

CHAPTER XVII: DEPARTMENT OF ROAD TRANSPORT & HIGHWAYS

National Highways Authority of India

17.1.1 Loss of toll revenue due to setting up Toll Plaza at inappropriate location

National Highways Authority of India set up a toll plaza at inappropriate location which resulted in cumulative loss of toll revenue of Rs.5.37 crore upto 31 March 2009.

National Highways Authority of India (Authority) completed the work of four laning and strengthening of an existing two lane section of NH-8 known as UG-III package (from km.* 388.400 to km. 443.000) at Udaipur-Ratanpur-Gandhinagar stretch in January 2004. As this section was toll based, the Government of India issued a Gazette Notification on 23 June 2004 for the collection of toll. The Authority started collection of toll with effect from 9 July 2004. Toll collection point (toll plaza) on this section was located at km. 416.000 (Village Vadanta).

Audit observed (August 2006) that:

- There is a diversion on this stretch at km 399.000 (Shyamalaji) through a state highway and the toll plaza for UG-III package of NH-8 is located at km. 416.000, at a point after diversion.
- The road users who used the road for 10.600 km. (km. 388.400 to km. 399.000) stretch of UG-III package on the tolled National Highway got easily diverted without paying any toll.

As per the survey report of the Detailed Project Report consultant (December 2000), daily traffic movement at km. 399.000 (at diversion point) was only 58 *per cent* of the total Passenger Car Units (PCUs), while the balance 42 *per cent* of the total PCUs got diverted without payment of toll. Thus, 37,18,398 PCUs (42 *per cent* of the total PCUs 88,53,328 during the period July 2004 to March 2009) were estimated to have been diverted through state highway after using 10.600 km. of stretch without paying toll. This resulted in the loss of toll revenue to the extent of Rs.5.37 crore during the said period.

The Management stated (June 2008) that the traffic diverting at km. 399.000 is using small portion of this stretch without payment of user's fee.

The Management has accepted that some traffic diverting at km. 399.000 is using the road without payment of toll. Had the toll plaza on UG-III package been located at an

* Km. - Kilometer

appropriate location, i.e., just before the diversion point (km. 399.000), loss of toll revenue to the extent of Rs.5.37 crore (upto March 2009) could have been avoided.

The matter was reported to the Ministry in July 2009; their reply was awaited (November 2009).

17.1.2 Loss on construction of a flyover in “No Construction Zone”

National Highways Authority of India incurred an infructuous expenditure of Rs.2.08 crore on the construction of a flyover in “No Construction Zone” at Jhansi, Uttar Pradesh.

National Highways Authority of India (Authority) awarded (September 2005) a contract for the construction of Jhansi Bypass (package East West – II, UP 3) at an estimated cost of Rs.115.24 crore on the basis of Detailed Project Report (DPR) prepared by the DPR Consultant. The construction of the flyover, which was the part of the project, commenced on 22 April 2006 and an amount of Rs.2.08 crore was spent on the part construction of the flyover upto March 2009.

Audit observed (April 2008) that the site of the flyover was located near Jhansi Airport and it lies in the “No Construction Zone” as notified vide Government of India, Ministry of Civil Aviation Notification No. SO988 dated 5 January 1988.

The Jhansi Airport was being administered by the Army Aviation Squadron. Since the Defence Authorities noticed the construction activities in the “No Construction Zone”, they convened a meeting with Authority representatives in October 2006 and asked the Authority to stop the construction work of the flyover. Later on when the Authority approached the authorities concerned for No Objection Certificate (NOC) for the construction/completion of the flyover, the Defence Authorities as well as Airports Authority of India communicated in October 2006 and September 2007 respectively no permission to the Authority for construction of flyover on the ground that the site lies in “No Construction Zone” of Jhansi Airport. The construction of flyover was suspended on 13 October 2006.

During the period from April 2006 to October 2006, the Authority had already incurred Rs.2.08 crore on the part construction of the flyover. As the Authority or the DPR consultant did not seek/obtain the prior clearance from the concerned authorities, the amount of Rs.2.08 crore incurred on the construction of flyover proved wasteful.

The Management stated (August 2008) that:

- The DPR was initiated in the year 2003 and no objection was raised during the land acquisition which was given wide publicity in local newspapers.
- The matter of NOC for construction of flyover was referred to the Department of Road Transport & Highways for convening a meeting with Ministry of Defence and Ministry of Civil Aviation.

Audit, however, observes the following:

- The DPR consultant while preparing the DPR failed to take into account the Gazette Notification dated 5 January 1988 which led to the wasteful expenditure to the tune of Rs.2.08 crore.
- No action was initiated by the Authority against the DPR consultant.
- Ministry of Road Transport and Highways could not obtain NOC so far (July 2009).

Thus, due to not taking the prior clearance for the construction of flyover from the concerned authorities, Authority suffered a loss of Rs.2.08 crore on account of infructuous expenditure on construction of flyover in 'No Construction Zone'.

The matter was reported to the Ministry in July 2009; their reply was awaited (November 2009).