PUBLIC ACCOUNTS COMMITTEE (2023-24)

"BLOCKING OF CAPITAL DUE TO NON-COMPLETION OF APPROACH ROADS: CENTRAL RAILWAY"

(Ministry of Railways)



LOK SABHA SECRETARIAT NEW DELHI

February 2024/ Magha 1945 (Saka)

Observations and Recommendations are on Page Nos. 11 - 13

BLOCKING OF CAPITAL DUE TO NON-COMPLETION OF APPROACH ROADS: CENTRAL RAILWAY

MINISTRY OF RAILWAYS

PUBLIC ACCOUNTS COMMITTEE (2023-24)

NINETY THIRD REPORT

SEVENTEENTH LOK SABHA



LOK SABHA SECRETARIAT NEW DELHI

Contents

I	INTRODUCTION	1
	BLOCKING OF CAPITAL DUE TO NON-COMPLETION OF APPROACH ROADS: CENTRAL RAILWAY	1
	PART – II	
	OBSERVATIONS/RECOMMENDATIONS	11

<u>Appendix</u>

- * Minutes
- 1. Minutes of sitting of the Public Accounts Committee (2023-24) held on 21.11.2023
- 2. Minutes of sitting of the Public Accounts Committee (2023-24) held on02.2024

^{*} To be appended later.

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

(2023-24)

Shri Adhir Ranjan Chowdhury

Chairperson

MEMBERS

LOK SABHA

- 2. Shri Thalikkottai Rajuthevar Baalu
- 3. Shri Subhash Chandra Baheria
- 4. Shri Bhartruhari Mahtab
- 5. Shri Jagdambika Pal
- 6. Shri Vishnu Dayal Ram
- 7. Shri Pratap Chandra Sarangi
- 8. Shri Rahul Ramesh Shewale
- 9. Shri Gowdar Mallikarjunappa Siddeshwara
- 10. Shri Brijendra Singh
- 11. Shri Rajiv Ranjan Singh alias Lalan Singh
- 12. Dr. Satya Pal Singh
- 13. Shri Jayant Sinha
- 14. Shri Balashowry Vallabbhaneni
- 15. Shri Ram Kripal Yadav

RAJYA SABHA

- 16. Shri Shaktisinh Gohli
- 17. Dr. K. Laxman
- 18. Shri Derek O' Brien¹
- 19. Shri Tiruchi Siva
- 20. Dr. M. Thambidurai
- 21. Shri Ghanshyam Tiwari
- 22. Dr. Sudhanshu Trivedi

Secretariat

1. Shri Sanjeev Sharma

Joint Secretary

2. Shri Partha Goswami

Director

3. Dr. Faiz Ahmad

Under Secretary

¹ Elected w.e.f. 19.08.2023 consequent upon retirement of Shri Sukhendu Sekhar Ray, MP on 18.08.2023.

INTRODUCTION

- I, the Chairperson, Public Accounts Committee (2023-24), having been authorised by the Committee, do present this 93rd Report (Seventeenth Lok Sabha) on "Blocking of Capital due to Non-Completion of approach roads: Central Railway" based on C&AG Report number 22 of 2022 relating to the Ministry of Railways (Railway Board).
- 2. The Report of Comptroller and Auditor General of India was laid in the Parliament on 20 December 2022.
- 3. The Public Accounts Committee (2023-24) selected the subject for detailed examination and report during their current term i.e. 2023-24. The Committee took oral evidence of the representatives of the Ministry of Railways at their sitting held on 21.11.2023. The Public Accounts Committee (2023-24) considered and adopted this Report at their sitting held on 17.01.2024.
- 4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** and form Part-II of the Report.
- 5. The Committee would like to express their thanks to the representatives of the Ministry of Railways for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.
- 6. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the office of the Comptroller and Auditor General of India.

NEW DELHI:
_____ January, 2024
____ Pausha, 1945 (Saka)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee

PART-I

Introduction

- 1. Central Railway Administration constructed two Road Over Bridges (ROBs) at a cost of Rs. 18.75 crore without obtaining requisite undertakings from Maharashtra State government for completion of the approach roads. This resulted in blocking of capital for more than four years and non-elimination of Level Crossings.
- 2. The C&AG Report No. 25 of 2022 for the year ended March 2021 contains significant results of the compliance audit of the Ministry of Railways of the Union Government.
- 3. Public Accounts Committee (2023-2024), selected the aforesaid C&AG Report for examination and report.
- 4. The Public Accounts Committee (2023-2024), considered the subject for detailed examination, took oral evidences of the representatives and other officials of Ministries of Railways on 21 November, 2023 and obtained written replies on the same. Based on the oral evidence and written replies, the Committee examined the subject in detail.

PARA 3.4

"BLOCKING OF CAPITAL DUE TO NON-COMPLETION OF APPROACH ROADS: CENTRAL RAILWAY"

5. Road Over Bridges (ROBs)/Road Under Bridges (RUBs) are constructed with the main objective of eliminating Level Crossings (LCs) thereby improving the efficiency of Railway Operations and ensuring safety of public travelling by road. Standing Committee on Railways considering the slow progress of ROBs/RUBs works recommended that Railway should take up only those ROBs/RUBs for execution where necessary provision of funds is ensured by the State Government. Accordingly, in May 2008, Ministry of Railways (MoR) issued instructions that an Undertaking should be obtained from the State Government to initiate advance action to acquire land for approaches, assign priority for the work in their Works Programme and commence/complete the work on approaches more or less

simultaneously with the completion of bridge proper by Railway. Audit observed that despite MoR's directives of May 2008, Central Railway Administration did not obtain the requisite Undertakings from the State Government in case of both the ROBs. They executed the work of ROBs without ensuring the commensurate progress by PWD. As a result, the ROBs could not be commissioned even after a lapse of four years after completion of Railway's portion of the work of bridge proper. Capital expenditure of Rs 18.75 crore incurred by Railway Administration on the above two ROBs remain blocked due to non-completion of approach portion of ROBs by PWD. Work of construction of the two ROBs was to be completed within a period of 18 months from the date of commencement of work. However, in both the cases, work could not be completed even after seven years after commencement and LCs could not be closed. Besides, due to non-commissioning of the ROBs and non-closure of LCs, CR further incurred an avoidable expenditure of Rs. 1.04 crore towards pay and allowances of Gatemen manning the two LCs in addition to the expenditure on maintenance of these LCs for the period April 2017 to December 2021. Railway Administration would continue to incur the expenditure on manning and maintenance of LCs until their closure. Objectives of improving the operational efficiency and ensuring safety of public travelling by road, thus, could not be achieved. Matter was taken up with Central Railway Administration in April 2021. In reply, they stated (September 2021) that in first case, PWD had started the work and 50 per cent work was completed. Work of approach on one side (Neri side) completed and other side (Mhasawad side) is held up due to land dispute and matter is in Hon'ble High Court/Aurangabad Bench. PWD has revised the design by proposing via-duct span and estimate is under technical sanction. Tender for the balance portion is awaited. Target date of completion has been fixed as May 2022. In the second case, earlier proposed alignment of approaches was opposed by the villagers. PWD has revised the alignment of approaches. Work has been started by PWD and 20 per cent work was completed. Balance work of approaches is being chased with PWD for early completion by the target date of March 2022. The fact remains that Central Railway Administration failed to implement the directives of MoR for obtaining the requisite Undertaking from the State Government. Due to

non-completion of approach portion of two ROBs by the State Government, capital expenditure of Rs 18.75 crore incurred by Railway remain blocked. The matter was referred to the MoR in May 2022; no reply was received (July 2022).

6. The Ministry in their Background Note have stated as under:

"The subject report involves 2 level crossing nos 144 & 99-A for construction of ROB in Bhusawal division of central Railway on cost sharing basis with State Government Work for construction of ROB in lieu of LC No.144 at Km 398/17-19 and ROB in lieu of LC No.99-A at Km 218/8-9 on Igatpuri-Bhusawal section of Bhusawal section was sanctioned on cost sharing basis after consent of cost sharing and consent of closure of level crossing in year 2011-12 and 1996-97 respectively.

Details of work of ROBs at both the locations are as below:

Work for construction of "ROB in lieu of LC No.144 at Km 398/17-19 on Igatpuri -Bhusawal section

Railway's LC no. 144 is situated near Mhasawad Railway station in Jalgaon District on Mumbai-Delhi Railway route in Bhusawal Division. In order to eliminate Railway's LC gate, the work of construction of a Road Over Bridge (ROB) was sanctioned by the Railway Board in the year 2011-12 on cost sharing basis. Railway has been entrusted with construction of ROB within Railway boundary and approaches have been entrusted to PWD Jalgaon. Consent of cost sharing and closure of level crossing after construction of ROB has been taken from the state government. Accordingly Railway has started the portion of ROB within Railway boundary in 2014 and completed in Oct-2016. State government also started the work in 2012 but work couldn't not be completed as few issues in land acquisitions have surfaced. One side of approach road has been completed and approach of another side was held up due to land acquisition issue. Accordingly State PWD has revised the plan of execution (via duct has been adopted instead of RE wall) and new agency has been fixed in May 2022. Physical progress of the work is 65% and it is expected to be completed by Feb-24. Due to stoppage of work in state portion, state government were chased regularly by Central Railway through letter dt 20.03.2018, 20.08.2018, 25.03.2019, 30.09.2020, 29.10.2020,

30.04.2021, 27.12.2021, 21.02.2022, 05.05.2022, 24.06.2022, 29.06.2022 to expedite the land acquisition process and for completing the approach road of the ROB.

Work for construction of "ROB in lieu of LC No.99-A at Kms 218/8-9 on Pimpalgaon-Niphad Road of Igatpuri-Bhusawal section"

Railway's LC gate no. 99-A is situated near Niphad Railway station in Nashik District on Mumbai-Delhi Railway route. In order to eliminate Railway's LC gate, the work of construction of a Road Over Bridge (ROB) was sanctioned by the Railway Board in the year 1996-97 on cost sharing basis. Railway has been entrusted with construction of part of ROB within Railway boundary and approaches have been entrusted to PWD Nashik. Consent of cost sharing and closure of level crossing after construction of ROB has been taken from the state government. Accordingly Railway has started the portion of flyover within Railway boundary in 2014 and completed in 2017. Due to land acquisition and related litigations work could not be completed by state government in the approach portion. Physical progress of the work is 60% and construction of 600 mtr (out of 1300 mtr) approach is held up due to dispute in land acquisition. Due to stoppage of work in state portion, state government were chased regularly by Central Railway through letter dt 15.09.2017, 07.12.2017, 20.03.2018, 30.09.2020. 29.10.2020. 30.04.2021, 27.12.2021. 25.03.2018. 21.02.2022, 23.06.2022, 29.06.2022 to expedite the land acquisition process and completing the approach road of the ROB. There is no failure in following the system and procedure. The essence of Railway Board's letter no. 97/CEI/BRO/158(policy) dated 20-5-2008 was followed in these cases. The consent of state government for cost sharing and closure of level crossing after construction of ROB was obtained .All the plans, design and estimate for bridge and approach were finalized by railway jointly with state government. Railway has planned the work with state government and General arrangement drawing was finalized in 2014 for both the ROB in consultation with the state government. The progress of approaches was affected due to unforeseen resistance from local residents regarding land acquisition issue. Railway perused the matter regularly with state government for early completion of approaches for commissioning of ROB's."

- 7. When the Committee asked to explain the reasons for the significant delays in completing the ROBs at Igatpuri-Bhusawal section, as outlined in the audit report, and the reasons as to why were both the ROBs not commissioned even after a lapse of four years following the completion of the Railway's portion of the work, the Ministry in their written reply stated as under:
 - 1. Reply: Work for construction of "ROB in lieu of LC No.144 at Km 398/17-19 on Igatpuri Bhusawal section:
 - 2. LC no. 144 is situated near Mhasawad Railway station in Jalgaon District on Mumbai-Delhi Railway route in Bhusawal Division. In order to eliminate Level Crossing (LC) gate, the work of construction of a Road Over Bridge (ROB) was sanctioned in the year 2011-12 on cost sharing basis. Railway has been entrusted with construction of ROB within Railway boundary and approaches have been entrusted to PWD Jalgaon.
 - 3. Consent for cost sharing and closure of level crossing after construction of ROB was taken from the state government. Accordingly Railway started the construction of ROB portion within Railway boundary in 2014 and completed in Oct-2016.
 - 4. State government also started the work in 2012 but work couldn't complete as few issues in land acquisition have surfaced. One side of approach road had been completed and approach of another side was held up due to land acquisition issue.
 - 5. For early completion of work in state portion, state government were chased regularly by Central Railway through vide L. No. Dy. CE (C) BSL/DO/MWD ROB dated 24.06.2022, 29.06.2022, 05.05.2022, 21.02.2022, 27.12.2021, 30.04.2021, 29.10.2020, 30.09.2020, 25.03.2019, 20.08.2018, 20.03.2018 to expedite the land acquisition process and for completing the approach road of the ROB.
 - 6. Accordingly State PWD has revised the plan of execution (viaduct has been adopted instead of RE wall) and new execution agency has been fixed in May 2022. Physical progress of the work is 75% and it is expected to be completed by Oct-24.
 - 7. Work for construction of "ROB in lieu of LC No.99-A at Kms 218/8-9 on Pimpalgaon-Niphad Road of Igatpuri-Bhusawal section":

- 8. LC gate no. 99-A is situated near Niphad Railway station in Nashik District on Mumbai-Delhi Railway route. In order to eliminate LC gate, the work of construction of a Road Over Bridge (ROB) was sanctioned by the Railway Board in the year 1996- 97 on cost sharing basis. Railway has been entrusted with construction of part of ROB within Railway boundary and approaches have been entrusted to PWD Nashik.
- 9. Consent for cost sharing and closure of level crossing after construction of ROB was taken from the state government. Accordingly Railway started the portion of ROB within Railway boundary in 2014 and completed in 2017.
- 10. Due to land acquisition and related litigations, work could not be completed by state government in the approach portion. Physical progress of the work is 70% and construction of 600 mtr (out of 1300 mtr) approaches is held up due to issues involved in land acquisition. One court case has also been filed in this matter. Persistent efforts are being made to resolve this issue at the earliest.
- 11. Due to stoppage of work in state portion, state government were chased regularly by Central Railway through L. No. Dy.CE (C) BSL/DO/Niphad-ROB/III dated 15.09.2017, 07.12.2017, 20.03.2018, 25.03.2018, 30.09.2020. 29.10.2020, 30.04.2021, 21.02.2022, 23.06 2022, 29-6-22 and EW/ROB/Genl/Niphad dated 27-12-2021 to expedite the land acquisition process and completing the approach road of the ROB.
- **12.** There is no failure in following the system and procedure.
- 13. Also, work in the approaches was also started in both the ROBs by State Govt. after award of the contract. Accordingly, work was taken up by Railway. Work could not complete as few issues (including court case in LC no. 99-A) in land acquisition have surfaced at later stage. Such issues are unforeseen. State Govt. is being pursued continuously to resolve these issues at the earliest. In this regard, a letter has been written to Chief Secretary, Govt. of Maharashtra on 17.11.2023."
- 8. On being enquired as to what led to the cost overruns in the construction of the ROBs, particularly the increase from the initial estimates to the revised estimates and how does the Ministry plan to address the capital expenditure of 18.75 crore incurred by the Railway due to the non-

completion of the approach portions of these ROBs, the Ministry in their written reply stated as under:

"Due to land acquisition not being done timely in approach portion the cost of approach portion of PWD increased.

9. When asked as to why the Central Railway Administration did not obtain the requisite Undertakings from the State Government, as directed by the Ministry of Railways in May 2008, before commencing the ROB projects and what measures will be taken to ensure such oversights do not happen in the future, the Ministry in their written reply stated as under:

"Railway started the work of construction of ROB after obtaining consent of land acquisition from the state government. It is advised to pre-land acquisition before awarding of tender."

10. When asked as to how does the Ministry plan to ensure the safety of the public traveling by road and improve the operational efficiency of railway operations in the affected areas and what steps will be taken to expedite the closure of Level Crossings (LCs) and the commissioning of these ROBs, the Ministry in their written reply stated as under:

"As Level crossings have not been closed therefore safety of public traveling by road is ensured. Meetings with PWD field officials to expedite the land acquisition have been done."

11. When asked about the details on the expenses incurred on the payment of gatemen and maintenance of LCs during the period April 2017 to December 2021, as mentioned in the audit report and the measures taken to reduce or recover these avoidable expenses due to the delayed commissioning of the ROBs, the Ministry in their written reply stated as under:

"Approximately 50 lakhs expenses incurred on the payment of gateman and maintenance of LCs during the period of April 2017 to December 2021."

12. On being asked to elaborate on the specific land disputes and opposition by villagers that have affected the construction of the approach

portions of the ROBs and actions taken to address these issues and expedite the completion of the approach portions, the Ministry stated as under:

"There are residential Buildings and shop in approaches & ROB land and acquisition is in process by PWD."

13. On being enquired as to whether the target completion dates mentioned in the audit report for the approach portions of the ROBs are still accurate and viable, and the steps being taken to meet these deadlines and the measures in place to prevent further delays in the completion of these projects, the Ministry stated as under:

"Target completion dates mentioned in the audit report for the approach portions of the ROBs are still Oct' 2024 & Dec' 2024."

14. On being asked about the Road Over Bridges (ROBs) and Road Under Bridges (RUBs) projects currently stalled due to issues such as challenges in land acquisition or non-payment of dues by the State Government, the Ministry stated as under:

"1 ROB at LC 99-A is currently stalled due to land acquisition."

15. When asked about the ways to improve monitoring and oversight of such projects to ensure that they are completed in a timely and cost-effective manner in the future and the lessons learned from these cases that will influence future decision-making on similar projects, the Ministry stated as under:

"To avoid the mismatch in the progress of the work, Railway has given instructions to execute the work of ROB as a single entity in consultation with the state government."

16. When asked to provide specific progress updates, including the current status, and milestones achieved so far and the mechanisms in place to monitor the progress and ensure that the issues faced in the past are resolved efficiently, the Ministry stated as under:

"The Work for construction of both ROB was sanctioned on cost sharing basis with the State Government. Railway has started the work in railway portion with consent for cost sharing and closure of LC. Work on the Railway portion of ROB at LC 144 was completed in 2016 & at LC 99A in 2017 but work on approaches was held up due to land acquisition issues. Central Railway has been constantly pursuing the matter with the Govt. of Maharashtra.

ROB at LC- 99/A: Present status of approaches:

The land acquisition for the approach road at one end is under process by PWD. One court case has also been filed in this matter. Physical progress at site is 70% and target date of completion for the above ROB is Dec'2024.

ROB at LC 144: Present status of approach road:

Land acquisition for both the approach roads at LC 144 has been completed. Physical progress: All piers have been casted and girder launching is 50% completed. Overall approach progress is 75%. Target date of completion for the above ROB is Oct'2024."

17. On being asked to provide details of the agreements made with the State Government and the way these agreements are being upheld and the measures in place to ensure that the State Government fulfills its obligations in the cost-sharing agreement and the closure of level crossings, the Ministry stated as under:

"Cost sharing agreement has been submitted by state PWD vide L. No. PWD/DO-1/425 dated 01/11/2013."

18. On being enquired about the strategies employed by the Ministry to address the unforeseen resistance from local residents affecting land acquisition for the approach roads and whether attempts were made to engage the local community or mediate in disputes, the Ministry stated as under:

"Matter is being rigorously pursued with govt. of Maharashtra authorities for expedition of land acquisition and completing the approach road of the ROBs. Land acquisition has been dealt by state authorities as per agreement."

19. When asked to elaborate on the concrete steps or alternative approaches undertaken, beyond written correspondence, to address the challenges and expedite land acquisition and the way the Ministry intend to ensure a more efficient and expedited process for the completion of approach roads and the commissioning of these ROBs in the future, the Ministry stated as under:

"Matter is being rigorously pursued with govt. of Maharashtra authorities for expedition of land acquisition and completing the approach road of the ROBs. Land acquisition has been dealt by state authorities as per agreement."

20. When asked as to how was the joint planning and collaboration between the Railway and the State Government maintained throughout the project duration, particularly in the matter of finalizing plans, design, and estimates for both the bridges and the approach roads and in what ways will the Ministry ensure smoother collaboration and shared responsibility in similar future projects, specifically in addressing and resolving issues that may arise during construction, the Ministry stated as under:

"By physical meeting between Dy. CE(C) BSL office and PWD official."

PART II OBSERVAITONS AND RECOMMENDATIONS

<u>Introduction</u>

1. Indian Railways constructs ROBs on manned level crossings for smooth flow of road traffic and to avoid accidents due to human errors. However, MoR may face many challenges during construction of RoB. Some of them are lack of funding/cost sharing, land acquisition, environmental impact, public opposition etc. Land acquisition is one major constraint in projects like ROB. In order to build the infrastructure, it is often necessary to acquire land from private owners. This can be a lengthy process and can lead to delays in the project schedule and cost overrun. A balance, therefore, is required to be developed to work out issues involved in the developmental processes like construction of ROBs/RUBs to serve the purpose of elimination of manned level crossings. Some of the issues contained in the Audit Report have been examined by the Committee and commented upon suitably in the succeeding paragraphs.

2. Need for stringent regulatory mechanism for compliance

The Committee note from audit observation that despite Ministry of Railway's directives of May 2008, Central Railway Administration did not obtain the requisite Undertakings from the State Government in case of both the ROBs and executed the work of ROBs without ensuring the commensurate progress by the State PWD. As a result, the ROBs could not be commissioned even after a lapse of four years after completion of Railway's portion of the work of bridge proper and Capital expenditure of Rs 18.75 crore incurred by Railway Administration on the above two ROBs remain blocked due to noncompletion of approach portion of ROBs by PWD. Work of construction of the two ROBs was to be completed within a period of 18 months from the date of commencement of work. However, in both the cases, work could not be completed even after seven years after commencement and Level Crossings (LCs) could not be closed. From

the submissions of the Ministry, the Committee note that Consent of cost sharing and closure of level crossing after construction of ROB had been taken from the state government and the Railway had started the portion of ROB within Railway boundary in 2014 and would have possibly been completed by October, 2016. The Committee are of the view that the requisite undertaking for timely completion of work and encumbrance free land should have been taken from the State Government in case of both the ROBs. The Committee also desire that the Ministry need to find out the officers responsible for not undertaking the necessary consultation process before executing the project and apprise the Committee of the action taken, if any o the officials in this regard.

Consultative mechanism to iron out land related issues

2. Noting from audit observation, the Committee find that due to non-commissioning of the ROBs and non-closure of Level Crossings, Central Railways further incurred an avoidable expenditure of Rs. 1.04 crore towards pay and allowances of Gatemen manning the two LCs in addition to the expenditure on maintenance of these LCs for the period April 2017 to December 2021. Besides, Railway Administration would continue to incur the expenditure on manning and maintenance of LCs until their closure. Though the State government also started the work in 2012 but work couldn't be completed as few issues in land acquisitions surfaced. From the submissions of the Ministry, the Committee note that there is no failure in following the system and following the procedure laid down. The Committee are of the view that in the Ministry should have ensured the commensurate progress by the PWD before execution of work. The Committee are of the view that most of the ROB infrastructure projects face challenges relating to land acquisition and right-of-way for construction. ROBs often require substantial land area of land and acquiring private properties and negotiating with landowners can be time consuming and complex. Legal and administrative procedures have to be followed to ensure fair compensation to the parties so as to minimize the possibility of disputes. For this, planning and coordination with local authorities as also shareholders is necessary with a view to effectively ironing out the difficulties. The Committee opine that MoR, while preparing the project should invariably consult the local detailed representatives and also consider appointment of consultants to

the planning coordination oversee and with local authorities/landowners so that such projects do not suffer delays due to land acquisition/right of way related disputes. The Committee are also of the view that the Ministry of Railways need to henceforth explore the possibility of arriving at a cost sharing agreement with the concerned State Government and thereafter pay the full cost in the first instance and realize the State's share of the cost alongside the execution of work and deposit the amount so realized in a dedicated account for the project. This would not only ensure completion of work in time but would also rationalize cost sharing agreements between the Railway administration and the concerned State(s). The Committee desire to be apprised of the latest status in the matter.

NEW DELHI: <u>1.7.... January, 2024</u> Pausha, 1945 (*Saka*)

ADHIR RANJAN CHOWDHURY Chairperson, Public Accounts Committee