried out at QPC Lucknow. Tests carried out at site laboratories of the contractors cannot be fully relied upon.

Thus, due to non-observance of rules and orders for ensuring quality control, the quality of road works being executed by the UPPWD was fraught with the risk of sub-standard work.

MHA stated (December 2021) that the progress of work and quality is being monitored by State PWD and reported to MHA and SSB. State executing agencies have installed testing laboratory at sites for conducting day-to-day tests as per contract provisions to ensure quality. Tests are also carried out at State Lab functional at their Division level. Quality of work is being monitored by executing agencies by strict supervision and conducting regular tests.

The reply of the MHA did not address the specific issue raised by the Audit. Moreover, MHA did not devise any monitoring proforma in respect of quality checks on the construction of roads of INB.

### 5.1.3 Monitoring of the project

**Central Level:** Note for the Cabinet Committee on Security (September 2010) envisaged that the progress of the implementation will be reported to the Cabinet Secretariat on half yearly basis. The progress report, however, was submitted to Cabinet Secretariat only on two occasions, i.e. on 15 November 2018 and 30 October 2019. Nevertheless, Audit observed that the monitoring of the project was periodically done by MHA at various levels<sup>53</sup>. MHA stated (December 2020) that monitoring of the project is done regularly by MHA at various levels.

**State Level:** SGoUP order (May 1999) makes concerned Superintending Engineers (SEs) and Chief Engineers (CEs) responsible for quality control of the construction works being executed under their jurisdiction. Accordingly, the SEs and CEs are to inspect all works being executed under their jurisdiction once in six months and in a year, respectively.

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<sup>53</sup> Review by the Hon'ble Home Minister, Steering Committee headed by Secretary (BM), review by Joint Secretary and physical inspection by the officers in Ministry.

The status of monitoring of works by CE and SEs during 2014-15 to 2019-20 (up to December 2019) is given in **Table No. 11**:

**Table No. 11: Monitoring of works by CE and SEs during 2014-20**

| Authority  | Inspections required        | Inspections conducted      | Shortfall   |
|------------|-----------------------------|----------------------------|-------------|
| <b>CE</b>  | 56 inspections of 12 works  | 8 inspections of six works | 86 per cent |
| <b>SEs</b> | 124 inspections of 12 works | 21 inspections of 12 works | 83 per cent |

Source: CE, SEs and the seven Divisions

As evident from the above table, there was a substantial shortage in the field inspections by the CE and SEs and in fact, six roads<sup>54</sup> in INB divisions Balrampur, Lakhimpur Kheri, Shravasti and Siddharthnagar remained uninspected by CE. This was not only against the orders but was also indicative of poor monitoring on the part of CE.

The SGoUP replied (January 2020) that inspections were carried out as far as possible and all officers have been instructed to inspect works as per norms. The fact remains that substantial shortfalls in inspections by CE and SEs possibly contributed to delays and questionable quality of construction.

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<sup>54</sup> Construction of Kanchanpur Gandhelnaka Road (7.475 km), Paliaghat to Barsola Road (Gauriphanta to Chandan Chawki (30.950 km), Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km), Jamunaha to Kakardhari (8.7200 km), Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km) & Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km).

## CHAPTER-VI: CONCLUSIONS AND RECOMMENDATIONS

### Project conceptualisation and design

The project of construction of the Indo-Nepal border roads of 1377 km in three States *viz* Bihar (564 km), Uttar Pradesh (640 km) and Uttarakhand (173 km) was taken up in November 2010 with a goal to construct roads of strategic importance along the Indo-Nepal border by March 2016. The objective of the construction of roads was to run parallel to the international border; provide connectivity to BOPs; meet the requirements of the border population and better implementation of a development initiative in border areas. SSB, being a border guarding force on INB, was to be benefitted by this project of strategic importance by achieving faster mobility of troops to dominate the sensitive border more effectively.

The audit report has brought out critical lacunae in the project conceptualisation stage such as planning of road alignment away from the border; non-integration of the project design with connectivity of BOPs with main alignment of border roads and the consequent non-inclusion of link roads as an integral component of the border roads project.

### Project implementation

MHA was responsible to provide funds to State Governments for the construction of roads. The State Executing Agencies were responsible to complete the project in its entirety, *viz.*, finalisation of alignment in consultation with SSB, getting forest and wildlife clearances and acquisition of private land followed by the execution of construction works as scheduled. Due to delays in obtaining forest, wild life clearances and acquiring land, the project could not be completed within the stipulated period (March 2016) with the result that the project timelines were further extended to December 2019 in the case of road stretches free from encumbrance, and to December 2022 for balance road stretches with encumbrance. The timeline was further extended (December 2019/January 2021) by the High Level Empowered Committee (HLEC) up to 31 December 2022 for construction of roads on stretches free from encumbrance. This resulted in inordinate delay in the construction of the desired length of roads.

Despite the lapse of ten years, i.e. 2011-2021, the progress of work of construction of roads in all the three States was slow, and out of 1262.36 km road to be constructed along the Indo-Nepal border, only 367.48 km of road (29 *per cent*) have been completed as of March 2021. The progress of work, compared to the approved DPRs (842.86 km) was only 44 *per cent*. Though the process of land acquisition has progressed, matters regarding forest/wildlife clearances (Uttar Pradesh) and other clearances (Uttarakhand) are still to be resolved. Audit is of the view that given the current pace of progress, the task of development of roads of operational and strategic significance in areas along the Indo- Nepal border within the revised timelines (December 2022) appears to be challenging.

### Project monitoring and evaluation

Against the 1377 km of approved road, the road length was revised to 1262.36 km. MHA approved 27 DPRs for 842.86 km involving ₹ 3472.25 crore (revised cost) without ensuring

land free from encumbrance and despite various deficiencies like designing of road, over estimation etc. Provision of connectivity of the BOPs was not ensured as 81 *per cent* of BOPs remained unconnected to the main alignment of the proposed border roads. In Bihar, 15 bridges constructed as a part of the project by State Government at a cost of ₹ 146.06 crore by August 2016, prior to revision of alignment have remained unutilised. Further, DPRs of 419.50 km (33 *per cent*) length of roads in Uttar Pradesh and Uttarakhand were yet to be approved, as the revised alignment and forest clearances for these stretches of roads were yet to be obtained.

CCS Note envisaged the provision of third-party inspection for the project to ensure quality and timely completion of the project. However, it was not ensured either by MHA or State Governments. Quality control and monitoring sans requisite supervision by the Authorities responsible led to the possibility of sub-standard construction works on a project of strategic importance.

MHA released the funds without ensuring the actual capacity of the executing agency to incur the expenditure, which led to blockage of funds with the State Governments during three years, *i.e.* 2013-16. The SGoUP and SGoU earned interest aggregating ₹ 36.74 crore on the unutilised funds whereas SGoB parked the funds in the current account, which led to loss of interest of ₹ 21.56 crore. MHA did not account for the interest earned by the State Governments from parked funds and did not specify the manner in which such interest were to be treated by the State Governments. Further, an expenditure of ₹ 13.41 crore was incurred on inadmissible components due to lack of clarity on the terms and conditions for implementation of the scheme and considerable delay in finalisation of MoUs between GoI and State Governments.

### Performance of State Governments

The role of Executing agencies in implementation of the project was found to be below par. In Bihar, only 28 *per cent* road works were completed whereas in Uttar Pradesh and Uttarakhand, the completion of road works was 78 and 53 *per cent*, respectively of approved DPRs as of March 2021. The process of tendering and assigning contracts was opaque and deficient. The work was awarded without ensuring land free from encumbrance which caused arbitration and termination of contracts at various stages. This led to stoppage of work on 408.98 km (396.98 km in Bihar and 12 km in Uttarakhand), *i.e.* 49 *per cent* road length of the approved DPRs, up to five years. There were inordinate delays in execution of contracts. Execution of the project was marred by delays in recovery of advances and considerable amounts remained pending. The delay and uncertainty in execution of the project led to cost overrun by ₹ 831.30 crore (51 *per cent*) in 21 stretches of INBR project.

### Shortfalls


To sum up, lack of adequate preparatory work including proper alignment of roads, obtaining of forest and wildlife clearances and land acquisition in time, deficient contract management and lack of co-ordination between various departments had an adverse effect on completion of the INBR project, which resulted in non-achievement of intended objectives of the INBRP.



## Recommendations


- MHA should enhance its efforts to ensure speedy completion of this strategically important project within the revised time schedule, so that the Indo-Nepal border is effectively managed by the border guarding force and benefits accrue to the general population along the border areas.
- MHA may consider construction of link roads as a distinct component of the project, which will significantly enhance the operational and strategic value of the border roads along the Indo-Nepal border.
- MHA may set up a co-ordination mechanism amongst all the stakeholders to resolve the pending issues of land acquisition and forest clearance to complete the project within the extended time schedule given by CCS.
- MHA may strengthen its monitoring mechanism to keep a strict vigil on the utilisation of funds by the State Governments.
- MHA may incorporate third party inspection clause in MoU to boost quality assurance and strengthen its monitoring mechanism.

New Delhi  
Dated: 23 February 2022

  
(PRAVIR PANDEY)  
Director General of Audit  
(Home, Education & Skill Development)

*Countersigned*

New Delhi  
Dated: 23 February 2022

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India



# **Annexures**



**Annexure-1**  
**(Reference to para 2.1.4)**

**Details of change in road alignment between the Chainage 10.60 to 77.363 Road Division Bettiah**

*(₹ in lakh)*

| Sl. No.      | Name of the village            | As per old alignment  | As per new alignment   | Constructed bridge | Bridge Chain-age | Date of start / completion | Expenditure on the bridge |
|--------------|--------------------------------|-----------------------|------------------------|--------------------|------------------|----------------------------|---------------------------|
|              |                                | Chainage (April 2011) | Chainage (August 2016) |                    |                  |                            |                           |
| 1.           | Nautanwa, Dharahiya            | 10.60 to 12.6         | 10.628 to 12.724       | 1x20               | 11.710           | 31.07.13/31.10.15          | 316.43                    |
| 2.           |                                |                       |                        | 3x75               | 11.855           | 31.07.13/31.10.15          | 220.21                    |
| 3.           | Dholbhawa, Laxmipur            | 14.176 to 16.437      | 14.3 to 15.86          | 3x30               | 14.450           | 31.07.13/31.10.15          | 652.01                    |
| 4.           | Ratanpura, Bairagi, Sonbarsa   | 17.25 to 20.50        | 16.674 to 19.375       | 3x75               | 17.140           | 31.07.13/31.10.15          | 205.87                    |
| 5.           |                                |                       |                        | 1x21               | 18.460           | 31.07.13/ 31.10.15         | 231.67                    |
| 6.           | Dumri                          | 27.857 to 30.057      | 26.731 to 28.851       | 50x30              | 27.534           | 31.07.13/ 31.10.15         | 2209.98                   |
| 7.           |                                |                       |                        | 1x25               | 27.785           | 31.07.13/ 31.10.15         | 274.88                    |
| 8.           | Nautanwa, Baghi, Khanghosri    | 30.857 to 37.81       | 29.651 to 36.751       | 8x25               | 30.081           | 20.08.13/ 19.05.16         | 1343.12                   |
| 9.           |                                |                       |                        | 8x25               | 32.947           | 20.08.13/ 19.09.16         | 1422.10                   |
| 10.          |                                |                       |                        | 4x25               | 35.517           | 02.08.13/ 19.05.16         | 906.64                    |
| 11.          | Sirisia, Sherpur, Mandiha      | 43.71 to 47.297       | 42.651 to 46.291       | 8x25               | 44.482           | 09.10.13/ 08.07.16         | 1425.12                   |
| 12.          |                                |                       |                        | 8x25               | 45.456           | 09.10.13/ 08.07.16         | 1440.12                   |
| 13.          | Bairiya, Lauker, Chautta, Chal | 66.097 to 71.40       | 65.091 to 72.711       | 16x25              | 67.212           | 09.10.13/ 30.04.16         | 2813.29                   |
| 14.          |                                |                       |                        | 2x21               | 72.703           | 09.10.13/ 30.04.16         | 0.72                      |
| 15.          | Pachrouta, Jasauli, Bhanga     | 74.70 to 77.363       | 76.011 to 78.923       | 7x30               | 75.734           | 09.10.13/ 30.04.16         | 1143.46                   |
| <b>Total</b> |                                |                       |                        |                    |                  |                            | <b>14605.62</b>           |

**Annexure-2**  
**(Reference to para 2.4 and 3.1)**  
**Details of 27 DPRs approved by HLEC**

(₹ in crore)

| Name of State and details of DPR   | Date of letters of State Govt. forwarding the DPRs | Date of approval of DPR by HLEC (HLEC meeting) | Approved cost of DPR (₹ in crore) | Revised approved cost of DPR (₹ in crore) |
|--|--|--|-----------------------------------|---|
| <b>Bihar (Total 13 DPRs received from State and approved by HLEC)</b>                              |  |  |                                   |   |
| 1) Phulbaria Ghat at Lalbakiya River to Bahar Village  | 13-04-2011 <sup>1</sup>                            | 24-05-2011 (23 <sup>rd</sup> )                 | 70.56                             | 161.00                                    |
| 2) Refugee Colony to Mirganj Chowk on NH 57A (Near Mirganj Railway Crossing)                       | Not available                                      | 11-04-2012 (24 <sup>th</sup> )                 | 128.03                            | 185.97                                    |
| 3) Madanpur (NH- 28 B) to Bhangha  | Not available                                      |  | 237.96                            | 359.00                                    |
| 4) Bhangha to Dhutaha River Bridge   | Not available                                      |  | 93.44                             | 130.36                                    |
| 5) Kuari bypass to Sikiti and Dhabeli to Fatehpur  | Not available                                      |  | 59.28                             | 63.49                                     |
| 6) Saraigarh (Garia Chowk) to Refugee Colony   | Not available                                      |  | 117.70                            | 190.44                                    |
| 7) Dhutaha River Bridge to Lalbakiya River   | 09-04-2012   | 21-01-2013 (25 <sup>th</sup> )                 | 238.34                            | 238.34                                    |
| 8) Bahar Village to Knahauli   | 09-04-2012   |  | 36.71                             | 48.78                                     |
| 9) Knahauli to Sursand   | 09-04-2012   |  | 147.75                            | 220.11                                    |
| 10) Bhatta More to Parsa and Parsa to AkhrarGhat   | 09-04-2012   |  | 48.33                             | 66.43                                     |
| 11) Laukahi (Jhori chowk) to Bhutaha Chowk   | Not available                                      |  | 85.11                             | 111.30                                    |
| 12) Mirganj Railway Crossing to Dhabeli (33.700 km Mirganj to Kuari + 12.10 km, Sikiti to Dhabeli) | 09-04-2012   |  | 134.01                            | 134.01                                    |
| 13) Fatehpur to Piltola and Piltola to Galgalia  | 09-04-2012   |  | 258.77                            | 258.77                                    |
| <b>Total (A)</b>   |  |  | <b>1655.99</b>                    | <b>2168</b>                               |

<sup>1</sup> Original DPR received in MHA on 13.04.2011. However, HLEC while approving the DPR on 24.05.2011, asked State Government to make certain changes in the DPR and submit it directly to Chairman, HLEC for approval. Chairman, HLEC approved the same on 27.3.2012.

| Name of State and details of DPR  | Date of letters of State Govt. forwarding the DPRs | Date of approval of DPR by HLEC (HLEC meeting) | Approved cost of DPR (₹ in crore) | Revised approved cost of DPR (₹ in crore) |
|---|--|--|-----------------------------------|---|
| <b>Uttar Pradesh (Total 28 DPRs received from State and 12 approved by HLEC, remaining 16 DPRs not approved due to non-completion of acquisition of land and forest/wildlife clearance)</b> |  |  |                                   |   |
| 1) Khajuriya Bazaar Ghat road (Shardapuri BOP to Bishanpur BOP) via Sanpurna Nagar, Banigarh  | 03-01-2012   | 21-01-2013 (25 <sup>th</sup> )                 | 72.83                             | 90.72                                     |
| 2) 1. Aligarhwah to Ganwaria<br>2. Kakrawa to Chainpur section<br>3. Khunwa to Banganga section<br>4. Bhusola Section   | 03-01-2012   |  | 45.5                              | 60.54                                     |
| 3) Tuthibhari to Bargadowe  | 28-08-2012   |  | 22.03                             | 26.49                                     |
| 4) Shardapuri Bazar Ghat road to Tila no. 4   | 20-06-2012   |  | 19.94                             | 11.95                                     |
| 5) Trilokpur Mazgawa Belbhariya Sampark Marg  | 21-06-2012   |  | 20.93                             | 24.94                                     |
| 6) Kakardhari-Tarsoma and Bharta-Gujargauri   | 20-06-2012   |  | 40.70                             | 65.00                                     |
| 7) Rupaidia-Munshipurwa   | 21-06-2012   |  | 55.05                             | 65.94                                     |
| 8) Barhni-Pakrihwa Road   | 03-08-2012   |  | 82.37                             | 152.71                                    |
| 9) Khairaghat to Jhulnipur & Jhulnipur to Patlawar Road   | 13-07-2012   |  | 172.22                            | 266.48                                    |
| 10) Paliaghat to Barsola  | 30-10-2012   |  | 89.29                             | 81.29                                     |
| 11) Malagahia Haranbanspur road   | 18-10-2012   |  | 83.40                             | 152.99                                    |
| 12) Jammunaga-Kakarhari (Part A)  | 11-01-2013   | 24-03-2014 (26 <sup>th</sup> )                 | 31.57                             | 40.09                                     |
| <b>Total (B)</b>  |  |  | <b>735.83</b>                     | <b>1039.14</b>                            |
| <b>Uttarakhand (Total two DPRs received from State and approved by HLEC and one pending due to proposed Pancheshwar Dam)</b>  |  |  |                                   |   |
| 1) Upgradation of Kakrali Gate-Thuligad road (Two Lane)   | 21.02.2011   | 24-05-2011 (23 <sup>rd</sup> )                 | 12.30                             | 12.30                                     |
| 2) (Thuligad to Rupaligad)  | 03-06-2016 <sup>2</sup>                            | 28-07-2016 (32 <sup>nd</sup> )                 | 252.81                            | 252.81                                    |
| <b>Total (C)</b>  |  |  | <b>265.11</b>                     | <b>265.11</b>                             |
| <b>Grand Total (A+B+C)</b>  |  |  | <b>2656.93</b>                    | <b>3472.25</b>                            |

<sup>2</sup> Original DPR received in MHA on 26.02.2016. However, TC raised 12 objections on the DPR. State Government re-submitted DPR on 03.06.2016. HLEC approved the DPR on 28.07.2016.

**Annexure-3**  
**(Reference to para 2.5.2)**  
**(Details of excess provision of Hire-charges in Plant and Machinery)**

| Sl. No. | Name of Work   | Item of Work | Quantity as per TS (in cum) | Hire Charges of machinery taken in rate analysis of TS |             | Rate as per TS | Hire Charges of Machinery taken by Audit for Rate Analysis |             | Rate as per Audit (in ₹) | BOQ as per TS      | BOQ as per Audit    | Excess Provision     |
|---------|--|--------------|-----------------------------|--|-------------|----------------|--|-------------|--------------------------|--------------------|---------------------|----------------------|
|         |  |              |                             | Machinery  | Rate (in ₹) |                | Machinery  | Rate (in ₹) |                          | (4*7) (₹ in crore) | (4*10) (₹ in crore) | (11-12) (₹ in crore) |
| 1       | 2  | 3            | 4                           | 5  | 6           | 7              | 8  | 9           | 10                       | 11                 | 12                  | 13                   |
| 1       | C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (Km 20.363) Bahraich  | DGBM         | 9,241.51                    | Batch mix *  | 11,167.00   | 12,081.00      | Batch mix *  | 8,930.00    | 11,557.03                | 11.16              | 10.68               | 0.48                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.00      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 5,687.08                    | Batch mix *  | 11,167.00   | 13,556.00      | Batch mix *  | 8,930.00    | 12,807.00                | 7.71               | 7.28                | 0.43                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.00      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 2       | C/o Kanchanpur Gandhelnaka Road (7.475 km) Balrampur                                       | DGBM         | 3,110.18                    | Batch mix *  | 11,167.00   | 12,827.35      | Batch mix *  | 8,930.00    | 12,290.43                | 3.99               | 3.82                | 0.17                 |
|         |  |              |                             | Generator -250 KVA                                     | 450.00      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 2,073.46                    | Batch mix *  | 11,167.00   | 14,070.79      | Batch mix *  | 8,930.00    | 13,302.00                | 2.92               | 2.76                | 0.16                 |
|         |  |              |                             | Generator -250 KVA                                     | 450.00      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 3       | C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km) Lakhimpur Kheri  | DGBM         | 14,073.42                   | Batch mix *  | 11,167.00   | 11,718.40      | Batch mix *  | 8,930.00    | 11,116.48                | 16.49              | 15.64               | 0.85                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 8,660.57                    | Batch mix *  | 11,167.00   | 13,161.30      | Batch mix *  | 8,930.00    | 12,334.00                | 11.40              | 10.68               | 0.72                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 4       | C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km) Maharajanaj                     | DGBM         | 25,032.00                   | Batch mix *  | 15,100.00   | 13,259.00      | Batch mix *  | 8,930.00    | 12,428.58                | 33.19              | 31.11               | 2.08                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 16,688.                     | Batch mix *  | 15,100.00   | 14,551.40      | Batch mix *  | 8,930.00    | 13,475.00                | 24.28              | 22.48               | 1.80                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 5       | C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km) Pilibhit | DGBM         | 3,163.16                    | Batch mix *  | 8,930.00    | 11,836.70      | Batch mix *  | 8,930.00    | 11,377.06                | 3.74               | 3.60                | 0.14                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 1,946.56                    | Batch mix *  | 8,930.00    | 12,610.90      | Batch mix *  | 8,930.00    | 11,941.00                | 2.45               | 2.32                | 0.13                 |
|         |  |              |                             | Generator -250 KVA                                     | 437.50      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 6       | C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km) Shrivasti                 | DGBM         | 5,457.48                    | Batch mix *  | 15,100.00   | 13,119.89      | Batch mix *  | 8,930.00    | 12,261.02                | 7.16               | 6.69                | 0.47                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|         |  | BC           | 3,638.32                    | Batch mix *  | 15,100.00   | 14,620.43      | Batch mix *  | 8,930.00    | 13,521.00                | 5.32               | 4.92                | 0.40                 |
|         |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |



| Sl. No.      | Name of Work   | Item of Work | Quantity as per TS (in cum) | Hire Charges of machinery taken in rate analysis of TS |             | Rate as per TS | Hire Charges of Machinery taken by Audit for Rate Analysis |             | Rate as per Audit (in ₹) | BOQ as per TS      | BOQ as per Audit    | Excess Provisi on    |
|--------------|--|--------------|-----------------------------|--|-------------|----------------|--|-------------|--------------------------|--------------------|---------------------|----------------------|
|              |  |              |                             | Machinery  | Rate (in ₹) |                | Machinery  | Rate (in ₹) |                          | (4*7) (₹ in crore) | (4*10) (₹ in crore) | (11-12) (₹ in crore) |
| 1            | 2  | 3            | 4                           | 5  | 6           | 7              | 8  | 9           | 10                       | 11                 | 12                  | 13                   |
| 7            | C/o Jamunaha to Kakardhari Road (8.720 km) Shravasti                                 | DGBM         | 3,752.63                    | Batch mix *  | 15,100.00   | 13,572.00      | Batch mix *  | 8,930.00    | 12,673.96                | 5.10               | 4.76                | 0.34                 |
|              |  |              |                             | Generator -250 KVA                                     | 572.73      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|              |  | BC           | 2,501.75                    | Batch mix *  | 15,100.00   | 15,545.30      | Batch mix *  | 8,930.00    | 14,375.00                | 3.89               | 3.60                | 0.29                 |
|              |  |              |                             | Generator -250 KVA                                     | 572.73      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 8            | C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km) Siddharth Nagar    | DGBM         | 13,152.70                   | Batch mix *  | 15,100.00   | 13,203.26      | Batch mix *  | 8,930.00    | 12,389.88                | 17.37              | 16.30               | 1.07                 |
|              |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|              |  | BC           | 8,769.20                    | Batch mix *  | 15,100.00   | 14,471.32      | Batch mix *  | 8,930.00    | 13,416.00                | 12.69              | 11.76               | 0.93                 |
|              |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| 9            | C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km) Siddharth Nagar | DGBM         | 12,942.72                   | Batch mix *  | 11,167.00   | 12,851.46      | Batch mix *  | 8,930.00    | 12,260.15                | 16.63              | 15.87               | 0.76                 |
|              |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
|              |  | BC           | 8,628.48                    | Batch mix *  | 11,167.00   | 14,108.05      | Batch mix *  | 8,930.00    | 13,276.00                | 12.17              | 11.46               | 0.71                 |
|              |  |              |                             | Generator -250 KVA                                     | 590.63      |                | Generator -250 KVA   | 450.00      |                          |                    |                     |                      |
| <b>Total</b> |  |              |                             |  |             |                |  |             |                          |                    | <b>11.93</b>        |                      |

\* 75 tonne per hour

**Annexure-4**  
**(Reference to para 3.2)**  
**Cost Escalation in Bihar**

**A: Details of 10 Stretches with encumbrance**

(₹ in crore)

| Sl. No. | Name of stretch/District                                     | Length of the stretch (in km) | Original cost approved by HLEC          | Revised cost approved by HLEC           | Cost Escalation (percentage) | Reasons for revised cost   |
|---------|--|-------------------------------|---|---|------------------------------|--|
| 1.      | Madanpur (NH- 28 B) to Bhangha/West Champaran                | 80.1                          | 237.96<br>(24 <sup>th</sup> HLEC, 2012) | 359.00<br>(47 <sup>th</sup> HLEC, 2019) | 121.04<br>(51%)              | due to changes of Schedule of Rate from 2012 to 2018.  |
| 2.      | Bhanga to Dhutaha River Bridge/West Champaran                | 30.998                        | 93.44<br>(24 <sup>th</sup> HLEC, 2012)  | 130.36<br>(47 <sup>th</sup> HLEC, 2019) | 36.92<br>(40%)               | due to changes of Schedule of Rate from 2012 to 2018.  |
| 3.      | Dhutaha River Bridge to Lalbakiya River/East Champaran       | 77.242                        | 238.34<br>(25 <sup>th</sup> HLEC, 2013) | 238.34                                  | 0.00                         | Revised estimate is under process of sanction in RCD ₹327 crore.   |
| 4.      | Phulbaria Ghat at Lalbakiya River to Bahar Village/Sitamarhi | 24.05                         | 70.56<br>(23 <sup>rd</sup> HLEC, 2011)  | 161.00<br>(45 <sup>th</sup> HLEC, 2018) | 90.44<br>(128 %)             | The cost overrun is mainly due to 1x30m additional bridge, increase in crust thickness, provision of additional RCC culverts, etc. Chief Engineer, RCD informed that preliminary estimate was prepared on the basis of Google map whereas RE is based on actual alignment of road based on SOR 2018 and also the stretch is in green field, which has led to the increase in cost. |
| 5.      | Bahar Village to Knahauli/ Sitamarhi                         | 10.93                         | 36.71<br>(25 <sup>th</sup> HLEC, 2013)  | 48.78<br>(47 <sup>th</sup> HLEC, 2019)  | 12.07<br>(33%)               | due to changes of Schedule of Rate from 2012 to 2018.  |
| 6.      | Knahauli to Sursand/ Sitamarhi                               | 49.15                         | 147.75<br>(25 <sup>th</sup> HLEC, 2013) | 220.11<br>(47 <sup>th</sup> HLEC, 2019) | 72.36<br>(49%)               | due to changes of Schedule of Rate from 2012 to 2018.  |
| 7.      | Bhitta More to Parsa/ Sitamarhi                              | 5.80                          | 16.81<br>(25 <sup>th</sup> HLEC, 2013)  | 24.04<br>(47 <sup>th</sup> HLEC, 2019)  | 7.23<br>(43%)                | due to changes of Schedule of Rate from 2012 to 2018.  |
| 8.      | Parsa to Akhrar Ghat/Sitamarhi                               | 10.61                         | 31.52<br>(25 <sup>th</sup> HLEC, 2013)  | 42.39<br>(48 <sup>th</sup> HLEC, 2020)  | 10.87<br>(34%)               | due to changes of Schedule of Rate from 2012 to 2018.  |
| 9.      | Laukahi (Jhori chowk) to Bhutaha Chowk/ Madhubani            | 28.60                         | 85.11<br>(25 <sup>th</sup> HLEC, 2013)  | 111.3<br>(49 <sup>th</sup> HLEC, 2021)  | 26.19<br>(30%)               | due to changes of Schedule of Rate from 2012 to 2018.  |

| Sl. No.      | Name of stretch/District                                | Length of the stretch (in km) | Original cost approved by HLEC      | Revised cost approved by HLEC | Cost Escalation (percentage) | Reasons for revised cost                       |
|--------------|---|-------------------------------|-------------------------------------|-------------------------------|------------------------------|--|
| 10.          | Fatehpur to Piltola and Piltola to Galgalia/ Kishanganj | 79.50                         | 258.77(25 <sup>th</sup> HLEC, 2013) | 258.77                        | 0.00                         | Revised estimate of cost ₹ 352 crore deferred. |
| <b>Total</b> |   | <b>396.98</b>                 | <b>1216.97</b>                      | <b>1594.09</b>                | <b>377.12</b>                |  |

**B: Details of five encumbrance free stretches**

(₹ in crore)

| Sl. No.      | Name of stretch/ District  | Length of the stretch (in Km) | Original cost approved by HLEC       | Revised cost approved by HLEC        | Cost Escalation (Percentage) | Reasons for revised cost  |
|--------------|--|-------------------------------|--------------------------------------|--------------------------------------|------------------------------|---|
| 1.           | Saraigarh (Garia Chowk) to Refugee Colony)/ Saupal   | 40.99                         | 117.70 (24 <sup>th</sup> HLEC, 2012) | 190.44 (45 <sup>th</sup> HLEC, 2018) | 72.74(62%)                   | The cost overrun is mainly due to provision of 2.4 km rigid pavement, carriage of material, road safety/signage works, Chute drains, boulder pitching for slope protection etc.                               |
| 2.           | Refugee Colony to Mirganj Chowk on NH 57A (Near Mirganj Railway Crossing)/ Araria                            | 44.33                         | 128.03 (24 <sup>th</sup> HLEC, 2012) | 185.97 (45 <sup>th</sup> HLEC, 2018) | 57.94(45%)                   | The cost overrun is mainly due to provision of 5.029 km rigid pavement, carriage of material, road safety/signage works, chute drains, slope protection and improvement of junctions to connect SSB BOPS etc. |
| 3.           | Mirganj Railway Crossing to Dhabbeli (33.700 km to Mirhganj to Kuari + 12.10 km, Sikiti to Dhabbeli)/ Araria | 45.80                         | 134.01 (25 <sup>th</sup> HLEC, 2013) | 134.01                               | 0.00                         | Revised estimate pending.   |
| 4.           | Kuari bypass to Sikiti/ Araria   | 12.00                         | 30.08 (24 <sup>th</sup> HLEC, 2012)  | 34.29 (32 <sup>th</sup> HLEC, 2016)  | 4.21(14%)                    | cost escalation due to high embankment shoulder of approaches of Bakra River, extra sign boards and RCC drain etc.  |
| 5.           | Dhabeli to Fatehpur/Araria / Kishanganj  | 12.20                         | 29.20 (24 <sup>th</sup> HLEC, 2012)  | 29.20                                | 0.00 (no escalation)         | Work completed.   |
| <b>Total</b> |  | <b>155.32</b>                 | <b>439.02</b>                        | <b>573.91</b>                        | <b>134.89</b>                |   |

**Annexure-5**  
**(Reference to para 3.2)**  
**Cost Escalation in Uttar Pradesh**

(₹ in crore)

| Sl. No. | Name of the Stretch/District  | Length approved by HLEC (in km) | Cost as per HLEC                    | Revised Cost as per HLEC             | Cost Escalation (percentage) | Reasons for revision   |
|---------|---|---------------------------------|-------------------------------------|--------------------------------------|------------------------------|--|
| 1.      | Khajuriya Bazaar Ghat road (Shardapuri BOP to Bishanpur BOP) via Sanpurna Nagar, Banigarh                         | 24.40                           | 72.83 (25 <sup>th</sup> HLEC, 2013) | 90.72 (45 <sup>th</sup> HLEC, 2018)  | 17.89 (25%)                  | Due to rate escalation and due to provision of culvert bridges, drain and link road etc.   |
| 2.      | Rupaidia-Munshipurwa/Bahraich   | 20.36                           | 55.05 (25 <sup>th</sup> HLEC, 2013) | 65.94 (47 <sup>th</sup> HLEC, 2019)  | 10.89 (20%)                  | Length revised to 17.96 km<br>Cost escalation is due to increase in labour, material and T&P rates etc.  |
| 3.      | Kakardari-Tursoma and Bharta-Gujargauri/Shravasti   | 13.00                           | 40.70 (25 <sup>th</sup> HLEC, 2013) | 65.00 (45 <sup>th</sup> HLEC, 2018)  | 24.30 (60%)                  | Due to rate escalation and due to provision of culvert bridges, crash barriers etc.  |
| 4.      | Jammunaga-Kakarhari (Part A) Shravasti  | 8.72                            | 31.57 (26 <sup>th</sup> HLEC, 2014) | 40.09 (45 <sup>th</sup> HLEC, 2018)  | 8.52 (27%)                   | Due to rate escalation and due to provision of culvert bridges, crash barriers etc.  |
| 5.      | Trilokpur Mazgawa Belbhariya Sampark Marg/Balrampur   | 7.48                            | 20.93 (25 <sup>th</sup> HLEC, 2013) | 24.94 (28 <sup>th</sup> HLEC, 2015)  | 4.01 (19%)                   | Cost escalation due to increase in cost of cartage rates, cost of machinery rates, cost of quarry rates, provision of retaining wall nearby a pond and kabristan and provision of 2 RCC Slab Culverts. |
| 6.      | 1 Aligarhwah to Ganwaria<br>2. Kakrawa to Chainpur section<br>3. Khunwa to Banganga section<br>4. Bhusola Section | 15.26                           | 45.5 (25 <sup>th</sup> HLEC, 2013)  | 60.54 (28 <sup>th</sup> HLEC, 2015)  | 15.04 (33%)                  | Due to change in quarry and consequent increase in cartage, increase in cost of cartage rates, cost of machinery rates, cost of quarry rates and provision of drain in Abadi portion.                  |
| 7.      | Barhni-Pakrihwa Road/Siddharth Nagar  | 31.35                           | 82.37 (25 <sup>th</sup> HLEC, 2013) | 152.71 (48 <sup>th</sup> HLEC, 2020) | 70.34 (85%)                  | Cost escalation was due to change in quarry and consequent increase in cartage, inclusion of 2 major new Bridge, Crash Barrier and increase in length of road at junctions and approach road of SSB.   |

| Sl. No.      | Name of the Stretch/District                                    | Length approved by HLEC (in km) | Cost as per HLEC                        | Revised Cost as per HLEC                | Cost Escalation (percentage) | Reasons for revision   |
|--------------|---|---------------------------------|---|---|------------------------------|--|
| 8.           | Malagahia Haranbanspur road/ Siddharth Nagar                    | 28.9                            | 83.40<br>(25 <sup>th</sup> HLEC, 2013)  | 152.99<br>(48 <sup>th</sup> HLEC, 2020) | 69.59<br>(83%)               | Cost escalation was due to change in quarry and consequent increase in cartage, inclusion of 2 major new Bridge as per geometrics consideration of road and increase in cost of bitumen rates from 2012 to 2014. |
| 9.           | Tuthibhari to Bargadowe/ Maharajganj                            | 7.6                             | 22.03<br>(25 <sup>th</sup> HLEC, 2013)  | 26.49<br>(28 <sup>th</sup> HLEC, 2015)  | 4.46<br>(20%)                | Due to change in quarry and consequent increase in cartage, increase in cost of cartage rates, cost of machinery rates, cost of quarry rates.  |
| 10.          | Khairaghat to Jhulnipur & Jhulnipur to Patlaw Road/ Maharajganj | 60                              | 172.22<br>(25 <sup>th</sup> HLEC, 2013) | 266.48<br>(47 <sup>th</sup> HLEC, 2019) | 94.26<br>(55%)               | Due to revised cost includes SOR, high embankment, protection work, provision of CC drain and additional culverts.   |
| <b>Total</b> |   | <b>217.07</b>                   | <b>626.60</b>                           | <b>945.90</b>                           | <b>319.30<br/>(51%)</b>      |  |

**Annexure-6**  
**(Reference to para 4.1)**  
**Status of the INBRP in Bihar as on 31.03.2021**

(₹ in crore)

| Sl. No. | Name of stretch/<br>District                                  | Length of the stretch | Original cost approved by HLEC | Revised cost approved by HLEC | Financial Progress of the work | Physical progress of the work (in km) | Remarks  |
|---------|---|-----------------------|--------------------------------|-------------------------------|--------------------------------|---------------------------------------|--|
| 1.      | Madanpur (NH- 28 B) to Bhangha/ West Chmparan                 | 80.1                  | 237.96                         | 359.00                        | 93.56                          | 0                                     | The original Contract with M/S NKC is under foreclosure. The work has been rewarded on 11.02.2019. Work in progress. |
| 2.      | Bhanga to Dhutaha River Bridge/ West Chmparan                 | 30.998                | 93.44                          | 130.36                        |                                | 0                                     | The original Contract with M/S NKC is under foreclosure. The work has been rewarded on 11.02.2019. Work in progress. |
| 3.      | Dhutaha River Bridge to Lalbakiya River/ East Champaran       | 77.242                | 238.34                         | 238.34                        | 74.81                          | 12                                    | M/s JKM is interested to execute the work. Asking for new rates for deviated and extra items. Work is in progress.   |
| 4.      | Phulbaria Ghat at Lalbakiya River to Bahar Village/ Sitamarhi | 24.05                 | 70.56                          | 161.00                        | 26.06                          | 0                                     | The work was rescinded (September 2017).The work has been retendered in August 2019 but yet to be awarded.           |
| 5.      | Bahar Village to Knahauli/ Sitamarhi                          | 10.93                 | 36.71                          | 48.78                         | 4.72                           | 0                                     | Retender on September 2019 and work was awarded, work is in progress.  |
| 6.      | Knahauli to Sursand/ Sitamarhi                                | 49.15                 | 147.75                         | 220.11                        | 0                              | 0                                     | The work was retendered but yet to be awarded.   |
| 7.      | Bhitta More to Parsa/ Sitamarhi                               | 5.80                  | 16.81                          | 24.04                         | 3.10                           | 0                                     | The work was retendered and awarded, work is in progress.  |
| 8.      | Parsa to AkhrarGhat/ Madhubani                                | 10.61                 | 31.52                          | 42.39                         | 6.64                           | 0.40                                  | The work was retendered and awarded, work is in progress.  |
| 9.      | Laukahi (Jhori/chowk) to Bhutaha Chowk/ Madhubani             | 28.60                 | 85.11                          | 111.30                        | 15.16                          | 0                                     | The work was retendered and awarded, work is in progress.  |
| 10.     | Saraigarh (Garia Chowk) to Refugee Colony)/ Supaul            | 40.99                 | 117.70                         | 190.44                        | 157.11                         | 39.20                                 | Work in progress.  |
| 11.     | Refugee Colony to Mirganj Chowk on NH 57A/ Araria             | 44.33                 | 128.03                         | 185.97                        | 157.42                         | 41.05                                 | Work in progress.  |
| 12.     | Mirganj Railway Crossing to Dhabeli/ Araria                   | 45.80                 | 134.01                         | 134.01                        | 106.57                         | 21.60                                 | Work in progress.  |

| Sl. No.      | Name of stretch/<br>District                               | Length of the stretch | Original cost approved by HLEC | Revised cost approved by HLEC | Financial Progress of the work | Physical progress of the work (in km) | Remarks  |
|--------------|--|-----------------------|--------------------------------|-------------------------------|--------------------------------|---------------------------------------|--|
| 13.          | Fatehpur to Piltola and Piltola to Galgalia/<br>Kishanganj | 79.50                 | 258.77                         | 258.77                        | 100.94                         | 18.00                                 | Earlier the Contractor denied to execute the work and went to arbitration now again the contractor has started the work again, the work in progress. |
| 14.          | Kuari bypass to Sikiti/<br>Araria                          | 12.00                 | 30.08                          | 34.29                         | 34.23                          | 11.50                                 | Work Completed (Actual length 11.50 km).   |
| 15.          | Dhabeli to Fatehpur/<br>Kishanganj                         | 12.20                 | 29.20                          | 29.20                         | 27.73                          | 11.78                                 | Work completed (Actual length 11.78 km).   |
| <b>Total</b> |  | <b>552.3</b>          | <b>1655.99</b>                 | <b>2168</b>                   | <b>808.05</b>                  | <b>155.53</b>                         |  |

**Annexure-7**  
**(Reference to para 4.1)**  
**Status of the INBRP in Uttar Pradesh as on 31.03.2021**

(₹ in crore)

| Sl. No.      | Name of stretch/District  | Length of the stretch | Original cost approved by HLEC | Revised cost approved by HLEC | Revised length of the stretch | Financial Progress of the work | Physical progress of the work (in km) | Works completed on  |
|--------------|---|-----------------------|--------------------------------|-------------------------------|-------------------------------|--------------------------------|---------------------------------------|---|
| 1.           | Khajuriya Bazaar Ghat road (Shardapuri BOP to Bishanpur BOP) via Sanpurna Nagar, Banigarh/Lakhimpur Khiri         | 24.40                 | 72.83                          | 90.72                         | 24.40                         | 79.60                          | 24.00                                 | (May 2019)  |
| 2.           | Paliaghat to Barsola/Lakhimpur Khiri  | 32.95                 | 89.29                          | 81.29                         | 18.10                         | 64.73                          | 18.00                                 | (June 2019)   |
| 3.           | 1 Aligarhwah to Ganwaria<br>2. Kakrawa to Chainpur section<br>3. Khunwa to Banganga section<br>4. Bhusola Section | 15.26                 | 45.50                          | 60.54                         | 15.26                         | 54.76                          | 15.26                                 | (March 2020)  |
| 4.           | Tuthibhari to Bargadowe/ Maharajganj  | 7.60                  | 22.03                          | 26.49                         | 7.60                          | 26.39                          | 7.60                                  | (March 2018)  |
| 5.           | Shardapuri Bazar Ghat road to Tila no. 4/Pilibhit   | 7.00                  | 19.94                          | 11.95                         | 2.80                          | 9.75                           | 2.80                                  | (March 2018)  |
| 6.           | Trilokpur Mazgawa Belbhariya Sampark Marg/Balrampur   | 7.48                  | 20.93                          | 24.94                         | 7.48                          | 23.73                          | 7.26                                  | (March 2018)  |
| 7.           | Kakardari-Tursoma and Bharta-Gujargauri/Shravasti   | 13.00                 | 40.70                          | 65.00                         | 13.00                         | 61.55                          | 12.75                                 | (May 2019)  |
| 8.           | Jammunaga-Kakardari (Part A)/ Shravasti   | 8.72                  | 31.57                          | 40.09                         | 8.72                          | 38.83                          | 8.72                                  | (May 2019)  |
| 9.           | Rupaidia-Munshipurwa/Bahraich   | 20.36                 | 55.05                          | 65.94                         | 17.96                         | 57.20                          | 17.46                                 | (May 2019) except 0.5 km (Railway land to be acquired). Work in progress. |
| 10.          | Barhni-Pakrihwa Road/ Siddhartha Nagar  | 31.35                 | 82.37                          | 152.71                        | 31.35                         | 84.61                          | 21.00                                 | Work in progress.   |
| 11.          | Malagahia Haranbanspur road/ Siddhartha Nagar   | 28.90                 | 83.40                          | 152.99                        | 28.90                         | 89.65                          | 22.00                                 | work in Progress.   |
| 12.          | Khairaghat to Jhulnipur & Jhulnipur to Patlawar Road/ Maharaj Ganj  | 60.00                 | 172.22                         | 266.48                        | 60.00                         | 99.95                          | 26.10                                 | Work in progress.   |
| <b>Total</b> |   | <b>257.02</b>         | <b>735.83</b>                  | <b>1039.14</b>                | <b>235.57</b>                 | <b>690.75</b>                  | <b>182.95</b>                         |   |



## Annexure-8

(Reference to para 4.2.2)

## Invitation and Opening of Bids before according TS and Delay in execution of Contract Bonds

(₹ in crore)

| Sl. No.      | Name of Work/<br>District  | Date of TS | Date of NIT | NIT before TS (days) | Date of opening of Financial Bid | Financial Bid opened before TS (days) | Date on which CB executed | Delay in finalisation of bond against prescribed 52 days | Estimated cost | Tendered Cost | Contracted Rate (Per cent above) | Cost of work as per NIT |
|--------------|--|------------|-------------|----------------------|----------------------------------|---------------------------------------|---------------------------|--|----------------|---------------|----------------------------------|-------------------------|
| 1            | 2  | 3          | 4           | 5                    | 6                                | 7                                     | 8                         | 9  | 10             | 11            | 12                               | 13                      |
| 1.           | Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)/ Bahraich                                   | 11.12.13   | 03.10.13    | 69                   | 18.11.13                         | 23                                    | 30.12.13                  | 36   | 36.36          | 43.45         | 19.50                            | 44.50                   |
| 2.           | Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)/ Bahraich                                   | 11.12.13   | 23.10.17    | NA                   | 03.01.18                         | NA                                    | 12.02.18                  | NA   | 9.52           | 11.24         | 18.00                            | 9.76                    |
| 3.           | Kanchanpur Gandhelnaka Road (7.475 km)/ Bahraich   | 24.09.13   | 15.04.13    | 162                  | 20.08.13                         | 35                                    | 30.10.13                  | 146  | 17.47          | 19.83         | 13.50                            | 19.99                   |
| 4.           | Khajuria Bazar ghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurna nagar Wanigarh Road (24.400 km)/ Lakhimpur Khiri | 24.04.13   | 02.02.13    | 81                   | 09.04.13                         | 15                                    | 06.05.13                  | 41   | 59.67          | 68.63         | 15.00                            | 69.72                   |
| 5.           | Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki (30.950 km)/ Lakhimpur Khiri                                    | 20.01.14   | 21.03.15    | NA                   | 11.05.15                         | NA                                    | 9.07.15                   | 58   | 61.11          | 79.13         | 29.50                            | 79.88                   |
| 6.           | Thuthibari to Bargadwa Road (CC Road) (7.600 km)/ Maharajganj  | 13.05.13   | 02.02.13    | 100                  | 09.04.13                         | 34                                    | 15.06.13                  | 81   | 15.99          | 20.55         | 28.50                            | 20.64                   |
| 7.           | Khairaghat to Jhulnipur and Patlahwaa road (60.000 km)/ Maharajganj  | 22.01.14   | 17.12.13    | 36                   | 18.01.14                         | 4                                     | 31.01.14                  | NA   | 101.38         | 144.76        | 42.80                            | 132.01                  |
| 8.           | Shardapuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP NO. 36 (7.00 km)/ Pilibhit                                    | 14.02.14   | 10.01.14    | 35                   | 10.02.14                         | 4                                     | 04.03.14                  | NA   | 6.88           | 08.81         | 28.00                            | 6.88                    |
| 9.           | Kakardari to Tursoma and Bharta Gujjagauri Road (13.00 km)/ Shrivasti  | 20.12.13   | 30.09.13    | 81                   | 01.11.13                         | 49                                    | 10.11.14                  | NA   | 28.67          | 38.56         | 34.50                            | 38.83                   |
| 10.          | Jamunaha to Kakardari Road (8.720 km)/ Shrivasti   | 20.10.14   | 16.09.14    | 34                   | 15.10.14                         | 5                                     | 25.11.14                  | 18   | 26.63          | 29.86         | 12.15                            | 30.27                   |
| 11.          | Malgahiya-Harbanshpur (Aligarhwa to Ganwariya section) CC Road (15.259 km)/ Siddharth Nagar                              | 13.05.13   | 02.02.13    | 100                  | 09.04.13                         | 34                                    | 15.06.13                  | 81   | 36.15          | 43.03         | 19.05                            | 45.20                   |
| 12.          | Malgahiya-Harbanshpur via Karamaini Ramnagar Road (28.900 km)/ Siddharth Nagar   | 05.12.13   | 12.08.13    | 115                  | 07.10.13                         | 59                                    | 30.01.14                  | 119  | 53.43          | 72.40         | 35.52                            | 72.58                   |
| 13.          | Malgahiya-Harbanshpur via Barhni Pakarhiwa Road (31.350 km)/ Siddharth Nagar   | 24.09.13   | 02.05.13    | 145                  | 17.08.13                         | 38                                    | 26.10.13                  | 125  | 44.29          | 66.08         | 49.20                            | 66.08                   |
| <b>Total</b> |  |            |             |                      |                                  |                                       |                           |  | <b>497.55</b>  | <b>646.34</b> |                                  | <b>636.34</b>           |

(Source: SEs, INB, PWD and Test checked Divisions)

**Annexure-9**  
**(Reference to para 4.3)**  
**Time overrun in Uttar Pradesh**

| Sl. No.      | District         | Name of stretch   | Original cost approved by HLEC (₹ in crore) | Revised cost approved by HLEC (₹ in crore) | Schedule date of start   | Scheduled date of completion | work completed on | Time overrun upto March 2021 (Months) |
|--------------|------------------|---|---|--|--------------------------|------------------------------|-------------------|---------------------------------------|
| 1.           | Lakhimpur Khiri  | Khajuriya Bazaar Ghat road (Shardapuri BOP to Bishanpur BOP) via Sampurna Nagar, Banigarh                         | 72.83                                       | 90.72                                      | 06.05.2013               | 05.11.2014                   | (May 2019)        | 54                                    |
| 2.           | Siddhartha Nagar | 1 Aligarhwah to Ganwaria<br>2. Kakrawa to Chainpur section<br>3. Khunwa to Banganga section<br>4. Bhusola Section | 45.50                                       | 60.54                                      | 15.06.2013               | 14.06.2014                   | (March 2020)      | 69                                    |
| 3.           | Maharajanj       | Tuthibhari to Bargadowe   | 22.03                                       | 26.49                                      | 15.06.2013               | 14.06.2014                   | (March 2018)      | 45                                    |
| 4.           | Pilibhit         | Shardapuri Bazar Ghat road to Tila no. 4  | 19.94                                       | 11.95                                      | 04.03.2014               | 03.03.2015                   | (March 2018)      | 36                                    |
| 5.           | Balrampur        | Trilokpur Mazgawa Belbhariya Sampark Marg   | 20.93                                       | 24.94                                      | 30.10.2013               | 29.10.2014                   | (March 2018)      | 41                                    |
| 6.           | Shravasti        | Kakardari-Tursoma and Bharta-Gujargauri   | 40.70                                       | 65   | 10.11.2014               | 09.11.2015                   | (May 2019)        | 43                                    |
| 7.           | Bahraich         | Rupaidia-Munshipurwa  | 55.05                                       | 65.94                                      | 30.12.2013<br>12.02.2018 | 29.06.2015<br>11.08.2018     | Work in progress  | 69<br>32                              |
| 8.           | Siddhartha Nagar | Barhni-Pakrihwa Road  | 82.37                                       | 152.71                                     | 26.10.2013               | 25.10.2015                   | Work in progress  | 65                                    |
| 9.           | Maharajanj       | Khairaghat to Jhulanipur & Jhulniipur to Patlawar Road  | 172.22                                      | 266.48                                     | 31.01.2014               | 30.07.2016                   | Work in progress  | 56                                    |
| 10.          | Lakhimpur Khiri  | Paliaghat to Barsola  | 89.29                                       | 81.29                                      | 09.07.2015               | 08.07.2017                   | (June 2019)       | 23                                    |
| 11.          | Siddhartha Nagar | Malagahia Haranbanspur Road   | 83.40                                       | 152.99                                     | 30.01.2014               | 29.01.2016                   | work in Progress  | 62                                    |
| 12.          | Shravasti        | Jammunaga-Kakarhari (Part A)  | 31.57                                       | 40.09                                      | 25.11.2014               | 24.11.2015                   | (May 2019)        | 42                                    |
| <b>Total</b> |                  |   | <b>735.83</b>                               | <b>1039.14</b>                             |                          |                              |                   |                                       |



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