

INDO-NEPAL BORDER ROAD PROJECT

MINISTRY OF HOME AFFAIRS

**PUBLIC ACCOUNTS COMMITTEE
(2023-24)**

EIGHTY-NINTH REPORT

SEVENTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

EIGHTY-NINTH REPORT

PUBLIC ACCOUNTS COMMITTEE
(2023-24)

(SEVENTEENTH LOK SABHA)

INDO-NEPAL BORDER ROAD PROJECT

MINISTRY OF HOME AFFAIRS



Presented to Lok Sabha on: 07-02-2024

Laid in Rajya Sabha on: 07-02-2024

LOK SABHA SECRETARIAT
NEW DELHI

February 2024/ Magha 1945 (Saka)

CONTENTS

	PAGES
COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE (2023-24)	(ii)
COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE (2022-23)	(iii)
INTRODUCTION	(iv)

REPORT

PART- I

1.	INTRODUCTION	
2.	PROJECT PLANNING	
3.	FINANCIAL MANAGEMENT	
4.	QUALITY ASSURANCE AND MONITORING	
PART – II		
OBSERVATIONS/ RECOMMENDATIONS OF THE COMMITTEE		
APPENDICES		
I.	Minutes of the Sixteenth Sitting of Public Accounts Committee (2023-24) held on 17-01-2024.	
II.	Minutes of the Twelfth Sitting of the Public Accounts Committee (2023-24) held on 05-12-2022.	

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2023-24)

Shri Adhir Ranjan Chowdhury - Chairperson

MEMBERS

LOK SABHA

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

RAJYA SABHA

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

SECRETARIAT

1. Shri Sanjeev Sharma - Joint Secretary
2. Smt. Bharti S. Tuteja - Director
3. Shri Girdhari Lal - Deputy Secretary
4. Shri Vijay Mishra - Committee Officer

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2022-23)

Shri Adhir Ranjan Chowdhury - **Chairperson**

MEMBERS

LOK SABHA

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

RAJYA SABHA

16. Shri Shaktisinh Gohil
17. Shri Bhubaneswar Kalita
18. Dr. Amar Patnaik
19. Dr. C. M. Ramesh
20. Shri V. Vijayasai Reddy
21. Dr. M Thambidurai
22. Dr. Sudhanshu Trivedi

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2023-24) having been authorized by the Committee, do present this Eighty-Ninth Report (Seventeenth Lok Sabha) on “**Indo-Nepal Border Road Project**” based on C&AG's Report No. 23 of 2021 (Performance Audit) relating to the Ministry of Home Affairs.

2. The Report of Comptroller and Auditor General of India was laid on the Table of the House on 05-04-2022.

3. The Public Accounts Committee (2022-23) took oral evidence of the representatives of Ministry of Home Affairs on 5 December, 2022. The Committee considered and adopted this Report at their sitting held on 17 January, 2024. The Minutes of the sittings of the Committee are appended to the Report.

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 Home Affairs 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
17 January, 2024
27 Pausha, 1945 (Saka)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee

REPORT

PART-I

Introduction

The Indo-Nepal Border Road Project

The Committee learnt that Cabinet Committee on Security (CCS) approved in November, 2010, the proposal of Ministry of Home Affairs (MHA) for construction /upgradation of 1377 km of strategic border roads along Indo-Nepal Border (INB), to enable the SSB to dominate the sensitive border effectively, in the States of Bihar (564km), Uttar Pradesh (640 km) and Uttrakhand (173 km) at a total estimated cost of Rs. 3853 Crore with a timeframe of five years i.e. by March 2016.

- 2 These roads are of strategic and operational significance to the Border Guarding Forces (BGFs) deployed along the borders. Since these roads are being laid parallel to the border they will enhance mobility of the SSB. These roads shall also meet the requirement of border population and facilitate development of border areas.
- 3 Construction work was to be executed by the respective State Governments through their Public Work Departments. While funds for the road construction cost were to be provided by the Government of India, all other expenses like cost of land, statutory clearances and maintenance of roads were to be borne by the concerned State Governments. 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 by the three states. Therefore, extension of time was given by the CCS in February, 2018 up to 31.12.2019 for completion of those ongoing works which were free from encumbrance and up to 31.12.2022 for completion of balance work involving land with encumbrance.
- 4 High Level Empowered Committee (HLEC) of MHA which is headed by Union Home Secretary is a fast track mechanism to scrutinize and appraise/approve projects of border infrastructure. It has been empowered by CCS to consider any change in the projects in the time and cost estimates within overall ceilings sanctioned by CCS. HLEC in December,

2019/ January, 2021 further extended the timeline upto 31.12.2022 for **the whole project** i.e. encumbrance free stretches and stretches with encumbrance.

- 5 C&AG Report No. 23 of 2021 (Performance Audit) on the subject 'Indo-Nepal Border Road Project pertaining' to Union Government, Ministry of Home Affairs covering the period 2010-11 to 2018-19 updated upto March 2021 deals with issues such as Project Planning, Financial management, Contract management & Execution of works and Quality assurance & monitoring.
- 6 The Public Accounts Committee (2022-23) selected the subject for detailed examination and report. Considering the significance of the issues involved in the matter, the subject was carried forward by the Public Accounts Committee (2023-24). In the process of examination of the subject, the Committee obtained background material and detailed written replies from the Ministry of Home Affairs. They also took oral evidence of the representatives of the Ministry of Home Affairs and obtained post evidence replies. The issues so discussed are enumerated in the succeeding paragraphs.
- 7 When the Committee wanted to know about the intended objectives of the Indo Nepal Border Road Project and the extent of achievement thereof, the Ministry in a written reply informed as under:-

"In 2010, Cabinet Committee on Security was approached with the primary objective of development of roads along the Indo-Nepal Border (1377 Km) as these roads were considered of strategic and operational significance to the Border Guarding Forces (BGFs) deployed on these borders viz. the Sashastra Seema Bal (SSB) on the Indo-Nepal and Indo-Bhutan Borders. The proposed roads will primarily run parallel to the borders, thereby adding to the mobility of the BGFs and enabling them to dominate the sensitive borders more effectively. Before the project people living along the Indo-Nepal border faced many difficulties due to number of rivers, riverines and inhospitable terrain. These roads were also to meet the requirements of border population and catalyse better implementation of development initiatives in border areas. These roads have brought immense socio economic development in the far flung areas of border districts of Bihar, UP and Uttarakhand. The increased presence and enhanced mobility of security forces and police due to Indo- Nepal Border road Projects has brought sense of security in border populace. Due to construction of these roads, various welfare scheme/ health/education/business outreach has increased in the border areas. Around 208 Nos villages, 23 small towns, by 404kms in Bihar 60 Nos villages/ by 219 kms in UP and 14 villages/Hamlet by 52.4 kms in Uttarakhand were provided connectivity by

these roads apart from connectivity to SSB deployment locations. 355 Border out Posts have been provided connectivity directly and 41 BoPs with link road. Dominance of SSB has increased along the border after construction of these roads. These roads have increased business avenues, commercial activities and agricultural produce thus ushering an era of socio-economic prosperity in the area where the connectivity was provided by the roads constructed by this Border road project."

- 8 To a query as to whether the State Authorities involved in the Project were consulted at the conceptualisation stage, the Ministry in a written reply, stated as under :-

"On the basis of long standing request of the people of border States and other stakeholders including security and intelligence agencies, MHA has conceptualized the project and initiated consultation with the State Governments of Uttarakhand, Uttar Pradesh, Bihar and Assam and SSB to finalize the requirements of Strategic roads along these borders. Detailed discussions were held in a series of meetings held in MHA with all the stake holders to arrive at a consensus on the implementation strategy as also to decide the issues relating to land acquisition, cost implications, road alignment, requirement of statutory clearances and payment for compensatory afforestation, time schedule for completion, future maintenance, etc. In pursuance of deliberations held in these meetings, State Governments of Uttarakhand, Uttar Pradesh, Bihar had submitted the proposals, the draft Cabinet note was circulated to all concerned State Governments and their concurrence and acceptance was obtained in advance. Moreover, State Government had agreed to provide land for the scheme free of cost and carry out maintenance after construction as the project was very beneficial to the populace of States living along the border."

- 9 While elaborating on the roles and responsibilities that were assigned to the authorities at the Centre and those at the State level with regard to Indo Nepal Border Road Project, the Ministry, in a written reply, informed as under:-

"In November 2010, CCS approved the Indo-Nepal Border Road Project, which has the provision that these strategic road projects will be implemented jointly by the Govt. of India and State Government concerned with the following modalities/implementation strategy: -

The Capital expenditure for construction of proposed roads will be borne by the Central Government while expenditure on account of cost of land acquisition, compensatory afforestation and future maintenance of the roads will be borne by the respective State Governments from their own resources.

State PWDs will preferably be the first choice as executing agencies for construction of these roads. It was envisaged that this project was started taking the full confidence and support of State Governments.

The executing agency shall, in consultation with the BGFs, State Governments and

MHA to finalize the alignment of the roads.

Since the project was envisaged with initial alignment on available map as due to urgency and expedite the project, State PWDs or any other agency engaged for this purpose was to undertake the preparation of DPR/Cost estimates in respect of works assigned to them in phased manner keeping in view the implementation schedule. It was assured by the State Governments that land and other clearances will be provided to the projects in an expedited manner."

10 When asked about the reasons for variation in the cost of INBP Project as it was Rs 3853 Crore in Nov 2010 which was subsequently pegged at Rs 2656.93 Crore (842.86 km) before revising it to Rs 3472.25 Crore by HLEC, the Ministry stated as under:-

i. (i) The physical components (1377 km) and financial projections (Rs. 3853 Crores) were preliminary and indicative in nature at the time of approval of CCS in Nov 2010. It was mentioned in the CCS note itself that physical length, scope of work, alignment, financial projections were likely to change after finalization of DPRs. This aspect has been mentioned in CCS note and HLEC has been empowered to grant approval within the overall cost limit. All approvals have been issued under the overall ceiling cost of the project. It should be noted that when the alignment was finalized and DPRs were approved by HLEC as per provisions of CCS note, the length and various other provisions were finalized as per real ground conditions and with enactment of Right to Fair Compensation, Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARR Act 2013). The delay was caused in land acquisition thus number of variations occurred beyond control of the stakeholders. DPR were prepared and appraised as and when the feasibility of each stretch became clear to the state government agencies. So far 842.65 kms has been approved by HLEC from time to time with revised approved cost of Rs. 3468 Crores (approx), which is within the overall approved cost limit as mentioned in the approved CCS note.

ii. Due to the pendency of Wildlife Clearance and Forest Clearance for 299 km in Pilibhit, Dudhwa, Ketarniaghat in Uttar Pradesh, pendency in finalization of alignment of road in the area of proposed Pancheshwar Dam in Uttarakhand, delay in land acquisition due to court cases in East and West Champaran districts of Bihar after advent of Right to Fair Compensation, Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARR Act 2013). Moreover, cost escalation due to inflation since the year 2010 viz. increase in the cost of material, labour and Tool & Plant and also due to change of scope of work like provision of culverts, bridges, drains etc. also due to natural calamities of flood especially in Bihar, construction of roads under the Indo-Nepal Border Road Project was not completed within the timeline and the cost was revised.

iii. In Bihar, total project cost approved by MHA in 23rd, 24th and 25th HLEC meeting (May 2011 to Jan 2013) was Rs. 1655.98 Crores for length of 552.29 km. Later on, due to factors mentioned below, the cost of project increased to Rs. 2428.67 Crores (approx.).

a. Delay in Land Acquisition: Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLAAR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.

b. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender was invited in these three districts which resulted into revision of estimates.

c. In West Champaran district, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.

d. Closure of Rail Rake Point: Railway had closed the Bathnaha and Raxaul Railway Rake point for carriage of stone aggregate and unloading in Araria district which led to delay and cost escalation."

11. To a query regarding the composition of High Level Empowered Committee (HLEC), its function and powers and the basis for granting extension upto 31st December, 2019 and further upto December 2022, the Ministry, in a written reply, informed as under:-

"Composition of the HLEC is as under:

Chairman- Home Secretary

Members:

Foreign Secretary,
Secretary, Department of Expenditure,
Secretary, MoD,
Secretary (BM), MHA
Chief Secretary of the States.

DGs of BGFs.
DG, CPWD
Financial Advisor (Home),
JS (BM), MHA

Functions: To take administrative / financial decisions on all security related issues concerning Border Management viz. fencing and flood lighting of the border, construction of Border Out Posts, roads and other essential infrastructure in the border areas.

Powers: The HLEC has the financial powers to take decisions on proposals involving an expenditure upto Rs. 500 Crores. HLEC has full powers for administrative approval and for according financial sanctions for undertaking works of fencing and flood lighting, construction of roads and bridges, Border Out Posts. A detailed note on fast-track mechanism in the shape of a High Level Empowered Committee (HLEC) is also available in para 5.1 (V) of the CCS Note of 2010.

Basis for approving extension upto Dec 2019 and further upto Dec 2022:

- ii. The time extension for the Indo-Nepal Border Road project was due to the lack of capacity, inadequacy and delay on the part of the concerned land acquisition authorities and executing agencies of State Govt., court cases in land acquisition after advent of RCFTLARR Act 2013.

Uttarakhand

MOU was signed in year 2014, the completion date for project was 2016, but the project was sanctioned on 18.08.2016 due to finalization of areas which would not fall in Indo-Nepal Pancheswar Dam. Thereafter, date of completion was extended upto December 2019. Due to litigation from km 30 to km 55, there was delay in execution of work for approximately 3 years and therefore, time extension was given upto December 2022.

Bihar

i. **Delay in Land Acquisition:** Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLARR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.

ii. People having land possession but no valid paper to proof their entitlement, dispute in land apportionment among family members etc. caused problems in disbursement of compensation.

iii. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to

contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender has been invited in these three districts which resulted into revision of estimates and delayed the project too.

iv. In West Champaran, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.

v. **Closure of Rail Rake Point:** Railway had closed the Bathnaha and Raxaul Railway Rake point for carriage of stone aggregate and unloading in Araria district which led to delay and cost escalation.

2. CCS in 2010 empowered the HLEC to consider and approve the variation in length, cost estimates, alignment, inter-se change in time schedule and also to consider contingent requirements pertaining the main works which may not have been perceived at that time. Further, CCS in 2018 has empowered HLEC to consider any change in the projects in time and cost estimates within overall ceiling sanctioned by CCS.

3. The issue of timelines was deliberated in detail with all the three State Governments and the Border Guarding Force (SSB). After assessing the encumbrances in proposed road stretches, capabilities of the State executing agencies and assurance given by them, extension of time upto December, 2019 for encumbrance free road stretches and December, 2022 for the stretches with encumbrance was approved by CCS in 2018."

12.. As regards the current status of the Project, the Ministry informed asunder :-

Physical progress of Indo-Nepal Border Road Project as on 30.11.2022				
Executing agency	Length of road approved by HLEC (in km)	Road Completed (in km)	Roads under progress	
			Formation completed (in km)	Formation yet to be done (in km)
			Formation completed (in km)	Formation yet to be done (in km)
Road Construction Department	552.3	190	405	147.3

Bihar				
PWD UP	235.35	198.5	219	16.35
PWD Uttarakhand	55	42.7	52.4	2.6
Total	842.65	431.2	676.4	166.25

The Ministry during the course of evidence furnished updated information regarding Physical & Financial progress of Indo-Nepal Border Road Project-as on 30.11.2022, which is as under:-

Particulars	Bihar	U.P.	Uttarakhand	Total
1. Estimated Length (As approved by CCS 2018)	552.27 km	574.53 km	173 km	1299.80 km
2. DPRs approved. (by HLEC)	552.27 km	237.38 km	55 km	844.65 km
3. DPRs awaited (Length with encumbrance)	-	337.15 Km (Road alignment affected by Forest & Wildlife areas)	118 Km (Road alignment affected by proposed India- Nepal Joint Pancheshwar Dam Project on river Kali)	455.15 km
4. Estimated Length of road (land acquisition yet to be completed)	11.5 km	6 km	00	17.5
5. Length of road (Forest/Wild life clearance awaited)	-	299 km	-	299
6. Work completed	190.09 Km	198.55 Km	42.70 Km	431.34 Km

7. Work under progress (Formation completed)	214.76 km	20.50 Km	9.55 Km	244.81 Km
8. Total work progress	404.85 Km	219.05 Km	52.5 Km	676.15

12.1 The Committee observed that in the district of Siddharthnagar from Aligarhwa to Ganwaria, and Khunwa-Banganga - Bhusaula, only 0.45 kms. of reserve forest areas comes under this project and desired to know about any initiative for forest clearance. In this regard, the Ministry informed as under:-

"In UP, the construction work has been completed in the district of Siddharthnagar from Aligarhwa to Ganwaria and Khunwa-Banganga-Bhusaula."

12.2 The Committee also desired to know about the status of forest clearance in area from Latahawa Ghat to Pakarhiwa via Karamaini, Ramnagar, Kakarahwa, and Bajha where about 0.81 kms. of forest comes under the road project. In this regard while furnishing the details the Ministry informed as under:-

"In UP, in the district of Siddharthnagar from Latahawa Ghat to Pakarhiwa via Karamaini, Ramnagar, Kakarahwa and Bajha, the construction work is completed."

12.3 The Committee observed that under Indo-Nepal border road projects in the district of Siddharthnagar, a 31.35 kms road which goes from Malgahiya to Harivanshpur, also got disturbed because of shift of river Banganga. The Committee desired to know whether the Government has taken this into consideration and the action taken in this regard. The Ministry informed as under:-

"Bridge at Banganga river is complete. Channelization of river under the bridge is in progress."

12.4 The Ministry inter-alia informed that the work could not be completed as per the approved plan due to the State-wise reasons mentioned below:

b. Bihar

- i. **Delay in Land Acquisition:** Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLAAR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.
 - ii. People having land possession but no valid paper to proof their entitlement, dispute in land apportionment among family members etc. caused problems in disbursement of compensation.
 - iii. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender has been invited in these three districts which resulted into revision of estimates and delayed the project too.
 - iv. In West Champaran, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.
 - v. **Closure of Rail Rake Point:** Railway had closed the Bathnaha and Raxaul Railway Rake point for carriage of stone aggregate and unloading in Araria district which led to delay and cost escalation.
 - vi. In the year 2017, Goods and Service Tax GST came into force which has increased the cost.
- c. Time over run – 07 Years (2017 to 2024),**
d. Cost overrun – Rs 772.69 Crore

Uttarakhand

Tenders for work from km 0.00 to 12.00 were invited in 2014 and work was completed in year 2016 within the sanction cost. Work from km 12.00 to km 55.00 was approved by HLEC on 18.08.2016 due to finalization of areas which would not fall in Indo-Nepal Pancheshwar Dam. Thereafter, from km 30.00 to km 55.00 work got delayed due to litigation from year 08.2017 to 12.2020.

Expected time over run: 06 years (March 2023).

Cost overrun Due to extra 18% GST.

Uttar Pradesh

Work progress is as per approved DPRs and sanction as well as it is within sanction cost. The expected time overrun is 06 years 03 months (upto June, 2023).

Initially land acquisition rates were based on old rates, which were revised on demand of land owners as per provision of revised "The Right to Fair compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" and consequently GoUP, G.O. No. 2/2015/215/Ek - 132015-20(48)/2011 dt. 19.03.2015, in this regard. As a result, revised estimates were sanctioned by May, 2017. After the sanction, all formalities of LA done accordingly.

- i. 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area.
- ii. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through Video conferencing to review the mitigation measures suggested by Wildlife Institute of India (WII), Dehradun, was held on 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow.
- iii. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places, which are still awaited.

13. When asked to elaborate on the constraints encountered in land acquisition and timely obtaining of environment, forest and wildlife clearances experienced in three States, the Ministry in a written reply informed as under:-

"Bihar

i. Delay in Land Acquisition: Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLAAR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.

ii. People having land possession but no valid paper to proof their entitlement, dispute in land apportionment among family members etc. caused problems in disbursement of compensation.

iii. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender has been invited in these three districts which resulted into revision of estimates and delayed the project too.

iv. In West Champaran, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.

Uttar Pradesh (UP)

Initially land acquisition rates were based on old rates, which were revised on demand of land owners as per provision of revised "The Right to Fair compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" and consequently GoUP, G.O. No. 2/2015/215/Ek - 132015-20(48)/2011 dt. 19.03.2015, in this regard. As a result, revised estimates were sanctioned by May, 2017. After the sanction, all formalities of LA was done accordingly.

2.337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area.

3. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through Video conferencing to review the mitigation measures suggested by WII, Dehradun, was held on 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow.

4. In the meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations. It was decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places, which are still awaited.

Uttarakhand

In Uttarakhand, for the stretch from km 0.00 to km 12.00, there was already forest clearance for the existing old road. It was felt that for developing the 2-lane road under INBR Project, forest clearance was not required. Tenders

were invited to start the work meanwhile due to newly grown trees on the already sanctioned forest land in the duration of 24 years, forest department objected on cutting of these trees and ordered to stop the work by suggesting to apply Ex-Post facto approval for already sanctioned forest land was applied and due to this situation work got delayed. Re-approval of the forest land given by Govt. letter no. 08B/UCP/08/51/2013/FC/214 dated 20.11.2013. Work was completed in the year 2016 within the sanctioned cost."

14. To a specific query as to why preparatory work for obtaining clearances had not been undertaken to ensure timely start of the construction of border roads and against 1377 Km, HLEC approved only 27 DPRS of 842.86 km, the Ministry informed as under:-

"As per approved CCS Note of the Project in 2010, it is mentioned that alignment has been taken as per available maps. It will be the responsibility of the State Govts. to provide land and obtain other clearances. CCS was duly informed that the physical components and the financial projections as made in the note i.e. 1377 KM for Indo-Nepal Border Road Project are indicative in nature. The physical length, scope of work, alignment, financial projections are likely to change after finalization of DPRs. In such cases, HLEC will take appropriate decision on the basis of examination by the Technical Committee and its recommendation. All efforts to obtain land and other clearances were made by respective State Govts. but due to reasons beyond control, the clearances and land availability could not materialize. Accordingly, as per mandate given by CCS, after considering all facts submitted by respective State Govts. Agencies in their DPRs which were submitted subsequently after getting clearances, vetting and recommendations of Technical Committee comprising of technical experts and CPWD, HLEC has approved only viable DPRs."

AUDIT FINDINGS

I- PROJECT PLANNING

(A) Change in alignment in Bihar

15. 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 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.

16. According to the reply of RCD, Bihar, shifting of alignment, from northernmost side of the wildlife reserve area to the southernmost boundary (April 2011) of the wildlife reserve area which was more than 20 km away from the international border, was as per the guidelines and according to it 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 was allowed in forest areas.

17. Regarding the change in distance and alignment of the roads under the Project, the representative of the Ministry during the course of evidence apprised the Committee as under:-

"When the preliminary estimate was given in 2010, it was on the basis of the preliminary inspection, which is always the case. When our executing agencies go on on-ground DPR preparation, there is always a change in distance. This happens in every project. Sometimes there is a change in some alignments and sometimes there is no need in some places, some link roads, etc. are not required, so this changes."

18. When asked to specify whether State Governments involved with the project were authorised to change the approved plan and whether the same was brought to the notice of the approving authority, the Ministry in a written reply informed as under:-

"The conceptual planning of INBR at the time of CCS note was based on available maps but while finalizing the alignment on the ground during survey, alignment of INB road was considered out of Valmiki Tiger Reserve (VTR) due to the limitations to construct the road in VTR as explained by RCD, Bihar. Further since SH 64 and other roads were already available hence SSB BOPs, which are established near Indo-Nepal Border, kept functioning through these available roads and construction of INBR from Madanpur facilitates further movement of SSB towards east of the border. This alignment has duly been vetted by RCD Bihar and agreed by SSB before being approved by MHA.

The jurisdiction of BOP for 15 kms from the International Border is for chasing, searching, seizure, etc. The patrolling is generally carried out along the border on border roads or foot tracks available on the border and INB road along the Valmiki Tiger reserve is facilitating SSB in carrying out the patrolling as well as maintains the sanctity of the Tiger reserve.

As per para 5.1(iii) of the CCS Note of 2010, the executing agency shall, in consultation with the BGFs, State Governments and MHA finalize the alignment of the roads.

The alignment was vetted by RCD Bihar and approved by MHA. Change in alignment was brought to the notice of MHA."

19. Asked to furnish the reasons for fixing the alignment by ignoring the guidelines relating to construction in eco sensitive zone (in 2010), the Ministry in their Action Taken Note *inter-alia* informed as under:-

" It has been replied by RCD, Bihar that there was no ignorance of guidelines relating to construction in eco sensitive zone as the alignments proposed were outside the Valmiki Tiger Reserve Forest area in Bihar. Further, no other alignment in Bihar was passing through any other Sanctuary/ National Park. "

20. To a query as to why Bihar Govt. did not approach the MOEFCC for permission under single window system for border roads, the Ministry in their Action Taken Note *inter-alia* informed as under:-

" There was no need to approach the MoEFCC through single window system as the alignment proposed was outside the Valmiki Tiger Reserve."

21. When asked whether the survey along with SSB personnels were carried out to access the actual site condition at the time of fixing of initial alignment i.e. before the approval of project by Cabinet in September 2010 and the basis on which the the state Govts. had prepared the preliminary estimates which were approved by the Cabinet in 2010, the Ministry in their Action Taken Note *inter-alia* informed as under:-

" In 2006, the Department of Border Management, MHA called for a comprehensive proposal regarding the development of roads, which are of operational and strategic significance to the SSB in the Indo-Nepal and Indo-Bhutan borders. The proposal of SSB were discussed at in several meetings at various levels with all stakeholders. During the period 2006 to 2010, the proposal was scrutinized and modified at different stages. The modifications in alignments were discussed & finalized in consultations with Govt. of Bihar and SSB. Later on, it was decided to obtain in-principal approval of CCS for preparation of DPR in the year 2010. It was also submitted before CCS that the physical components and the financial projections are preliminary & indicative in nature and are likely to change after finalization of DPR."

22. As regards the checks and balances that have been put in place to ensure consistency with the approved project plan, the Ministry in a written reply informed as under:-

The executing State Government agencies have their internal control mechanism, and standard procedures for executing the work as per the approved project plan. These consist of work manual, roles and responsibilities of various officers, quality assurance plan, Indian Road Congress (IRC) Code, Specifications of MoRTH and Terms and Condition of Contract Agreement.

DPR submitted by State agencies were vetted and scrutinized by BFR Cell headed ADG(Border), CPWD and the DPR was appraised by the Technical Committee consisting of Domain Experts and headed by DG, CPWD.

CCS in 2010 has authorized HLEC to consider and approve the variations in length, cost estimates, alignment, inter-se change in time schedule and also to consider contingent requirements pertaining to the main works which may not have been perceived at that stage subject to overall umbrella approval of the CCS. Accordingly, the projects are placed before HLEC for review and taking decisions.

Apart from Executing agencies inspection mechanism, MHA and SSB officials are conducting field/ground inspections and reports being submitted accordingly.

State agencies are being pursued rigorously to improve quality assurance, Contract and financial management.

MoUs have been signed and being implemented with the State executing agencies.

Implementation of BIM guidelines in all new and ongoing projects.

In MHA, regular monitoring through expenditure and progress review meetings where monthly/quarterly/yearly expenditure and work plan are being monitored by higher Officials.

BM-I division, MHA is in process of developing Project Monitoring Portal (PMP) and Project Monitoring Unit for smooth and expeditious implementation of border infrastructure works.

23. Asked whether any Standard Operating Procedures (SOPs)/Guidelines for implementation of the project were issued to States, the Ministry informed as under:-

"Implementation of the project is being done as per contract document clauses, Indian Road Congress (IRC) Codes and Ministry of Road, Transport and Highways (MoRTH) Specifications, Indian Standard Code (IS Code) specification. DPR submitted by State agencies were vetted and scrutinized by BFR Cell headed ADG(Border), CPWD and the DPR was appraised by the Technical Committee consisting of Domain Experts and headed by DG, CPWD. A/A & E/S is issued based on DPR and concerned executing agencies are responsible for execution and technical soundness of the scheme."

B. Non-connectivity to BOPs from the main alignment of proposed roads

24. Audit noticed that 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.

25. While apprising about the connectivity of BoPs, the representative of the Ministry during the course of examination stated as under:-

"But original plan was not *per se* to connect the BoPs but to have a road close to the border. The intent was to have a road close to BoPs where link roads and feeder roads can be planned later on. It is there in the CCS draft. "

26. The representative of the Ministry, during examination of the subject informed that as on date, 471 BOPs are on the border and that 413 BOPs were connected.

27. When asked to furnish a brief note on the importance of Border Out Posts (BOPs), the Ministry stated as under:-

"Border Out Posts (BOPs) of SSB are deployed on the International Border. The BOP personnel undertake regular patrolling on the Border in their AOR (Area of Responsibility) to prevent any anti-national activity, smuggling of Narcotics, Arms, Ammunition, Human trafficking etc. across the border. Construction of BoPs is funded through a separate budgetary head under different plan and BoPs are constructed by Engineering wing of SSB / CPWD."

28. To a specific query regarding the status, number and the location of BOPs required to be constructed as per the project, the Ministry in a written reply stated as under:-

"The Indo-Nepal Border Road Project is for construction of Border road and no BOPs were envisaged to be constructed under this Project. SSB has clarified that the present INBR project was approved for the main road connecting important places along Indo-Nepal Border and not only the roads to BOPs. It is to further add that on the border, BOPs have come first nearest to the border and INBR has come subsequently along the appropriate and the best feasible alignment been as decided by the Executing Agencies of INBR with concurrence of SSB."

29. When asked about the facilities provided to the BOPs for their effective operation, the Ministry in a written reply, informed asunder:-

"To enhance operational efficiency various facilities like accommodation for BOP personnel, water supply, electricity, Gen sets, Solar Plants, fencing, night vision device, vehicles communication and surveillance equipments etc. have been provided to the BOPs."

30. In regard to the level at which the construction of 363 (81%) BOPs away from the main alignment of the proposed border road, was approved and the objectives and the cost involved therein, the Ministry in a written reply informed as under:-

"BOPs on the border were established first nearest to the border as per the operational requirements and INB road Project comes subsequently. Further best feasible alignment of INB Road project has been adopted by the executing agencies after concurrence of SSB. Out of 363 BOPs, 328 BOPs are situated within 1.5 km from the Indo-Nepal Border Road (INBR) and only 35 BOPs, including 20 BOPs in Valmiki Tiger Reserve (VTR), are situated beyond 1.5 km from the INBR. The main objective of the BOPs is to be located nearest possible location of International Border so as to prevent any anti-national activity, smuggling of narcotics, arms, ammunition, human trafficking, etc. across the border and as well as within 15 km on Indian side of Indo-Nepal Border. Key Location Plan (KLP) of the BOP is approved by Director General, Sashastra Seema Bal keeping in view the operational requirement and various other factors. Whereas the Indo Nepal Road was envisaged on the basis of request of State Government to provide connectivity to important places along the border, not only to provide connectivity to the BOPs. All road alignments were finalized after concurrence of SSB. Connectivity to the SSB BOPs have been ensured through this Indo-Nepal Border Road Project as well as other roads from various schemes of the State Governments. A separate scheme is under process to provide link roads, foot tracks to remaining SSB BOPs and important patrolling routes."

31. To a specific query whether BOPs, away from the main alignment, are being utilized, the Ministry in a written reply informed as under:-

"All the BOPs are functioning and being utilized and it has been ascertained by the SSB that for its effective functioning, BOPs are established nearer to the border as far as possible.

Further it is also clarified that jurisdiction of BOP for 15 Kms from the International Border is for chasing and searching operations. The patrolling is carried out along the border on the available border roads or foot tracks available on the border and INB road is facilitating SSB in carrying out the patrolling. SSB along with state Govt agencies has been part of the proposal and decision making process in finalization of road alignment.

Connectivity to the SSB BOPs have been ensured through this Indo-Nepal Border Road Project as well as other roads from various schemes of the State Governments."

C. Proposed road alignment away from the international border

32. The Committee have learnt through the Audit scrutiny that though the actual work of the SSB involves patrolling the international border from pillar to pillar, the patrolling jurisdiction of SSB

is 15 km from the international border for chase, search and seizure. Audit observed that in Bihar, the alignment finalized 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. Resultantly, in these stretches, SSB would be constrained to patrol effectively as the border roads would be beyond its jurisdiction. In this regard, the Ministry in its reply stated that a separate proposal to provide basic infrastructure facilities including road connectivity to the BOPs of Border Guarding Forces (BGFs) is under consideration.

33. On being asked as to when the Ministry decided to make a separate proposal for providing basic infrastructure facilities including road connectivity to the BOPs of Border Guarding Force and the reasons as to why it was not done at the conceptualisation stage the Ministry in a written reply informed as under:-

"9th meeting of Empowered Committee of Border infrastructure (ECBI) was held on 06/08/2015 under the Chairmanship of Cabinet Secretary.

As per the direction of ECBI, Department of Border Management was mandated to assess the requirement of basic infrastructure in BOPs and the same may be provided after co-ordinating provision of the same with the respective Administrative Ministries. Thereafter DPRs for Rs. 449.65 Cr for construction of link roads for 95 BOPs were submitted to MHA by MoRD and SSB after receiving the same from the State Agencies. After going through the DPRs, MHA vide ID no. 11012/13/2022-BM-V, dated 07/03/2022 returned the proposal to SSB for re-assessment with firm/updated cost estimates of the link roads be obtained from the State Govt agencies and also to review/ re-assessment of proposed links roads to confirm non-duplicity. Stretch wise re-assessment of link roads are being done by State Agencies, who are taking it with various agencies constructing roads in the State and forest area details. The confirmed cost & other details are awaited from respective State Govts. As it would have not been practically possible to provide connectivity to all BOPs through a single alignment, therefore, this was not part of the original scheme. However, this will be a separate Border Infrastructure and Management (BIM) BOP Project under different budgetary head and will not be a part of Indo-Nepal Border Road Project."

34. Regarding Standard Operating Procedure (SOP) for constructing roads at the Indo-Nepal border under the Project , the representative of the Ministry during the course of examination stated as under:-

"Sir, there is no SOP for that. It is as per the availability of the land, as per the obstructions, natural obstacles, etc. All those things are taken into account while laying the road."

35. To support their contention that there are many MDR/PMGY roads all along those kilometers where traffic is running to visit Nepal borders and that , SSB and residents have no constraint at all to visit BOPs nearby border and Valmiki Nagar Tiger Reserve, the Ministry submitted a List of such roads along Indo-Nepal Border as furnished by RCD, Bihar. The Ministry also furnished a copy of communication dated 20.10.2016 of SSB regarding proximity of BoPs to International Border.

D. Constructing of Bridges without connecting to main alignment (Paragraph 2.1.4)

36. According to Audit, 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.

37. To a specific query about the reason for changing the alignment of roads along the Indo-Nepal Border in Bettiah of Bihar where 15 bridges were constructed and whether any provision for physical inspection of the work carried out by the executing agencies, has been included in the MoUs with States, the Ministry in a written reply informed as under:-

Bihar

Audit team found 15 no. of bridges are not connected by approach road. Presently 9 no. of bridges have been connected and rest 6 bridges are yet to be connected. Work on these remaining bridges is in progress and they will be connected along with completion of the project. All above constructed bridges fall along approved alignment and will be fully utilized after being operational.

As per the MoU signed between MHA and the State PWDs, while executing the project, the State PWDs are required to strictly implement the quality control/assurance functions as per Indian Road Congress Codes, MoRTH Guidelines and RCD, Bihar's quality plan and as per CPWD norms. Physical inspection is being carried out by MHA and SSB officials regularly

38. As regards the number of bridges that are connected with realigned roads and whether the same are being utilized, the Ministry in a written reply informed as under:-

"Bihar has informed that all 118 Nos of constructed bridges falls on the approved alignment. Total no. of constructed bridges in Indo-Nepal Border Road Project in Bihar is 118 Nos (NABARD- 117, MHA-01). Out of 118 constructed bridges, 104 bridges have been connected with approach road and are being utilized and connectivity of the rest is in

progress. All proposed bridges fall on approved alignment and none on re-alignment and hence there is no additional Capital Expenditure involved.”

E. Delays in Acquisition of Land

39. Audit noted that there was considerable delay in acquisition of Land in the States of Uttar Pradesh and Bihar which led to non-completion of the project.

40. When asked about the reason for delay in acquisition of Land in the States of Uttar Pradesh and Bihar, the Ministry in a written reply informed as under:-

Bihar

i. **Delay in Land Acquisition:** Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLAAR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.

ii. People having land possession but no valid paper to proof their entitlement, dispute in land apportionment among family members etc. caused problems in disbursement of compensation.

iii. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender has been invited in these three districts which resulted into revision of estimates and delayed the project too. In West Champaran, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.

Uttar Pradesh

i. Uttar Pradesh has intimated that in Uttar Pradesh, initially land acquisition rates were based on old rates, which were revised on demand of land owners as per provision of revised (RFCTLAAR Act 2013) and consequently GoUP, G.O. No. 2/2015/215/Ek -132015-20(48)/2011 dt. 19.03.2015, in this regard. As a result, revised estimates were sanctioned by **May, 2017**. After the sanction, all formalities of LA done accordingly.”

41. On being asked about the efforts made for acquiring the land, the Ministry in a written reply informed as under:-

“Regular meetings were conducted by Secretary / Joint Secretary (BM) for resolving the issues with concerned State Govt. Authorities. The issues of pending land acquisition were also deliberated in HLEC with concerned State Govt. for expeditious resolution. For forest and Wild Life Clearances meetings with MoEFC and Wildlife Institute of India, Dehradun were conducted.

Various meetings are held at the level of District Land Acquisition Officer, District Magistrate and Commissioner level in the States for expediting land acquisition.

RCD, Bihar has informed that for coordination with DLAO, meeting with DM, DLAO were a regular process to expedite the Land Acquisition process. In this regard, regular camps were organised in each block by District Land Acquisition Officer to collect the requisite papers and to resolve the issues being faced by landholders. Besides this, meetings at different levels were organised to resolve the issue and expedite disbursement of compensation to land holders. The meetings details are as follows-

Details

Chief Secretary, Bihar, with all concerned DM: - 27-06-2017

Chief Secretary, Bihar with All concerned DM: - 28-11-2017

Chief Secretary, Bihar with all concerned DM: - 27-02-2018

Pr. Secretary, RCD with all concerned DM: - 26-07-2018

Principal Secretary, RCD with all DM :24-10-2018

Addl. Chief Sect. RCD, Bihar with DM, Batia: 24-04-2021

DM, Kishanganj with DLAO - 05-05-2021

Camps are being organized for collection of requisite papers from land holders in different villages to expedite disbursement of compensation.

UTTARAKHAND

UKD PWD made joint inspection of forest land, geological inspection, counting of trees, meeting with village, block, and district level committee, FRA meetings, transfer CA Land, signing of forest proposal by PWD, revenue, and forest department officials thereafter proposals submitted to GOI through conservator of forest and state forest nodal officer on 28.05.2014 by completing all process Forest clearance of 12.00 to 55.00km was finally approved on 28.10.2016.

Uttar Pradesh (UP)

Initially land acquisition rates were based on old rates, which were revised on demand of land owners as per provision of revised “The Right to Fair compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013” and consequently GoUP, G.O. No. 2/2015/215/Ek -132015-20(48)/2011 dt. 19.03.2015, in

this regard. As a result, revised estimates were sanctioned by May, 2017. After the sanction, all formalities of LA done accordingly.

- i. 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area.
- ii. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through Video conferencing to review the mitigation measures suggested by WII, Dehradun, was held on 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow.
- iii. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places, which are still awaited."

42. When the Committee sought to know about the average time taken before a settlement was reached and the terms and conditions of the Rehabilitation and Relocation (R&R) arrangements entered into, the Ministry has in a written reply informed as under:-

"Land was acquired after giving the compensation of land. There is no Rehabilitation and Relocation (R&R) in Uttar Pradesh State.

No Rehabilitation and Relocation cases in Uttarakhand

Bihar informed that 11 houses fall along Indo-Nepal Border Road Project in Sitamarhi district. Rehabilitation and Relocation (R&R) is in process according to the provisions of RFCTLARR Act, 2013."

43. As regards whether the Ministry at any time before the approval of Cabinet (2010) had assessed the impact on the project which might take place after the implementation of New Land Acquisition Act and what mitigation measures were taken up by the Ministry, the Ministry in their Action Taken Note informed as under:-

"The Indo-Nepal Border Road project was conceptualized in the year 2006 and in principal approval of Cabinet was obtained in the year 2010. The New Land Acquisition Act, 2013, was although under consideration in the Parliament since the year 2007 however it came in the force w.e.f. 01.01.2014 only hence without final shaping, passing and publication of any Act, its impact can't be assessed. Accordingly, while taking the approval of Cabinet in year 2010, no mitigation measures were taken up by the Ministry in anticipation of passing of New Land Acquisition Act. "

F. Approval of Detailed Project Reports (DPR)

44. Audit pointed that 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 Uttrakhand, 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. Audit observed that MHA did not ensure that preparatory works such as land acquisition and Forest/Wildlife clearances were completed by the States before approval of DPR.

45. On being enquired about the details of efforts, if any, undertaken to ensure completion of preparatory works such as land acquisition, Forest/ Wild life clearance by the States before approval of DPR, the Ministry in a written reply informed as under:-

"After approval of CCS note, MHA has made constant endeavour for completion of preparatory works by the State Govts. Regular meetings and visits were made by MHA officials to ensure early completion of preparatory work.

RCD Bihar informed, DPR were prepared on the basis of detailed survey of site such as feasibility of alignment/ Existence of Reserved Forest / Protected Forest / Wild life, quarry of stone aggregate, borrow area of earth, Hydraulic survey of river or other water bodies, soil investigation, Design of crust and hydraulic structures, Forest, Shifting of Electric poles/ telephone lines/ water supply pipe lines/ Temples/ Public Utilities is studied by DPR Consultant and incorporated accordingly in DPR.

i. On the basis of approved alignment, Land Acquisition Plan is prepared showing each affected plot and its area. Then plot wise area is measured and total required land area is calculated. Total cost of land acquisition is calculated on the basis of nature of land (Non-agricultural / agricultural / Residential/ Commercial) and its area to be acquired. Valuation of land and amount of compensation is decided by District Collector on the basis of MVR and after that compensation were awarded

ii. Then Detailed Project Report is prepared taking into account of cost of Civil construction, Land Acquisition, Forest / Environmental, Utility shifting etc..

iii. The Detailed Project is then approved by the competent authority and administrative approval is issued by the Govt. After allocation of fund in administrative approval, Land Acquisition Process is initiated by District Administration. Hence before approval of DPR, no effort regarding land acquisition, Forest/ Wild life clearance had taken place. All preparatory works such as land acquisition, Forest/ Wild life clearance etc. started after approval of Project.

iv. HLEC approved one package of Sitamarhi on 24-05-2011, Four packages (West Champaran, Supaul&Araria) on 11-04-2012, Two Packages (Sitamarhi &Madhubani) on 21-01-2013.

1. PWD UP has informed that in UP, the stretches of 16 DPRs of Indo-Nepal Border Road Project lie in forest/wildlife area which requires forest/wildlife clearances.
2. WII has submitted report (2022) vide letter dtd. 04.08.2022. In this report, provision of Flyovers at 08 places and change in approved alignment of 05 places in a length of about 39 Km have been proposed.
3. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through V.C. to review the mitigation measures suggested by WII, Dehradun, was held on dt. 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow.
4. In meeting, WII expressed that the mitigation measures (08 flyovers and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations as recorded in the minutes of meeting. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places. These are still awaited.

PWD UKD

In Uttarakhand preparatory work for forest clearance started in 2010 after GOI letter 26.11.2010. In previously sanctioned forest length from km 0.0 to 12.00 DPR was approved on 04.07.2011. For the remaining length, after completing all formalities required as per SOP (Forest department) i.e. joint inspection of forest land, geological inspection, counting of trees, meeting with village, block, and district level committee, FRA meetings, transfer CA Land, signing of forest proposal by PWD, revenue, and forest department officials thereafter proposals submitted to GOI through conservator of forest and state forest nodal officer on 28.05.2014 by completing all process. GOI kept the proposal pending due to Pancheswar Dam project and it was finally approved on 28.10.2016."

46. As regards, the reasons for stalemate in land acquisition and obtaining wildlife/forest clearance, the Ministry in a written reply informed as under:-

"Bihar

RCD Bihar has informed about stalemate of land acquisition that District Land Acquisition Officer, Betia has handed over 109.56 km out of 111.098 km in west Champaran but due to Court cases/Arbitration approx. 3.00 km is affected and rest in length of 22 km there is disbursement issue because people having possession of land but do not have legal documents to proof their entitlement on paper, dispute in land apportionment among family members etc. too causes problem in disbursement of compensation.

There are 294 plots in west Champaran having nature of Bakast category, the land donated by Rajgharana (Betia Raj) to their staff in ancient times. These lands are needed to be notified either personal land or Govt land by District Administration. Yet decision has to be taken by District Administration. People creates hinderance at site for demanding higher rate compensation.

In Motihari district, DLAO has handed over 65.452 km out of 75.002 km and balance 9.55 km is affected due to court cases/arbitration.

Uttar Pradesh

i. PWD, UP has informed that in Uttar Pradesh, initially land acquisition rates were based on old rates, which were revised on demand of land owners as per provision of revised "The Right to Fair compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" and consequently GoUP, G.O. No. 2/2015/215/Ek -132015-20(48)/2011 dt. 19.03.2015, in this regard. As a result, revised estimates were sanctioned by May, 2017. After the sanction, all formalities of Land acquisition are done accordingly.

ii. Further, in UP 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through V.C. to review the mitigation measures suggested by WII, Dehradun, was held on dt. 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations as recorded in the minutes of meeting. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places. These are still awaited.

Uttarakhand

In Uttarakhand, no stalemate in land acquisition and obtaining wildlife/forest clearance."

47. On being asked to specify the length of road in each State for which DPRs are yet to be approved due to pending land acquisition and delay in obtaining forest/wildlife clearance and the efforts being made to complete the DPRs within timeline, the Ministry in a written reply informed as under:-

"Uttarakhand has informed that no such case of forest/Wildlife clearance and land acquisition is pending in Uttarakhand State. However, 80 km road length is pending due to non finalization of India Nepal Joint Pancheswar Dam DPR.

It has been informed by PWD, UP that in UP, 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through V.C. to review the mitigation measures suggested by WII, Dehradun, was held on dt. 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations as recorded in the minutes of meeting. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places. These are still awaited."

G. Deficiencies in approved DPRs in Uttarakhand and Uttar Pradesh

48. 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.

49. On being asked about the procedure for approval of DPR, parameters for verification taken into account and whether technical experts of the relevant field are consulted prior to approval of DPR, the Ministry in a written reply informed as under:-

- i. "MHA has a mechanism in the form of Technical Committee headed by DG, CPWD and HLEC headed by Home Secretary for efficient planning and monitoring of such projects and after consultation with all stakeholders
- ii. The proposals were finalized by State government agencies in consultation with SSB and sent to MHA. MHA submitted these proposed DPRs to Border Fence and Roads (BFR) cell headed by ADG(Border) CPWD.
- iii. DPR submitted by State agencies were vetted and scrutinized by BFR Cell headed ADG(Border), CPWD and the DPR was appraised by the Technical Committee consisting of Domain Experts and headed by DG, CPWD.A/A & E/S is issued based on DPR and concerned executing agencies are responsible for execution and technical soundness of the scheme.
- iv. The recommended proposals of **Technical Committee** are thereafter appraised and approved by a **High Level Empowered Committee (HLEC)** headed by Union Home Secretary and respective Chief secretaries and DGs of BGF as members.
- v. To further streamline the process comprehensive guideline for creating Infrastructure under "**Border Infrastructure & Management (BIM)**" has

been issued on 13.10.2022.

- vi. These guidelines are based on the General Financial Rules 2017 Manual for procurement of works 2022, CPWD Works Manual and other relevant SOPs including CVC guidelines
- vii. Under BIM guidelines, for approval of projects a **DPR** may contain following components.
- viii. Details of land required.
- ix. List of approval of statutory clearances from appropriate bodies.
 - x. Environment impact assessment study.
 - xi. Social and economic impact assessment,
 - xii. Detailed survey and geotechnical studies.
 - xiii. Geological, hydrological studies.
 - xiv. Design and drawings.
 - xv. Estimated cost
 - xvi. Timeline for important milestones and completion of work.
 - xvii. Quality Assurance plan
 - xviii. Purchase/procurement of items/equipments preferable through GeM
 - xix. Maintenance clause.

50. When asked whether any third party audit of the DPRs is conducted to ensure transparency, the Ministry in a written reply informed as under:-

“As per the extent guidelines, there exists no provision for 3rd party audit of DPRs. However, DPRs are vetted and appraised at the level of Border, Fence and Roads Cell, CPWD and by Technical Committee consisting of domain experts and headed by DG, CPWD.”

51. As regards remedial measures taken to address the audit objections on deficient designing of road in Uttarakhand and overestimation in estimates of 11.93 crore in Uttar Pradesh, the Ministry informed in a written reply as under:-

1. “PWD, Uttarakhand has informed that new estimates are being framed on the basis of latest IRC code and MoRTH provisions. However, work for 2 lane road from Km 0.00 to 12.00 was sanctioned in year 2011 as per MORTH 4th revision and BM/SDBC was taken as per existing previously constructed 1.5 lane crust thickness of 415 mm. This was scrutinized by CPWD and approved by HLEC. However, crust thickness of 540 mm with DBM/BC has been taken as per MORTH 5th revision from km 12.00-55.00.

2. It is also intimated that at present aforesaid road surface is in good condition and need no requirement to increase the crust thickness. However, in future, whenever the stretch will be reconstructed, it will be done as per traffic census and M/o RTH specification requirement applicable at that point of time.
3. PWD, UP has intimated that as per old MoRTH data book rates were different for different capacity of machines as per quantum of work. Rates of machines have been taken in the DPRs as per quantum of work. Now as per new data book revised in October 2019 (2nd revision), works have been categorized as large (>500 Cr.), medium (200-500 Cr.) and small (<200 Cr.). Accordingly, data book provides for machine and their rates for small, medium and large projects. New estimates are being framed on the basis of new data book."

H. Memorandum of Understanding

52. Audit noticed that there was delay of 10 years in signing of MoU with State Governments of Bihar and Uttar Pradesh.

53. When asked about the salient features of the MoUs signed with three State Governments for the purpose of INBR and whether signing of Memorandum of Understanding (MoU) with the State Governments was a pre-requisite or it was decided later on, the Ministry in a written reply informed as under:-

"(1) Salient features of Memorandum of Understanding (MoU)

- I. It emphasizes on timeline Specifies that executing agencies will carry out various services such as survey, finalization of alignment, preparation of DPR, etc.
- II. It specifies that executing agencies shall be responsible for liaison with State Govt. / local authorities for acquisition of land and forest / environmental clearance.
- III. Provision of 'liquidity damages'
- IV. Executing agencies to submit monthly physical and financial progress to MHA.

(2) There is a provision of MoU in CCS Note as approved in the year 2010."

(31, LOP1)

54. To a specific query as to why signing of MoU with State Govt. of Bihar and UP took 10 years, the Ministry in a written reply stated as under:-

"Considerable time was taken in consensus on some terms of MOU and as well as Agency Charges due to which the MOU signing process was delayed.

(i) The MoU with Uttrakhand was signed in April, 2014. However, with Uttar Pradesh, it was signed only in the month of March 2021 and with Bihar in 23.07.2020 as there was no consensus on some terms and as well as on the agency charges as @ 9.5% was being asked by the executing agencies for implementation of the project whereas MHA wanted to restrict the agency charge to 7% of the sanctioned amount. However, it was ensured that the executing State Govt. agencies carry out the assigned work as per terms and condition of MoUs even before finalization and signing."

55. The representative of the Ministry during the course of evidence apprised the Committee that during the continuous review and inspection with the agency the Ministry had decided on the projected date of its completion and *inter-alia* stated as under:-

".... in Bihar we will be able to complete it in December 2024. In Uttar Pradesh, it will be completed by June 2023 and in Uttarakhand by March 2023.

56. During the course of examination, the representative of the Ministry while apprising the Committee about the status of stretches with encumbrance *inter-alia* stated as under:-

"Here we would like to tell about the stretches with encumbrance. Issues related to land acquisition and mutations are still pending in Bihar and Uttar Pradesh, which are part of the PWD system there. and R.C.D. They are working on that. Since they also have to finish the work quickly, they have assured us that they will be able to finish these land acquisition cases which are mostly mutation cases by March. Uttar Pradesh has 299 km of forest and wildlife clearance. Uttarakhand has 118 kilometers, which I have said earlier also. That is because of non-finalisation of proposed Pancheshwar Dam."

II FINANCIAL MANAGEMENT

A. Injudicious release of funds by MHA

57. Audit pointed that utilization of funds was not properly managed as MHA released funds to the States though the unspent balance of previous years were not utilized by the State Governments. This resulted in blocking of funds with the State Governments during the years 2013 to 2016.

58. Asked whether the release of funds to the States concerned was as per the extant provisions of General Financial Rules (GFR), the Ministry in a written reply informed as under:-

“All provision of GFR and other regulations in vogue were scrupulously followed by MHA. All funds were released after Integrated Finance Division IFD(H)'s concurrence and utilization certificate with work progress were taken from States.”

59. As regards steps contemplated to ensure optimum utilisation of funds by states, the Ministry in a written reply informed as under:-

1. “ MHA has kept a close monitoring mechanism and utilization certificates of funds are being obtained from the executing agencies and a comparative analysis of the progress of work viz-a-viz fund utilization is being conducted. Further, MHA has adopted the revised procedure for release of fund under Central Sector Scheme for flow of fund and monitoring / utilization of funds released as issued by Ministry of Finance vide Office Memorandum no. 1(18)/PFMS/FCD/2021 on 9.3.2022.
2. Accordingly, in case of Central Sector Scheme having annual outlay of more than Rs. 500 Crore and implemented without involvement of State agencies, it shall be mandatory to implement such schemes through the Treasure Single Account (TSA) model. This will ensure that the funds of these schemes are released “Just-In-Time “from the Consolidated Fund of India to the beneficiaries/vendors.
3. Further, in case of Central Sector schemes having (a) annual outlay of less than Rs. 500 Crore or (b) the schemes are being implemented by agencies of the State Governments etc. Ministry has to designate a Central Nodal Agency (CAN) for implementing such scheme.
4. Furthermore, MHA has also issued detailed guidelines namely “Border Infrastructure & Management (BIM) Scheme” on 13.10.2022 for compliance.

5. Regular Progress Meetings are also being convened in MHA on monthly basis for taking stock of progress made so far as well as for utilization of funds / parking of funds."

60. Regarding the criteria followed for release of funds to the States which had unspent and unutilised balance of previous year, the Ministry in a written reply informed as under:-

" 1.MHA has adopted the revised procedure for release of fund under Central Sector Scheme for flow of fund and monitoring/utilization of funds released as issued by Ministry of Finance vide Office Memorandum No. 1(18)/PFMS/FCD/2021 on 9.3.2022

2. Accordingly, in case of Central Sector Scheme having annual outlay of more than Rs. 500 Crore and implemented without involvement of State agencies, it shall be mandatory to implement such schemes through the Treasure Singh Account (TSA) model. This will ensure that the funds of these schemes are released "Just-In-Time" from the Consolidated Fund of India to the beneficiaries/vendors.

3. Further, in case of Central Sector Scheme having (a) annual outlay of less than Rs. 500 Crore or (b) the schemes are being implemented by agencies of the State Governments etc. Ministry has to designate a Central Nodal Agency (CNA) for implementing such scheme."

(B) Irregular release of funds by MHA and diversion of funds by State Governments

61. Audit noticed that 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.

62. On being asked whether any comprehensive list of admissible components was shared with the States or the same was included in the MoUs with the State authorities concerned, the Ministry in a written reply stated as under:-

"As per the ccs approval the state Government shall bear the cost of land acquisition, payment for compensatory afforestation and as per MOU cost of shifting utilities shall be borne by respective state governments."

63. Regarding the monitoring mechanism in place to ensure that the project is executed as per the approved plan and the fund is spent for the intended purpose, the Ministry in a written reply informed as under:-

"The project is reviewed at different levels like Technical Committee (TC), chaired by DG, CPWD, High Level Empowered Committee (HLEC), chaired by Home Secretary. Regular meetings in MHA at senior level to review the physical and financial progress of the project. Revised procedure for release of funds under Central Sector Scheme for flow of fund and monitoring / utilization of funds released as issued by Ministry of Finance vide Office Memorandum no. 1(18)/PFMS/FCD/2021 on 9.3.2022 is also being followed by MHA.

In Uttarakhand, for proper utilization of funds, regular state level review meetings are being conducted by SE, CE, HOD and Principal Secretary."

The status of adjustment is as under:

PWD, UP has informed that request has been made to MHA for adjusting the amount from release of funds in F.Y 2022-23 after deducting Rs. 2.34 Cr. vide letter No. 41INB/2INM/2013 dt. 20.05.22. PWD, Uttarakhand has informed that Rs. 8.34 Cr. made for forest clearance NPV and Tree cutting has been fully refunded and adjusted." (37, LOP1)

(C) Non-accounting of Interest earned and Unadjusted advances and interest

64. Audit noticed that 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.

65. As regards mechanism that has been put in place to oversee the extent of fund utilisation by States and the details of the amount of Central fund lying unutilised by States till date the Ministry in a written reply informed as under:-

"Funds to the State Government are released after checking the utilization certificate for funds released earlier. The utilization of the funds released, physical and financial progress are reviewed in the Ministry of Home Affairs at regular intervals at the senior level with all stakeholders. Uttarakhand PWD is submitting regular monthly financial progress to MHA and submitted UC's of spent amount timely. Monthly monitoring at chief engineer level and regular monitoring at Secretary PWD level are being conducted by State Government. Expenditure as on dated 30.11.2022 is Rs. 172.93 Cr against the allotment of Rs. 209.14 Cr. Rs 36.21 Cr. is the unspent amount lying with PWD, Uttarakhand and 99% of fund will be utilized by march 2023 and balance amount will be transefered to CNA account."

66. Queried about the assessment of interest accrued thereon and provision for treatment of interest accrued in the MoUs with the States, the Ministry in a written reply stated as under:-

"1. Uttrakhand has informed that Rs. 209.14 Cr. has been released by M.H.A. to PWD Uttrakhand. As per SBI, Champawat total interest earned against the allotment is 39.79 Cr. (Financial Year 2015-16 to year 2021-22). Interest amount of Rs 39.79 Crore has been deposited by PIU Thuligarh, Tanakpur vide letter 364/cash dated 23.05.2022 in consolidated fund of India.

2. Further, PWD, UP has already informed that total interest earned upto 10/12/2021 amounting to Rs. 1.87 Cr. has been transferred to MHA SECTT. Central Secretariat Branch as per direction of MHA vide letter No. 11014/9/2018-BM-V(Vol-III) dt. 11.10.2021 and same has been intimated vide their office letter no. 1514INB/21INB/13 dt. 13.12.2021"

67. When asked about the action taken for and the extent of recovery made against Rs 136.60 crore from the contractors in UP and Bihar for mobilisation advance and equipment advance, the Ministry in a written reply informed as under:-

"Bihar

1. RCD, Bihar has informed that

Mobilization Advance: - Total mobilization advance in West Champaran (Betia), Kishanganj, Madhubani, Motihari and Sitamarhi were Rs 93.99 Cr. Out of which Rs 91.99 Cr was recovered before Audit and rest Rs 2.00 Cr was recovered on 20-07-2021, Hence total Mobilization Advance of Rs 93.99 Crore have been recovered.

Equipment Advance (P & M Advance): - Total Equipment Advance in Betia & Kishanganj have been given of Rs 9.48 Crore. Out of which Rs 6.286 Crore has been recovered and Rs 3.19 Crore in Kishanganj is under process of recovery from running bill.

(2) UP has informed that Mobilization advances/Equipment advances of Rs 22.32 Cr. have been fully recovered as per conditions of contract total interest earned upto 10/12/2021 amounting to Rs. 1.87 Cr. has been transferred to MHA SECTT. Central Secretariat Branch as per direction of MHA, vide letter No. 11014/9/2018-BM-V(Vol-III) dt. 11.10.2021 and same has been intimated vide this office letter no. 1514INB/21INB/13 dt. 13.12.2021. UP and Bihar Government have been requested to look into the matter and take action if any lapse has been conducted by the officials of executing agencies."

68. The representative of the Ministry during the course of examination apprised the Committee as under:-

"The interest that was pending with Uttar Pradesh and Uttarakhand has been returned to us."

D. Cost escalation on account of slow progress of works

69. The Committee noted from Audit observation that due to the slow progress of construction of roads, the projects costs were increased by ₹ 831.30 crore in 21 stretches.

70. When asked whether reasons had been ascertained for slow progress of construction of roads leading to cost escalation of Rs 831.30 crore in 21 stretches and the findings thereon, the Ministry in a written reply informed as under:-

"(i). RCD, Bihar

Total project cost approved by MHA in 23rd, 24th and 25th HLEC meeting (May 2011 to Jan 2013) was Rs. 1655.98 Crores for length of 552.29 km. Later on, due to factors mentioned below, the cost of project increased to Rs. 2428.67 Crores (approx.).

Cost Escalation and slow Progress of work:

ii. Delay in Land Acquisition: Land acquisition process was started in 2012-13 after sanction of the project in all districts. On 1st Jan 2014, new Land Acquisition Act 2013 came into effect. After new LA Act, ongoing land disbursement under old Act process halted completely. Land holders protested the acquisition and denied to accept land compensation based on old Act. At last, fresh Land Acquisition process under RFCTLAAR Act 2013 was started in year 2015, which resulted into a delay of approximately five years. Beside this, demand of residential / commercial rate in place of agriculture rate, court cases etc. have also affected the land acquisition process.

iii. People having land possession but no valid paper to proof their entitlement, dispute in land apportionment among family members etc. caused problems in disbursement of compensation.

iv. Due to introduction of new Land Acquisition Act 2013, land could not be given in time to contractors, therefore Contractors of West Champaran, Sitamarhi and Madhubani requested for foreclosure of the contract agreement. Then re-tender has been invited in these three districts which resulted into revision of estimates and delayed the project too.

v. In West Champaran, 294 plots are of Bakast category (Gifted by Betia Raj so called king in ancient time to people) which needs to be notified or de-notified as personal land by District Administration.

vi. Closure of Rail Rake Point: Railway had closed the Bathnaha and Raxaul Railway Rake point for carriage of stone aggregate and unloading in Araria district which led to delay and cost escalation.

vii. In the year 2017, Goods and Service Tax GST came into force which has increased the cost.

All above factors delayed the project adversely and resulted increase in cost of material, manpower and tools and plants with respect of time.

Corrective measures:

- i. Efforts are being taken to expedite the disbursement of land compensation.
- ii. Regular monitoring of physical progress of work.

PWD, UP

PWD, UP has informed that against Sanctioned length of 235.35 Km, formation work has been done upto 219.05 Km. It is further informed by PWD, UP that in Uttar Pradesh, there exists no price escalation clause in the contract bond hence no price escalation was paid to the contractors and for ongoing packages, no escalation will be paid for the works.

- i. The financial as well as physical progress are regularly monitored through regular meetings by senior officials in MHA. The bottlenecks are considered and directions are issued. Further, regular spot visits are also made
- ii. The physical components (1377 km) and financial projections (Rs. 3853 Crores) were preliminary and indicative in nature at the time of approval of CCS in Nov 2010. The physical length, scope of work, alignment, financial projections were likely to change after finalization of DPRs. This aspect has been mentioned in CCS note.
- iii. However, due to the pendency of Wildlife Clearance and Forest Clearance for 299 km in Uttar Pradesh, pendency in finalization of alignment of road in the area of proposed Pancheshwar Dam in Uttarakhand, delay in land acquisition due to court cases in East and West Champaran districts of Bihar after advent of Right to Fair Compensation, Transparency in Land Acquisition, Rehabilitation and

Resettlement Act (RFCTLARR Act 2013) and cost escalation due to inflation since the year 2010 viz. increase in the cost of material, labour and Tool & Plant and also due to change of scope of work like provision of culverts, bridges, drains etc, construction of roads under the Indo-Nepal Border Road Project was not completed within the timeline and the cost was revised."

71. On this subject, the representative of the Ministry during the course of evidence, informed as under:-

"Sir, the cost escalation that has happened is due to slow progress. For that, the MHA had to take steps. For that, we have created a mechanism of efficient planning and monitoring. We have issued guidelines in the form of a Border Infrastructure and Management Guidelines this year, which contain provisions from project planning to project implementation and its quality assurance. It mainly contains the GFR General Finance Rules, 2017, Manual for Procurement of Works, 2022, CPWD Works Manual and CVC Guidelines."

72. He further informed as under:-

"...At that time, so many guidelines were not available exclusively. They have been created. Now these are the minimum things that the executing agency has to do before preparing the DPR, whether it is the central executing agency or the state executing agency. It covers everything from environment to availability of land, geological and hydrological studies, designs and drawings and quality assurance plans."

73. The representative of the Ministry also apprised the Committee as under:-

"Sir, some of the other steps that have been taken include technical and financial appraisal to be ensured by the technical committee. That committee is headed by DG, CPWD. Only then does it come to the High Level Empowered Committee. Its approval is given only after a proper approval.

Third party quality assurance has also been provided in it. Uttar Pradesh has implemented it. The process of setting up a project monitoring unit is also at a very advanced stage, so that it can go to the field and monitor it regularly and take the work forward."

III CONTRACT MANAGEMENT AND EXECUTION OF WORKS

A. State-wise progress of the INBR Project

74.. Audit highlighted that 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.

75. When asked to specify the steps taken to set up co-ordination mechanism amongst all the stakeholders to resolve the pending issues of land acquisition and forest clearance to complete the project expeditiously and in a time bound manner and whether the task of development of roads of operational and strategic significance along the Indo-Nepal border would be completed, within the revised timelines (December 2022), the Ministry stated as under:-

"1. In Bihar, the physical progress before audit and current physical progress is as under:

Sanctioned length - 552.29 km
Length of formation work before Audit – 221.23 km
Length of formation work at present - 404.68 km

RCD, Bihar has informed that work is projected to be completed by Dec. 2024.

2. **Uttarakhand** has informed that 42.70 Km. surfacing is completed out of sanctioned length of 55.000 Km. and balance 12.300 km. road stretch will be completed by March 2023. For 690 M bridge project tender disposal is in progress. Further, 80 km road length is pending due to non finalization of Pancheswar Dam DPR.

3. **Uttar Pradesh** has informed that, against Sanctioned length of 235.35 Km, at the time of audit, the status of completed length (Black Top) upto Dec., 2019 was 132.6 Km however as on date i.e. 30.11.2022, the status of completed length (Black Top) is 198.55 Km. For wild life and forest clearance status, kindly refer reply furnished in para 26 above. The work is projected to be completed by June 2023.

4. Detailed reply to these Paragraphs along with documentary proof has been given in ATN (copy enclosed) which is as under:

For checking the progress made so far and to clear bottlenecks, if any regular monthly review meeting is taken by Joint Secretary (BM-I), MHA with all stake holders to accelerate the pace and directions are issued. Review meetings on even higher levels are also taking place in MHA regularly and the significant progress has been made in the formation work."

76. The Ministry in their Action Taken Notes have informed about the proposed revised timelines as approved by HLEC which are as under:

Agency	Encumbrance free stretches	Stretches with encumbrance
RCD, Bihar	30.6.2023	31.12.2024
PWD, UP	30.6.2023	Two working seasons after Forest/wildlife clearances
PWD, UKD	30.6.2024	Two working seasons after finalization of Pancheshwar Dam Project between India and Nepal

The Ministry in their ATN also stated that as on date, there is no cost overrun above the coverall cost of the project as approved by CCS in the year 2010. However, if cost escalates, the actual cost will be submitted for the approval of competent authority.

(B) Contract Management

77. Audit noticed various irregularities 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.

78. Queried whether provisions of GFR were adhered to during the award of contracts in the States concerned, the Ministry, in a written reply, stated as under:-

“ (1) Bihar has its own GFR and award of contract has been done as per Bihar GFR and adhered to.

(2) UP has informed that award of contracts done as per prevailing state financial rules analogous to GFR.

(3) Uttarakhand has informed that tenders were invited & disposed as per the state procurement rule (framed as per GFR guidelines) & circular issued time to time”

79. When asked to furnish their comments on the audit observation, the Ministry, in a written reply, stated as under:-

"As the responsibility of execution of work was of State Government executing agencies, State executing agencies and authorities were involved in the oversight of tendering process, the State Authorities may look into the matter as per rules prevalent and take corrective measures accordingly.

Improper tendering process:

Uttarakhand has intimated that a short time tender was invited for km.0.00 to 12.00 as per their office Order dated 09.05.2013 as issued by Office of Engineer of Chief, PWD, Dehradun by which 15 days' time was given from date of publication to date of opening of tender.

A copy of OM dated 09.05.2013 of PWD Uttarakhand having time limit of 30 days for normal tendering and 15 days' time for Short term tendering is at Annexure O of ATN.

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

1. The PWD UP has quoted the, Para no. 375 (a) and 318 (Technical Sanction) of

Financial Hand Book (FHB) Volume VI as under:

Para 375

"It is fundamental rule that no work shall be commenced unless a properly detailed design and estimate have been sanctioned.

Para 318 C (Technical Sanction)

"Technical Sanction to the estimate must be obtained before work is commenced".

2. PWD UP has further mentioned that these fundamental rules have been followed. There is no rule mentioned for calling and opening for Bids in relevant Para 375 of FHB Volume – VI. Relevant reference from FHB Volume VI is at Annexure P of ATN.

3. PWD, UP has also mentioned that aforesaid recommendation of the Performance audit has been noted and has been complied with for further bidding and award of contracts.

Non-evaluation of bidding capacity and irregular award of contract:

RCD Bihar has informed that bids were invited through E-Tendering and as per Rule 158A of Bihar PWD Code, a two bid/ envelope system-technical and financial bids shall be used. M/S JKM was the lowest bidder and qualified in Bidding capacity as well. Hence work was awarded to the lowest bidder. At the time of start of work, Manpower and machineries were insufficient at site but later on it has been rectified by the contractor.

As per tender notice clause 4.3

(d) Major items of construction equipment proposed to carry out the contract or evidence of arrangement; of possessing them on hire/ lease/ buying as defined therein.

4.3 (e) Qualification and experience of key site management and technical personnel proposed for contract.

2. RCD Bihar has further informed that the Bidder had submitted the affidavit in which it was already stipulated that "However in case we are lowest in more than one package, we shall arrange the total machinery/ equipment for all such packages in which we are lowest, by way of new purchase/ lease/hire as per agreement requirement of all such packages as per SBD Clause 4.5 B (a) of ITB, to ensure simultaneous start of those packages & completion as per schedule. Accordingly, there was no procedural irregularity."

80. In regard to the corrective steps taken to address the deficiencies pointed out by Audit, the Ministry, in a written reply, informed as under:-

“1. MHA has enhanced its efforts for early completion of the projects already sanctioned by HLEC by regular monitoring of progress during various work review meetings headed by Joint Secretary/ Secretary. Instructions for regular and increased inspections by MHA and SSB officials have been issued. Various bottlenecks of Wild life /forest clearance are being pursued rigorously by Secretary Border Management

2. MHA has also issued detailed guidelines for “Border Infrastructure & Management (BIM) Scheme” on 13.10.2022 where efforts to streamline the process of planning, execution, monitoring has been attempted by DOBM.

3. Bihar:

- i. Efforts to complete LA process in West Champaran and East Champaran
- ii. Regular camps for collection of requisite papers are organized village wise.
- iii. Payment to contractors through PFMS to check financial irregularities.
- iv. Regular meeting with contractor and engineers to monitor progress of work.
- v. Efforts are being taken to connect the constructed bridges with approach roads.
- vi. Regular quality check by EE/SE/CE/Flying Squad team.

4. Uttarakhand has informed that as per new revised guidelines issued by Uttarakhand Government in 09/11/21, corrective measures have been taken to address the issues pointed out by Audit.”

(C) Award of work without availability of encumbrance free land

81. Audit pointed out that 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.

82. When asked to offer justification on award of work without ensuring land free from encumbrance resulting in arbitration and termination of contracts at various stages and thereby stopping of work on 49 percent of road length of the approved DPR upto five years in Bihar and Uttar Pradesh, the Ministry, in a written reply, informed as under:-

" (i) PWD, Uttarakhand has informed that in a previous State Government scheme tender was invited in 2011 for 12 Km and 12.00 m wide formation road as per the forest sanction, Government letter 3545/14-3-658/34 dated 30.09.1987 ****The construction work has been completed with the promulgation of Forest Protection Act 1980. Government of India permission is not required.**** assuming that Forest sanction has already been acquired in 12 km length for 18.00 mtr width i.e., 19.802 Hect. land. During this period trees were grown on the already sanctioned forest land. Forest department objected for cutting of trees & suggested to apply Ex-Post facto approval for already sanctioned forest land. Forest department immediately ordered to stop the work till the disposal of same. Due to this situation work got delayed which is beyond the control of department. Re-approval of the forest land sanctioned by govt. letter no. 08B/UCP/08/51/2013/FC/214 dated 20.11.2013 and after that the work was completed in year 2016 within the sanction cost. This way the work completed in Rs.11.46 Cr. against the sanctioned cost Rs. 12.30 Cr. in year 2016. Therefore, there was no cost overrun due to delay in providing encumbrance free land but saving money in favour of Government. They have further informed that it is clear that no extra cost burden on govt. due to time overrun.

ii. PWD, UP has informed that works were started in stretches where land was available. Issues regarding land acquisition were resolved subsequently and packages completed. In stretches where encumbrance due to Forest and Wildlife was involved, issue is still pending. In UP, against Sanctioned length of 235.35 Km, at the time of audit the status of completed length (Black Top) upto Dec., 2019 was 132.6 Km however as on date i.e. 30.11.2022, the status of completed length (Black Top) is 198.55 Km.

iii. RCD Bihar to update

iv. There was existing road of 174 km road to be only upgraded to two lane and rest 379 km lie in green field alignment. Work was awarded to contractor considering upgradation of existing road and land acquisition may take place in green field alignment. Work was started in the existing road and two package have been completed in year 2015 i.e., Kuawari By pass to Sikti (Length 12.00 km) & Dhabeli to Fatehpur (length 12.20 km) in Araria district."

83. Regarding any assessment made about the unfruitful expenditure made on arbitration process, the Ministry, in a written reply, informed as under:-

" i. RCD, Bihar has informed that no unfruitful expenditure have taken place on arbitration process.

ii. Uttarakhand has informed that in already sanctioned forest land from Km 0.0 to 12.00 awarded work to contractor was stopped by forest department and asked for reapproval of forest land, thereafter agreement was terminated. Agrieved by the decision, contractor got an award of Rs. 1.92 Cr. By arbitration, which was paid to the contractor born by State government.

iii. PWD, Uttar Pradesh has informed that there is no arbitration in their contracts"

(D) Other irregularities

84. Audit noticed 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.

85. Queried about any internal Audit conducted in the matter, the Ministry, in a written reply, informed as under:-

"i.RCD, Bihar has informed that AG Audit are conducted yearly. The lapses of recovery of mobilization advance was pointed out by AG. Accordingly, recovery of Rs 93.99 Crores have been made and Total Equipment advance of Rs 6.286 Crore has been recovered and Rs 3.19 Crore in Kishanganj is under process of recovery from running bill.

ii. PWD, UP has informed that in UP, there is a mechanism of internal audit wherein correction measures are suggested. Such as proper record should be maintained of quality control tests and recovery of mobilization/equipment advances. Now Mobilization advances/Equipment advances of Rs 22.32 Cr. have been fully recovered as per conditions of contract

iii. Uttarakhand has informed that in Internal Audit done by SE in year 2021 and 2022 such type of irregularities was examined and no such case of excess payment against claim against carriage of earth, extra payment due to non-deduction of below BOQ etc. Only two vehicles are allowed exclusively for the project where by no unauthorized payments on vehicles."

86. When asked about the measures taken to strengthen the internal controls ensuring non-recurrence of lapses, the Ministry, in a written reply, *inter-alia* stated as under:-

"A. Bihar

The point wise reply of Bihar is as under:

1. Project is still in progress and interim payment is being done. Recovery of Difference cost of Bulk and Packed Bitumen of Rs. 2,89,279 has been recovered and in Kishanganj division, it is under process.

2. (i) As per PWD code and SBD clause-12, Superintending Engineer and Chief Engineer are empowered to sanction extra carriage for construction material, if required to be used in any project. Superintending Engineer verified the requirement of extra carriage of material for that site and then recommended to Chief Engineer for its approval. Payments made after proper sanction of claim by competent authority.

i. Similarly, in case of Mirganj to Kuari & Sikti to Dhaweli Package under agreement with M/s Bharatia Infra, the provision of 1km lead in DPR is not feasible to carry the earth. M/S ASIP and AMR is executing Refugee colony to Mirganj package whereas M/S Bharatia Infra is executing Mirganj to Kuari-Sikti to Dhaweli. Both agency has signed the work agreement in year 2013 based on the DPR prepared in year 2011. Refugee colony to Mirganj length in green field is 9.7 km and on existing alignment in 44 km. M/S ASIP-AMR has started work in 2013 but in green field area. Due to delayed land acquisition, likely to complete the whole work in March -2024. The delay in land acquisition was also due to non-classification of land, title of bakast land, encroachment on gairmazarua land, which took a lot of time and with the constant persuasion of district administration, the encumbrance free land has been obtained up till this year.

ii. Although in 2011 lead of earth work was kept 1 km from the site to keep the cost within the limit during MHA meeting, but the revised technical sanction and approval of MHA has been obtained on enhanced km of lead for stretch "Refugee Colony to Meerganj". The payment has been made as per actual measurement. This portion is on the border line with Nepal. North side of this alignment is adjacent to border, where digging of earth in jurisdiction of Nepal was not allowed. On the other hand, south of the main alignment there is complete habitation. Therefore, villagers did not allow the procurement of earth. The procedure for sanction of extra carriage has been followed and is based on revised estimate already approved for Refugee Colony to Meerganj.

iii. For Meerganj to Kuari & Sikti to Dhabeli portion, revised estimate is under approval. In both the cases the payment will be checked and ensured that claims are settled on the basis of sanctioned revised estimate. If there is any inadmissible payment made, it will be recovered in upcoming bills.

3. Deduction of below Bill of Quantity(BOQ) has been done.

4. Excess payment in price neutralisation has been adjusted.

5. To supervise the quality of work and monitoring of progress of Indo-Nepal Border Road Project, regular inspection are required. For the purpose of periodic and regular inspection, vehicles were hired and payment was made. However, there existed no provision for it in the project cost.

B. Uttar Pradesh

The reply of Uttar Pradesh is as under

1	Non recovery of difference of cost of bulk and packed bitumen	Not concerned with INB, UP.
2	Excess payment on claim against carriage of earth	Not concerned with INB, UP.
3	Extra payment due to non-deduction of below BOQ value	Not concerned with INB, UP.
4	Excess Payment for price neutralization	Not concerned with INB, UP.
5	Excess and unauthorized payments on vehicles	<p>The scheme Indo-Nepal border work was started in 2010-11. For project related requirement viz. supervision and inspection etc. vehicles were required and used for execution of Indo-Nepal Border Project in 07 districts as per minimum requirement. As per prevailing practice, two vehicles are allowed for execution of works in normal working division.</p> <p>Divisions of Indo-Nepal Border work are placed in interior and remote areas. Therefore, more number of vehicles are required to be deployed for typical work like Land Acquisition, survey and supervision etc. Hence a bare minimum expenditure on vehicles for aforesaid purpose is evitable.</p>

- i. Executing agencies/PWD have installed and strengthened testing laboratories to ensure quality as Divisional level as per contract provision.
- ii. UP PWD engaged RITES as Third party inspection for quality assurance of works.
- iii. On 22.11.2022, MHA asked willingness of agencies viz. RITES, EIL, QCI, CRRI, IIT (Roorkee) along with cost estimates for TPI of the project.
- iv. In Uttarakhand for non-recurrences of such lapses regular monitoring and internal audits are being done at division and SE level.

Unfruitful expenditure

A comprehensive reply has been given in the ATN which is as under:

1. The observation pertains to Phulwaria Ghat to Bahar village in Sitamarhi district.
2. RCD Bihar has submitted that Phulwaria Ghat to Bahar village in Sitamarhi district was been awarded to M/s Rajesh Kumar Garg in Jan 2013 at a cost of Rs 64.53 Crore. But due to slow progress of work the contract has been terminated. Till date of termination of contract, the bridge work at Phulwaria Ghat was constructed up to Pier level (up to Sub Structure).
3. Later on, re-tender had been invited for remaining work, and awarded to M/s Classic Engicon. At present, work is in progress and all work including previous work will be part of Indo-Nepal Road project. At present Super Structure work of above bridge is running.

According to RCD, Bihar, there is no unfruitful expenditure"

IV. QUALITY ASSURANCE AND MONITORING

A. No provision of third party inspection

87. Audit brought out that 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

88. Asked to specify the reasons for not ensuring the provision of third-party inspection of the project for quality and timely completion of the project, as envisaged in the CCS Note, the Ministry, in a written reply, *inter-alia* informed as under:-

" RCD, Bihar and PWD, Uttarakhand have informed separately that tests are conducted time to time to maintain quality. In Bihar, quality tests being performed in the contractor's lab situated in the camp sites, whereas in Uttarakhand tests are conducted from time to time in the empanelled NABL laboratories. Brief summary as follows.

Package-1- 211 No.

Package-2- 281 No.

Further, the issue was also considered and forward steps are taken by MHA for which vide letter dated 22.11.2022 agencies viz. RITES, EIL, QCI, CRRI, IIT (Roorkee) have been requested to give their consent alongwith cost estimate for aforesaid inspection of the project within a week's time. Further, CPWD has also been requested to provide a list of reputed TPIs who can be contacted for the work for third party inspection in Bihar, UP and Uttarakhand under the Indo –Nepal Border Road Project.

- i. Executing agencies/PWD have installed and strengthened testing laboratories to ensure quality as Divisional level as per contract provision.
- ii. UP PWD engaged RITES as Third party inspection for quality assurance of works.
- iii. On 22.11.2022, MHA asked willingness of agencies viz. RITES, EIL, QCI, CRRI, IIT (Roorkee) along with cost estimates for TPI of the project.

In Uttarakhand for non-recurrences of such lapses regular monitoring and internal audits are being done at division and SE level.

Engineers India Limited (EIL), Quality Control of India (QCI), Central Road Research Institute (CRRI), Rail India Technical and Economic Service (RITES Ltd.), Indian Institute of Technology, Roorkee (IIT, Roorkee) have been requested to give their consent along with cost estimates for inspection of the Indo-Nepal Border Road Project in Bihar and Uttarakhand. Quotations have been received from RITES Ltd., QCI.

Third Party Test are being conducted by the approved NABL labs in Uttarakhand as per MORTH norms to ensure the quality check. Total third-party test conducted are as follow: **Package-1-** 211 no. and **Package-2-** 281no. In addition to this proposal and consent is also invited from IIT Roorkee and CRRI.

Regarding the Monitoring mechanism the representative of the Ministry during the evidence *inter-alia* informed as under:-

"Sir, there is talk of a coordination mechanism and a monitoring mechanism. For this, we always call SSB and they have also done inspections regularly. It is important to check the quality on the ground, because quality is the highest element in it. It works for them. They do it and tell us from time to time. We are also developing a project monitoring portal, which will be activated in a few days. With this, we will be able to monitor projects on a real-time basis."

B. Quality test of material and monitoring of the project

89. Audit pointed out that 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.

90. Regarding the mandatory norms of field inspection to be conducted at various construction sites by Chief Engineer and Superintending Engineers and whether the same was followed, the Ministry, in a written reply, informed as under:-

"All the executing agencies have given affirmative reply.

i. RCD, Bihar has informed that there is internal mechanism for quality monitoring in Road Construction Department. There are three tier system for quality monitoring system.

i. Quality checking in Contractor's lab at work site.

ii. Quality Check by EE/ SE/CE in Divisional office lab.

iii. Quality check by four flying Squad Teams under control of Chief Engineer, Testing, Training and Research Institute (TTRI), Patna in central laboratory situated at RCD, Secretariat, Patna.

i PWD, Utrakhand has informed that as per CPWD work manual 2014, norms for periodic inspection by SE and above outside the headquarter is atleast one during every five running bill. As per required norms of 10 inspections, SE has 10 inspections, CE has 5 inspections, and HOD has 3 inspections till date.

ii PWD, UP has informed that proper monitoring of works is done by different level officers and they have also engaged third party audit agency viz. RITES"

91. When asked about the mechanism by which it was ensured that the road was not fraught with the risk of sub- standard work, the Ministry , in a written reply, informed as under:-

"The reply of executing agencies is as under: -

Bihar has informed that there is internal mechanism for quality monitoring in Road Construction Department, Bihar. There are three tier system for quality monitoring which are as follows -

i. Quality checking in Contractor's lab at work site

ii. Quality Check by EE/ SE/CE in Divisional lab.

- iii. Quality check by flying Squad Teams under control of Chief Engineer, Testing, Training and Research Institute (TTRI), Patna in central laboratory situated at RCD, Secretariat, Patna.

Uttarakhand has informed that all works are being carried out as the MORTH specification. In house test & Third Party Test (By NABL approved labs) are being conducted as per the norms to ensure the quality.

Details of the test conducted so far is mentioned below

S.No.	Type of Construction	No of tests to be carried out	No. of tests carried Out	Shortfall (Percentage)
1	Sub Grade	427	430	Nil
2	Granular Sub Base (GSB)	514	659	Nil
3	Wet Mix Macadam(WMM)	902	902	Nil
4	Dense Bituminous Macadam/Bituminous Concrete (DBM/BC)	1630	1848	Nil
5	Concrete work(M-20, M-30, M-35)	1136	2173	Nil
6	Stone masonry	90	167	Nil

(3) UP has informed that in UP proper monitoring of works is done by different level officers and they have also engaged third party audit agency viz. RITES.

92. As per Audit, three bridges in Bettiah (West Champaran District) remained unutilised till March 2021 as they were not connected to roads. When asked about the status, the Ministry, in a written reply, informed as under:-

"RCD, Bihar has informed that these three bridges are still incomplete. Work in Bettiah district is running and all these bridges will be connected with approach road up to Dec. 2024 and be utilised fully."

93. When queried about the opinion of Chief conservator of forests in Uttar Pradesh and Bihar in respect of Indo- Nepal Border Project, the Ministry, in a written reply, informed as under:-

"No case of forest clearance in Bihar.

PWD, UP has informed that 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through V.C. to review the mitigation measures suggested by WII, Dehradun, was held on dt. 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations as recorded in the minutes of meeting. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places, which are still awaited."

94. Asked about the use of Fire lines in the protected areas in Uttar Pradesh and upgradation of these lines under the INBR , the Ministry, in a written reply, informed as under:-

"SSB have been using fire lines in forest areas in UP for movement and patrolling both but fire lines are partly in transverse direction to the Border and partly along the border. Also, many fire lines are inaccessible and not connected, hence, inter-BOP distance increases significantly by using Fire lines. Ministry has finalized alignment in combination of both i.e. by new road and also by strengthening fire lines"

95. As on October 2022, Forest/Wildlife clearances were yet to be received in respect of 299 km stretch of roads. When asked about the status of these clearances, the Ministry, in a written reply, informed as under:-

"PWD, UP has informed that 337 KMs length is to be taken up in the IInd phase in EPC mode which lies in forest and wildlife area. To resolve the issue of excessive cost of flyovers and deviations from approved alignment, a meeting through V.C. to review the mitigation measures suggested by WII, Dehradun, was held on dt. 04.11.2022 with all stake holders by Chief Engineer, Indo-Nepal Border, UP, PWD, Lucknow. In meeting, WII expressed that the mitigation measures (08 fly overs and re-alignment at 05 places) are inevitable. All stake holders were requested to proceed as per joint consensus after detailed deliberations as recorded in the minutes of meeting. It is decided that the WII, Dehradun will provide co-ordinates at the interval of 100m of re-alignment proposal at 05 places, which are still awaited. MHA is making efforts to resolve the issue by finding a minimal requirement of passageway for SSB personnel which will be acceptable to SSB and Wildlife Authorities with required mitigation measures."

96. On a specific query about the steps taken to expedite the land acquisition process in Bihar (11.5 Km) and U.P(6Km) and the likely date by which the land acquisition may get completed, the Ministry , in a written reply, informed as under:-

1. Bihar has informed that regular meeting with DLAO, DM and Secretary or Addl. Chief Secretary, RCD is being held to expedite the Land Acquisition process. Regular camps were organised in each block by District Land Acquisition Officer to collect the requisite papers and to resolve the issues being faced by landholders. Besides this, meetings at different levels were organised to resolve the issue and expedite disbursement of compensation to land holders. The meetings details are as follows-

DM, Kishanganj with DLAO - 05-05-2021

Chief Secretary, Bihar, with all concerned DM: - 27-06-2017

Chief Secretary, Bihar with All concerned DM: - 28-11-2017

Chief Secretary, Bihar with all concerned DM: - 27-02-2018

Pr. Secretary, RCD with all concerned DM: - 26-07-2018

Principal Secretary, RCD with all DM :24-10-2018

Addl. Chief Sect. RCD, Bihar with DM, Batia: 24-04-2021

2. UP has informed that land acquisition is in progress. Out of remaining 06 Km, 01 more Km has been acquired and rest 05 Km will be acquired upto March, 2023.

Intensive efforts are being made to complete the land acquisition by the respective State Govts. agencies."

97. When asked as to why the key locations of the Border Out Posts were not finalized at the conceptualisation stage of the Project itself, the Ministry , in a written reply, stated as under:-

"Key location of the BOPs had been approved and BOPs had also been established before conceptualisation stage of the INBR hence best feasible alignment was finalized by SSB and the executing agencies and approved by MHA."

98. While informing about the provision of Third-Party Inspection in the Project and the status in this regard, the Ministry, in a written reply, informed as under:-

"Since it was informed by the State Agencies that necessary measures of quality inspection has been put in place, MHA was assured that State agencies are following the requisite requirement. However, MHA has repeatedly requested the State Govt. agencies to ensure 3rd Party Inspection. On 22.11.2022, MHA asked willingness of agencies viz. RITES, EIL, QCI, CRRI, IIT (Roorkee) along with cost estimates for TPI of the project. The willingness /

response of RITES and QCI have been received and under examination. Willingness of the other agencies is still awaited.”

99. The Ministry informed that a revised procedure under the Central Sector Scheme had been issued by the Ministry of Finance in March 2022. While furnishing the details, the Ministry, in a written reply, informed as under:-

“The Central Nodal Agency to execute the work of Indo-Nepal Border Road Project.

- i. Bihar has informed that all payments to Contractor is being done through Central Nodal Account (CNA) and tagged with PFMS.
- ii. UP has informed that there is a central nodal account (CNA) account in SBI in the name of Indo-Nepal Border Road Project UP PWD Which is in operation.
- iii. Uttrakhand has informed that opening of CNA account PWD, Uttrakhand wrote to MHA vide letter no. 535/Cash dated 30.08.2022 for the directions. In this connection on 05.12.2022 instructions were received to open Nodal account at State level, which is under process.”

100. The Ministry informed that no funds have been allocated to Uttrakhand PWD after 8th September 2016. When asked about the status and whether at this pace the Ministry will be able to complete the INBR by the end of December 2022, the Ministry while furnishing the reply of the State government stated as under:-

“Uttrakhand has informed that Fund could not be utilized allotted for the project on time due to the following reasons:

- a. Litigation in stretch from km 30.565 to km 55.00.
- b. Non construction of 690 m span bridge over Chalthi river from km 29.875 to km 30.565.
- c. Due to COVID pandemic in year 2020,2021.
- d. Damage occurred at site due to heavy unseasonal rainfall in year 2021 and 2022.

Work is likely to be time March 2023 except 690M span Bridge work. 99% of the allotted fund will be utilized by March 23.

Financial Progress

Sanction Cost (In Cr.)	Allotment Received (In Cr.)	Expenditure as on dated 30.11.2022	Status of Work
Rs. 265.11	Rs. 209.14	Rs. 172.93 Cr.	Under Progress

101. Queried whether the Ministry had ensured that the release of funds was in conjunction with the actual progress of work on the ground as per approved plan, the Ministry, in a written reply, informed as under:-

"1. MHA has adopted the revised procedure for release of fund under Central Sector Scheme for flow of fund and monitoring / utilization of funds released as issued by Ministry of Finance vide Office Memorandum no. 1(18)/PFMS/FCD/2021 on 9.3.2022.

1. Accordingly, in case of Central Sector Scheme having annual outlay of more than Rs. 500 Crore and implemented without involvement of State agencies, it shall be mandatory to implement such schemes through the Treasure Single Account (TSA) model. This will ensure that the funds of these schemes are released "Just-In-Time" from the Consolidated Fund of India to the beneficiaries/vendors.
2. Further, in case of Central Sector schemes having (a) annual outlay of less than Rs. 500 Crore or (b) the schemes are being implemented by agencies of the State Governments etc. Ministry has to designate a Central Nodal Agency (CAN) for implementing such scheme.
3. Furthermore, MHA has also issued detailed guidelines namely "Border Infrastructure & Management (BIM) Scheme" on 13.10.2022 for compliance.
4. Regular Progress Meetings are also being convened in MHA on monthly basis for taking stock of progress made so far as well as for utilization of funds / parking of funds.
5. Progress of work has been accounted for with release of fund after concurrence and vetting of Integrated Finance Division (Home). Utilization certificate and work progress in percentage was taken for each road project."

PART-II

Observation/Recommendation

Introductory

A modern and advanced network of roads along our borders assume special significance as they help in not only the mobility of Border Guarding Forces (BGFs) but in addition, maintaining a healthy relations in all the spheres with our neighbouring countries.

Consequent to gleaning and sifting through all the information, material and facts available before them, the Committee have come out with specific and pertinent recommendations which have been brought out in this part of the Report. The Committee learnt that 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. *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.

As per the Audit Observations, the Committee learnt that 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 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 *Sashastra 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.

C&AG Report No. 23 of 2021 (Performance Audit) on the subject 'Indo-Nepal Border Road Project pertaining to Union Government, Ministry of Home Affairs covering the period 2010-11 to 2018-19 updated upto March 2021' deals with issues such as Project Planning, Financial management, Contract management & Execution of works and Quality assurance & monitoring.

The Report and the issues contained therein have been examined and brought out heading wise by the Committee and duly commented upon in the forthcoming paragraphs.

Indo Nepal Border Road Project

1. The Committee note that Cabinet Committee on Security (CCS) approved in November, 2010, the proposal of Ministry of Home Affairs (MHA) for construction /upgradation of 1377 km of strategic border roads along Indo-Nepal Border (INB), to enable the SSB to dominate the sensitive border effectively, in the States of Bihar (564km), Uttar Pradesh (640 km) and Uttrakhand (173 km) at a total estimated cost of Rs. 3853 Crore with a timeframe of five years i.e. by March 2016. Public Works Department (PWD) /Road Construction Department (RCD) of State Govts of Bihar, UP and Uttrakhand were the executing agencies. While the cost of construction was to be borne by Central Government, State Governments had to bear the cost of land, ensure wildlife and forest clearances, other statutory clearances and look after maintenance of roads. The Committee also note from the Audit observation that the project could not be completed by March 2016 due to delays in acquisition of land and obtaining of environment, forest and wildlife clearances by the three States. Therefore, extension of time was given by the CCS in February, 2018 up to 31.12.2019 for completion of those ongoing works which were free from encumbrance and up to 31.12.2022 for completion of balance work involving land with encumbrance. High

Level Empowered Committee (HLEC) of MHA which is headed by Union Home Secretary empowered by CCS to consider any change in the projects in the time and cost estimates within overall ceilings sanctioned by CCS in December, 2019, further extended the timeline upto 31.12.2022 for the whole project i.e. encumbrance free stretches and stretches with encumbrance.

The Committee, while noting from the submission of the Ministry that based on the recommendation of Technical Committee, the timelines, as approved by HLEC in December, 2019/ January, 2021, have been further extended for encumbrance free and encumbered stretches separately are constrained to observe that a strategically important project has been delayed due to lack of proper survey and planning at the initial stages. In light of strategic significance of the project, aimed at enhancing troop mobility, controlling anti-national activities, and facilitating border area development, the Committee are of the considered opinion that swift resolution of issues involved and timely completion of this project is imperative for bolstering national security and ensuring effective border management. The Committee while hoping that the work on the encumbrance free stretches would have been completed within the timelines desire to be apprised of the details of the completed and the ongoing projects and therefore, recommend that earnest efforts should be taken to ensure completion of the other stretches within the revised timelines. The Committee would like to be apprised of the concrete steps taken in this regard mentioning *inter alia* the details of strategic initiatives taken till now to avert any potential impact on law and order in border areas due to delays in the execution of the Indo Nepal Border Road Project.

Status and Physical progress of INBRP

2. The Committee note from the reply of the Ministry that out of the estimated length of 1299.80 km, Detailed Project Reports (DPRs) for encumbrance free length of 844.65 km had been approved by High Level Empowered Committee and DPRs for length

with encumbrance for a total of 455.15 km , which included 377.15km in Uttar Pradesh and 118 Km in Uttarakhand, were still awaited . The Committee also note that work had been completed for only 431.34 Km and was under progress (Formation completed) for 244.81 km under the Project. While noting that for around 50 percent of encumbrance free length, either the work was in progress or was not taken up even after more than 10 years of the inception of the project, the Committee while expressing disappointment at the slow pace of the project recommend the Ministry to take proactive measures to expedite the completion of works on these encumbrance free segments on priority basis with a view to achieving faster mobility of troops to dominate the sensitive border more effectively.

Approval of Detailed Project Reports (DPRs)

3. The Committee also note from the audit observation that the approval of 26 DPRs costing Rs. 2634.91 crore by High Level Empowered Committee (HLEC) without ensuring availability of land and requisite clearances resulted in time and cost overruns. In view of the inordinate delay in the completion of the INB Project due to various factors like land acquisition and other statutory clearances, the Committee are constrained to observe that these delays could have been avoided had the HLEC taken into consideration the land acquisition and clearances issues that might crop up in the execution process, prior to giving approval to this Project. The Committee, therefore, hope that learning from the past, necessary approvals shall be obtained in advance before approving the DPRs.

Delays in Acquisition of Land

4. The Committee learnt during the course of their examination that under the Indo Nepal Border Road Project, the State Governments were responsible for acquisition of land. Audit highlighted that the process of acquisition of land was very slow and the delays in acquiring land led to cost and time over run and litigation with

contractors. Audit pointed out that while the project was conceived in 2006 in the Ministry, the change in land acquisition Act was under consideration in Parliament since 2007. After the conceptualization of the project in the year 2006, in- principle approval of Cabinet was obtained for the same in the year 2010 only and no mitigation measures were taken up by the Ministry in anticipation of passing of New Land Act. In this regard, the Ministry submitted that although the Act was under consideration in the Parliament since the year 2007, it came in force w.e.f. 01.01.2014 only and without final shaping, passing and publication of any Act, its impact could not be assessed and therefore, while taking the approval of Cabinet in year 2010, no mitigation measures were taken up by the Ministry in anticipation of passing of New Land Act. The Committee do not find the reply of the Ministry plausible as before conceptualisation of any project, a detailed feasibility study and due diligence must be undertaken encompassing all prevailing and foreseeable scenarios, with a view to bringing forth an action plan for the project. The Committee, therefore, desire that a detailed note on the feasibility study conducted before mooted the proposal for INBR project be furnished to the Committee at the earliest.

5. As regards the action being taken for land acquisition by State Governments, the Committee have been informed that while UP Government was to complete the acquisition of remaining 05 Km upto March 2023, the Bihar Government was holding meetings to acquire the remaining stretch of 11.5 Kms. The Committee while hoping that State Government of Uttar Pradesh has completed the land acquisition expect to be apprised of the details thereof. The Committee also desire to be apprised of the progress made by the Bihar Government in acquiring the remaining stretches. The Committee wish to point out that substantial time has already lapsed in the matter and therefore further delays should be avoided to obviate fresh litigations by the stakeholders. The Committee also desire that all pending issues with the stakeholders may be resolved amicably and expeditiously to ensure completion of

the Project as per schedule and they be informed of the outcome of the concrete measures taken in the regard.

Issues related to forest clearances

6. The Committee note that as of March 2021, forest/wildlife clearances were still awaited in respect of Uttar Pradesh. Uttar Pradesh Public Works Department (PWD) submitted several proposals for forest and wildlife clearance to the Forest Department during the period from October 2013 to April 2018. The deficiencies in these proposal submitted by UP PWD led to further delay in forest/wild life clearance. Delays in obtaining forest/wildlife clearance also impacted the preparation of DPRs and the eventual construction of roads in a timely manner. While apprising the Committee about awaited Forest/Wildlife clearances, the Ministry informed that on account of non-finalisation of proposed Pancheshwar Dam, Uttar Pradesh has 299 km while Uttarakhand has 118 kilometers of Forest/Wildlife clearances pending. Regarding forest clearances in Uttar Pradesh, it has been informed that the Ministry of Home Affairs (MHA) has taken up the issue and a team comprising of SSB officials, Forest officials (UP), PWD (UP), BFR Cell (CPWD and MHA had visited the stretches and based on the findings, a Secretary level meeting was held with Wildlife Institute of India (WII) & other stake holders. However, there has been a divergence of views as Wildlife Institute of India has proposed for Flyover on 08 places and change in alignment at 05 places while MHA has sought minimal requirement of passageway for SSB personnel acceptable to both SSB and Wildlife Authorities with required mitigation measures. In this regard, while recognizing the paramount significance of Indo-Nepal Border Road Project, the Committee are of the considered view and in no unequivocal terms recommend that the matter be taken up afresh in wake of the urgency of the requirement of patrolling along the border and the importance of Forest/ wildife preservation concerns for bringing out an effective and acceptable solution. The Committee are also of the view that the existing fire lines

near border roads in the wildlife areas, wherever roads cannot be built due to Forest/wildlife concerns, may be used to ensure seamless connectivity. In view of the fact that statutory clearances will be obtained by the Uttarakhand Government only after finalization of proposed Pancheshwar Dam between India and Nepal, the Committee would like to be apprised of the updates of action being taken by the two Governments in this matter. The Committee would, here, insist that efforts should be expedited to prevent undue delay in the completion of the strategic Project.

Extra financial liability

7. Regarding incurrence of extra financial liability over and above the sanctioned cost of the Project, the Committee learn from the submission of the Ministry that no cost overrun above the overall cost of the project as approved by CCS in the year 2010 was incurred. The Committee however, note that on the contrary, the State Government of Bihar has submitted in its written replies that there has been a cost overrun of Rs 772.69 crore, State Government of Uttarakhand stated that there is cost overrun due to extra 18% GST. In view of the replies of the State Governments, the Committee would like to be apprised of the justification of the Ministry with regard to the matter of cost overrun incurred by the State Governments vis-à-vis the view taken by the Ministry.

Special mechanism for strategic Projects

8. The Committee note that under the Indo-Nepal Border Road Project, Detailed Project Reports (DPRs) were awaited for lengths with encumbrance for a total of 455.15 km , which includes 377.15km in Uttar Pradesh and 118 Km in Uttarakhand. In Uttar Pradesh, road alignment is affected by Forest & Wildlife areas while in case of Uttarakhand, it is affected by Pancheshwar Dam on river Kali, which involves interest of both India and Nepal. Recognizing the strategic importance of projects ensuring national security with the development of border areas, the Committee strongly believe that a specialized approach is obligatory to ensure swift coordination and

resolution of challenges, particularly in States, where road alignments are intricately tied to Forest & Wildlife areas. With a view to streamline the decision-making process and accelerate the progress of these projects of vital nature, aligning with the broader objectives of national security and border development, the Committee opine and recommend that the Ministry may pursue the State Governments to use the single window clearance system invariably so that the statutory clearances and road alignments affected by Forest & Wildlife areas for the strategic projects such as the Indo-Nepal Border Road Project are not hindered and related issues are effectively addressed.

Non-connectivity to Border Out Posts (BOPs) from the main alignment of proposed roads

9. The Committee note that out of 471 Border Out Posts (BOPs) established by SSB, 355 are connected by roads and on completion of Indo Nepal Border Project, 81 more BoPs will be connected. Out of 355 BOPs, 247 BOPs are on the alignment of the main border road and the remaining 108 BOPs are connected with the main Indo Nepal Border road through other roads constructed under various schemes by Rural Engineering Organisation(REO) such as Pradhan Mantri Gram Sadak Yojana (PMGSY), Border Area Development Programme (BADP) etc. According to the Ministry, the original plan was not *per se* to connect the BoPs but to have a road close to the border. The Ministry added that the intent was to have a road close to BoPs where link roads and feeder roads can be planned later on. Further, a separate scheme is under process to provide link roads, foot tracks to remaining SSB BOPs and important patrolling routes. Taking note of the fact that SSB is performing its operational needs through BOPs on INB road and through connectivity of other roads for these BOPs, the Committee in no uncertain words recommend that the Ministry may undertake immediate action to finalize and execute the Scheme for providing link roads and foot tracks to remaining SSB Border Out Posts (BOPs), and

important patrolling routes in a time-bound manner under intimation to the Committee.

Construction of Bridges without connecting to main alignment

10. The Committee note from the Audit Report that in the West Champaran District, 34 bridges were sanctioned for Rs. 395.75 crore (March, 2013) and majority of these bridges were completed before August, 2016. Further, after the bridges were constructed, RCD, Bihar changed the road alignment between the chainage 10.60 to 77.36 in Bettiah due to the existence of forest land along the old alignment finalized in April, 2011. Audit pointed out that there was no clarity on whether 15 bridges constructed in these chainages were linked to the new alignment and whether the bridges would be utilized in the new alignment in future or not. In this context, however, RCD Bihar in its Action Taken Notes affirmed following a joint inspection of bridges of West Champaran district by SSB and RCD officials in March 2023 that all 34 bridges fall on the proposed alignment of Border Road. In this context, the Committee recommend that the Ministry should also conduct an inspection of the bridges in coordination with executing authorities concerned at the State level to ascertain that all bridges constructed under the Project are connected with the approach roads /main alignment of the roads and furnish the findings thereof to the Committee. The Committee would also like to be apprised of the details of the plan charted out for optimum utilisation of the bridges constructed under the Project.

Irregular release of 2.34 crore by MHA

11. The Committee note from the audit findings that as per the Memorandum of Understanding (MoU), the expenditure on shifting of utility services and forestation charges were to be borne by the State Governments. Scrutiny of records in MHA

revealed that HLEC in its 45th meeting approved the revised estimates of three DPRs aggregating Rs. 195.81 crore and two DPRs aggregating Rs. 147.23 crore respectively, which included the charges of Utility Shifting and forestation aggregating Rs. 2.34 crore sent by UP Government. The approval of utilities shifting charges aggregating Rs. 2.34 crore by MHA was thus, irregular. In this regard, the Ministry stated that the matter was deliberated in the Steering Committee meeting and PWD, UP requested that the extra sanction of Rs. 2.34 Crore be adjusted in the grant for next financial year. The Committee, in this regard, desire that an enquiry be instituted by the Ministry to ascertain the reasons for irregular release of Rs. 2.34 Crore. The Committee also desire that the Ministry issue necessary instructions to strengthen the internal checks in the Ministry to avoid recurrence of such lapses in future.

Works pertaining to construction of road and bridges under the Indo-Nepal Border Road Project

12. The Committee learn from the replies furnished by the Ministry that after the selection of this subject for detailed examination by the Committee, several pending works pertaining to construction of road and bridges under the Indo-Nepal Border Road Project have since been completed or taken off in Uttar Pradesh. The works completed *inter-alia* include road in the district of Siddarthnagar from Aligarhwa to Ganwaria and Khunwa-Banganga-Bhusaula, construction from Latahawa Ghat to Pakarhiwa via Karamaini, Ramnagar, Kakarahwa and Bajha, and pending work relating to the bridge on the Banganga river. Besides the work of channelization to bring the stream of the river, which has shifted, under the bridge is in progress. The Committee, while appreciating the initiatives taken by the Ministry pursuant to the constant push of the Committee, recommend that channelization work in areas where river streams have shifted may be completed in a time bound manner so as to expedite the overall completion of the Indo-Nepal Border Road Project.

Monitoring of Infrastructure Projects on the National Border

13. The Committee note that the Ministry has adopted the revised procedure for release of fund under Central Sector Scheme for flow of fund and monitoring / utilization of funds released as issued by Ministry of Finance. The Committee have been informed that it shall be mandatory to implement such schemes through the Treasury Single Account (TSA) model which will ensure that the funds of these schemes are released 'Just-In-Time' from the Consolidated Fund of India to the beneficiaries/vendors. Further, they learn that MHA has also issued detailed guidelines namely "Border Infrastructure & Management (BIM) Scheme" for compliance. The Committee have been further apprised that progress of work has been accounted for with release of fund after concurrence and vetting of Integrated Finance Division (Home) and Utilization certificate and work in progress in percentage was taken for each road project. Besides, the Ministry is in the process of developing Project Monitoring Portal (PMP) and Project Monitoring Unit for smooth and expeditious implementation of border infrastructure works. While noting the initiatives taken by the Ministry for monitoring the progress of the projects and fund release, the Committee recommend that development of the Project Monitoring Portal (PMP) and Project Monitoring Unit should be completed in a time bound manner. The Committee also recommend that mechanism within a specific timeline be devised to ensure real time updation of the entries in the portal for effective monitoring of the projects and fund utilization by the State Governments in this regard. The Committee further desire that mechanism should also put in place to ensure strict adherence to the provisions of the "Border Infrastructure & Management (BIM) Scheme" for the successful implementation of the Indo-Nepal Border Road Project.

In summation, the Committee desire and expect that all their recommendations are implemented in the right earnest and at the time of submission of the Action Taken Notes tangible outcomes are observed by them.

NEW DELHI:
17 January, 2024
27 Pausha, 1945 (*Saka*)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee
