

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.

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