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**HARYANA VIDHAN SABHA**  
**COMMITTEE**  
**ON**  
**PUBLIC UNDERTAKINGS**  
**(2015-2016)**  
**(THIRTEENTH VIDHAN SABHA)**  
**SIXTY SECOND REPORT**  
**ON THE**  
**REPORTS**  
**OF THE**  
**COMPTROLLER & AUDITOR GENERAL OF INDIA**  
**FOR THE YEARS 2008-2009 AND 2010-2011**  
**(COMMERCIAL)**  
**2011-2012**  
**(SOCIAL, GENERAL AND ECONOMIC SECTORS)**



(Presented to the House on <sup>30th</sup> March, 2016)

HARYANA VIDHAN SABHA SECRETARIAT, CHANDIGARH  
MARCH, 2016

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(iii)

**COMPOSITION  
OF  
THE COMMITTEE ON PUBLIC UNDERTAKINGS  
FOR THE YEAR  
(2015-2016)**

**CHAIRPERSON**

- \*1 Shri Krishan Lal Panwar, MLA
- \*\*2 Shri Harvinder Kalyan, MLA

**MEMBERS**

- 2 Shri Udal Bhan, MLA
- 3 Shri Hari Chand Midha, MLA
- 4 Shri Parminder Singh Dhull, MLA
- 5 Smt Prem Lata, MLA
- 6 Shri Mahipal Dhanda, MLA
- 7 Shri Aseem Goel, MLA
- 8 Shri Naresh Kaushik, MLA
- 9. Shri Lalit Nagar, MLA

**SECRETARIAT**

- 1 Shri Sumit Kumar, Principal Secretary
- 2 Shri Sushant Deep Rathi, Deputy Secretary

- 
- \* Shri Krishan Lal Panwar, MLA resigned from the Chairperson of the Committee on 23rd July, 2015 on his appointment as Cabinet Minister in Haryana Government
  - \*\* Shri Harvinder Kalyan, MLA nominated as Chairperson of the Committee for the remaining period of the year 2015-2016 on 28th July, 2015

## **INTRODUCTION**

1 I, the Chairperson of the Committee on Public Undertakings, having been authorized by the Committee in this behalf present this Sixty Second Report of the Committee on the Reports of the Comptroller and Auditor General of India for the Years 2008-2009 (Haryana Tourism Corporation (Review)), 2010-2011 (Haryana Power Generation Corporation Limited) 2011-2012 (Haryana State Industrial and Infrastructure Development Corporation Limited (Review) Haryana Agro Industries Corporation, Haryana Vidyut Prasaran Nigam Limited (Review) and Haryana Roads & Bridges Corporation Limited.

2. The Committee for the year 2015-16 undertook the unfinished work of the previous Committee( s) and also orally examined the representatives of the Government/Public Sector Undertakings/Boards where necessary. A brief record of the proceedings of the various meetings has been kept in the Haryana Vidhan Sabha Secretariat.

3 The Committee are thankful to the Principal Accountant General (Audit), Haryana and his staff for their valuable assistance and guidance during its deliberations. The Committee are thankful to the Principal Secretary to Government, Haryana, Finance Department including his representatives and representatives of the Departments/Corporations/Boards concerned who appeared before the Committee from time to time The Committee are also thankful to the Principal Secretary, Deputy Secretary, the dealing officer and the staff of the Haryana Vidhan Sabha Secretariat for the whole hearted co-operation and unstinted assistance given in preparing this report.

Chandigarh  
The 11th March, 2016

HARVINDER KALYAN  
CHAIRPERSON

**REPORT**  
**REPORT OF THE COMPTROLLER AND AUDITOR**  
**GENERAL OF INDIA FOR THE YEAR 2008-2009.**

**(COMMERCIAL)**

**Haryana Tourism Corporation**  
**(Review)**

The Committee scrutinized the replies received from the Tourism Department in respect of the Audit Para Nos 2 2 21 to 2 2 38 and discussed the same with the departmental representatives in its various meetings. After discussion with the representatives some of the paras were committee was satisfied were dropped by the Committee and with regard to some paras the Committee made its recommendations/observations as under -

**1. 2.2.27 ASSESSMENT OF CUSTOMER SATISFACTION**

With a view to assess the degree of satisfaction of customers, with regard to accommodation facilities and quality of food served, the complexes are required to maintain suggestion/complaint register. The company issued (August 2004) instructions to all field offices to place the suggestion book on the counter. It was, however, seen in audit that out of 19 complexes visited, the suggestion books were not made available to the customers in 10 complexes for getting their comments and suggestions for taking remedial measures. Suggestion/complaints made by the customers were not being regularly forwarded to head office by the complexes for taking suitable action. Against 50 complainants received from the complexes at head office during 2004-09, charge sheet was issued only in one case. There was lack of proper feed back system like customers satisfaction response sheet, standard service norms, postage pre paid feed back forms etc. In the absence of which the degree of customers satisfaction could not be ascertained in audit.

The Management stated (September 2009) that steps are being taken to improve quality of services at the Complexes.

**The department in its reply stated as under:—**

Corporation has been directing the field officers time and again that visitor's book must be kept at the reception counter and provided to the visitors whosoever asks for it. Instructions to this effect are issued to DDO's from time to time and instructions in this regard have been issued recently also vide letter No. HTC-2014/AM-11/4345-4386 dated 29.12.2014. Besides this customers may lodge their complaints through E-mail or use our Website.

During the DDOs meetings also which is a regular feature in the Corporation, the DDOs have been directed time and again that the visitor's book must be available at the Reception Counter and it has also been made very clear that disciplinary action would be

taken against the concerned employees, if found not implementing the directions/instructions given in this regard. They have also been asked to immediately acknowledge the visitors' complaints and a copy be forwarded to HQ along with the comments of the DDO concerned.

Detailed instructions had also again been issued to all the DDOs in this regard. Newly designed tent cards, customers feedback books, suggestions forms and feedback forms were supplied to all the complexes.

The audit team has orally informed that the visitor's book was not being made available at Magpie, Sunbird, Morni, Pehowa, Jind, Hermitage, Tilyar, Sirsa and Yamunanagar. Action has been initiated against the DDOs of these complexes for violating HQ instructions.

All the complaints received from the visitors are examined, comments are taken from the DDO concerned and these are put up to the competent authority and action is taken accordingly. Seriousness and genuineness of the complaints are judged by the competent authority on the basis of thorough examination of the complaint vis-a-vis the comments so received and also through fact finding enquiries conducted in some cases. Moreover, the Corporation is also having customer Complaint & Grievances System inbuilt in the HTC website through which also the customers can lodge their complaints and these complaints are disposed off within three days.

Feedback system has already been implemented in the Corporation. Way back in 2004 by issuing such forms i.e. Feedback forms to the complexes and in the DDOs meeting held on 19.4.2004, the DDOs were directed to make these available on the tables of Restaurants and Bars. Thereafter time and again the instructions are being issued to all the DDOs for improving guest services, maintenance, cleanliness, housekeeping and upkeep of infrastructure/facilities, maintaining visitors' book, feedback book, Tent Cards; suggestion forms, for general upkeep and introduction of daily checklist for the rooms and to launch a special time bound campaign for maintenance, upkeep and up gradation of various services and facilities at the tourist complexes.

Thus HTC is having a very good feedback system for customer service for their satisfaction besides proper system of guiding the field officers for improving the image and guest facilities leading to their satisfaction while availing HTC services. Further surprise inspections / checks are being carried out by the Senior Officers such as GM, GM (A), MD & PS(T) to assess the functioning of the Tourist Complexes and as per the inspection report submitted in the

recently devised format, prompt corrective / punitive actions are taken  
Keeping in view the facts mentioned above, para may be dropped

**The Committee would like the Department to send the detailed information to the Committee regarding the total number of complaints received in the tourist complexes and the action taken on the complaints by the Department.**

## **2. 2.2.32 OPERATION OF PETROL PUMPS**

The company operated 13 petrol pumps in 2004-05 and 14 in 2005-06 to 2007-08. No sales targets of petrol pumps had been fixed by the company. The profitability from this activity remained stagnated which ranged between 0.66 to 1.27 per cent of turnover during 2004-09. Two petrol pumps (Pehowa and Narwana) suffered losses aggregating Rs 10.90 lakh during 2004-09 due to less sales and higher cost of staff safety. The loss Petrol and diesel worth Rs 7.14 lakh at Rohtak and Narwana Petrol Pumps was unauthorizedly adjusted against evaporation/handling losses. Considering the thin margin, the Management needs to monitor this activity closely.

The Management stated (September 2009) that department action is being taken against the defaulters.

**The department in its reply stated as under:—**

Fourteen No. of Petrol Pumps are being run by HTC and most of these petrol pumps are in profit. Some petrol pumps suffered loss in previous years due to overhead administrative expenditure which cannot be bifurcated being a part and parcel of the main complex.

Departmental action has been taken against the official at fault for loss due to evaporation/handling loss and no adjustment has been made for such losses i.e. Rs 7.14 lac found at Petrol Pump Rohtak and Narwana. Monitoring activity is being undertaken regularly in addition to the surprise inspections/ checks carried out frequently.

**The Committee would like the Department to send the details of the inquiry and action taken against the negligent officials responsible for the loss.**

## **3. 2.2.34 Financial Management**

### **DOUBTFUL RECOVERY OF SALE ON CREDIT -**

The company had not laid down any credit policy for sale. In various meetings of Drawing and Disbursement Officers (DDOs) held under the chairmanship of Chairman/MD, the DDOs were directed to ensure that outstanding dues be recovered immediately from the debtors and it was made clear that no credit facility be extended to any individual, commission, organization, office etc. except functions organized by Raj Bhawan, Hospitality

Department and Dy Commissioners concerned and in these cases also the credit bill must be got verified from their representatives and DDO must follow up these cases for early recovery

The position of the sundry debtors during five years upto March 2009 was as under

Year ending	Govern ment	Semi Govern- ment	Private parties	Court cases	Lease money	Total
(Rupees in lac)						
March 05	24 15	32 68	27 21	7 38	18 00	109 42
March 06	20 53	26 97	42 71	22 83	24 55	137 59
March 07	24 82	10 62	83 70	23 50	22 29	164 93
March 08	22 82	14 72	60 23	23 24	8 95	129 96
March 09	27 23	10 80	121 94	17 75	26 76	204 48

It would be seen from the above that due to credit facilities allowed for accommodation and catering the debtors increased substantially from Rs 1 09 crore in March 2005 to Rs 2 04 crore in March 2009 Further, out of Rs 1 30 crore sundry debtors as on 31 March 2008, Rs.70 45 lac were outstanding for more than three years and Rs 55 32 lac were outstanding for more than five years which were doubtful of recovery The outstanding from private parties increased from Rs 27 21 lac during 2004-05 to Rs 1 22 crore upto March 2009 despite directions of the BOD for not extending the credit facility

The Management stated (September 2009) that credit sales are totally prohibited by the Company Efforts are being made to recover the outstandings by fixing responsibility of the concerned officials/officers

**The department in its reply stated as under:-**

Credit sale to private parties has never been allowed by Haryana Tourism Corporation Instructions have been issued from time to time in this respect and DDOs have also been directed in person during the course of meetings not to make credit sales They have also been instructed to make endeavors for making recoveries of outstanding dues Realizing that the efforts made hitherto have not yielded desired results very clear and strict Instructions dated 13 3 2009 were issued by the Head Office completely



prohibiting the credit sales to private parties and also simultaneously providing for recovery of unrealized amount on account of credit sales from the employees of the Corporation, as a punitive measure, on the following scale -

- 1 From the official who has issued the credit bill 60% - of unrealized amount
- 2 DDO concerned who has allowed credit facility 30% - of unrealized amount
- 3 Accounts personnel who has posted credit bill 10% - of unrealized amount

Since the implementation of this policy, the outstanding debtor position has shown constant positive sign towards improvement year by year and the overall outstanding debtors which stood as high as RS 204 48 lacs in March 2009, the last month examined by Audit, considerably came down by Rs 54 86 lacs and stood at RS 149 62 lacs in May, 2012. The debtorship in respect of private parties in particular, which is considered relatively unsafe, also fell down by Rs 55 24 lacs in about three-years time period and stood at RS 66 07 lacs in May, 2012 from a relatively high pedestal of RS 121 94 lacs in March 2009.

This position can more succinctly be evident from the comparative table given hereunder -

<b>POSITION AS ON March, 2009, the last audited month</b>					
Govt Debtors	Semi Govt	Private party	Court Cases	Lease Money	Total
27 23	10 23	121 94	17 75	26 76	<b>204.48</b>
<b>POSITION AS ON 31st May, 2012</b>					
Govt Debtors	Semi Govt	Private party	Court Cases	Lease Money	Total
35 71	12 31	66 70	22 36	11 54	<b>149.62</b>

Efforts are being made to reduce the debtors, accordingly directions in this regard has been issued to all DDOs in the field units vide letter No HTC15/SO-1/1369-1410, dated 31 03 2015

It is, thus, evident from the perusal of the above comparative table that considerable efforts made by the Corporation have met with success. The Corporation has, however, not rested on its laurels and has been making more vigorous efforts to realize the maximum of outstanding dues within earliest possible time.

In view of the position as such it is kindly submitted that the instant audit para may please be dropped.

During the course of oral examination it was informed that the Corporation has been making efforts to recover the maximum of outstanding dues. The Committee would like the Department to send the information regarding year-wise recovery details of the outstanding dues.

#### **4. 2.2.37 INTERNAL CONTROL**

Internal control is a management tool used to provide reasonable assurance that the management objectives are being adhered to in an efficient and effective manner. A good system of internal control should comprise inter alia proper allocation of functional responsibilities within the organization, proper operating and accounting procedure to ensure accuracy and reliability and accounting data, efficiency in operation and safeguarding of assets. A review of the internal control procedures adopted by the Company revealed the following deficiencies -

- Annual accounts were not finalized by the company in time and were in arrears since 2006-07. This was fraught with the risk of embezzlement/misappropriation, if any, remaining undetected.  
The Management stated (September 2009) that efforts are being made to clear the backlog of the accounts
- The company has not evolved any system for preparing annual budget/action plan to promote and monitor the activities in an effective manner. Activity wise physical and financial targets were not fixed before the commencement of financial year. Financial targets in respect of only core activities were fixed by the company on quarterly basis from August 2006
- There was no adequate Management Information System (MIS) as segment wise matching of income and expenditure was not complied for effective control by the management
- The fixed assets registers showing full details of quantity, location and cost etc. had not been maintained by the field offices
- Fixed assets register for the assets created out of grants received from the State Government/GOI has not been maintained as Head Office of the Company. The project wise and contractor wise registers were not maintained
- There was no system on conducting reconciliation of accounts relating to grants received between construction wing and head office. The company had accumulated unutilized grants of RS 91.35 crore as on 31 March 2008 but year wise details of the same were not available

**The department in its reply stated as under:-**

The accounts for the financial year 2010-11 have already been finalized by the office of Principal, Accountant General (Haryana) and nil comments certificate has been received from A G office

Besides this balance-sheet for the year 2011-12 has also been finalized and sent to the office of Principal, Accountant General (Haryana) However, tentative accounts up to 2013-14 have also been completed

As regards adequate Management Information System (MIS) and maintaining of fixed assets registers and also reconciliation of accounts with the construction wing are concerned, It is stated that proper fixed assets registers are being maintained and the account of "Grant" being received from the Govt. of India/State Government is also being maintained in the separate register

In view of the reply the para may kindly be dropped

**The Committee recommends to the Department to clear the arrears in accounts expeditiously.**

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## REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA FOR THE YEAR 2010-2011.

### (COMMERCIAL).

#### 5. 3.1 Haryana Power Generation Corporation Limited.

##### *Non recovery of statutory levies*

The Government of India notified "The Building and Other Construction Workers' Welfare Cess Act, 1996" (Act) with a view to augment the resources for the Building and Other Construction Workers welfare. As per the Act, cess is to be levied and collected at one to two per cent of cost of construction from the contractor. Further, delay in remitting the cess payments to cess authority could attract penal interest at the rate of two per cent per month of part thereof as per Section- 8 of the Act *ibid*. As per provisions of the "Building and Other Construction Workers' welfare cess Rules 1998" (Cess Rules 998) framed by Central Government, the cost of construction includes all expenditure incurred by an employer in connection with the building or other construction work excluding cost of land and any compensation paid payable under Workmen's Compensation Act, 1923 (Rule 3). Accordingly the State Government directed (August 2007) all its Departments and Public Sector Undertaking (PSUs) carrying out construction activities to direct one per cent of the cost of construction works from the bill of the contractor payable for such work and remit the same to cess authorities. The construction works include the construction, alteration, repair, maintenance of demolition in relation, inter-alia, to generation, transmission" and distribution of power. In view of the above, PSUs were required to deduct labour welfare cess at the rate of one per cent of the cost of contracts entered in to for execution of various civil works and remit the amount of cess so deducted to the cess authorities.

We, observed (October/November 2010) that Panipat Thermal Power Station (PTPS-I), Panipat of Haryana Power Corporation Limited (HPGCL) executed various civil works under nine works orders valuing ₹ 33.36 crore\* during October 2007 to October 2010 on which it did not recover Workers' Welfare Cess of ₹ 33.36 lakh at the prescribed rate of one per cent of the total expenditure from the contractors. However, other TPS were recovering cess from the contractors. Similarly, four construction division (Yamunanagar, Ambala, Sonapat and Jind) of Uttar Haryana Bijli Vitarn Nigam Limited (UHBVNL) incurred expenditure of ₹ 38.80 crore@ during October 2007 to August 2010 on turnkey erection contracts but did not recover Workers Welfare Cess of ₹ 35.87 lakh at the prescribed rate. Thus, there was short recovery of ₹ 69.23 lakh from the contractors. This would also attract penal interest for delay in remitting the cess payments to cess authorities at the rate of two per cent per month or part thereof as per Section- 8 of the Act *ibid*.

The HPGCL stated (March 2011) that the provision of the said Act, were not applicable to the PTPS-I since it was covered under the provision of the

Factories Act, 1948 The reply is not based on facts as the civil construction works were executed by, the contractors through the labour employed by them As such, the provision of the Factories Act, 1948 were not applicable and the Company was required to deduct the cess from the contractors However, UHBVN'L in its reply stated that it had started deduction cess from the contractors

The matter was referred to the Government and the Companies in March/ April 2011 replies of the Government and UHBVNL had not been received (September 2011)

\* Work Order (W O ) No 120 - ₹ 7 5) Crore, W O No 204 - ₹ 61 50 lakh, W O No 228 - ₹ 24 82 lakh, W O No 229 - ₹ 13 17 lakh, W O No 242 - ₹ 18 62 Crore, W O No 244 - ₹ 16 22 lakh, W O No 256 - ₹ 23 90 lakh, W O No 269 - ₹ 5 53 Crore and W O No 335 - ₹ 79 90 Jakh

@ Yamuna Nagar ₹ 11 35 Crore, Ambala ₹ 4 38 Crore, Sonapat ₹ 5 06 Crore and Jind ₹ 18 01 Crore

# ₹ 38 80 lakh less amount recovered ₹ 2 93 lakh

The department in its reply stated as under -

It is submitted that PTPS is a Factory and covered under Factory Act 1948 All works carried out in it for repairs and maintenance of plant are covered under Factory Act, 1948 As per section 9A of Punjab Labour Welfare Fund Act 1965 read with Haryana amendment Act of 2001, labour Welfare Fund @ 5/- per month is being deducted and deposited With welfare Commissioner, Haryana along with employer share of ₹ 10/- per labour by the contractors working at PTPS, Panipat

But in case of building construction Works, Labour Welfare Cess @ 1% of Gross work done is deducted from the contractor's bills and deposited' with labour commissioner However, in compliance of the Audit Para, A sum of ₹ 23,85,728/- has been recovered from the contractors bills as per detailed annexed at "A"

M/s Subhash Chander & Co represented through its counsel against the recovery of labour Cess vide their letter No SCC/HPGCL/ 2010-11/1 dated 11 11 2010 (copy enclosed) on the following grounds -

1 That Ash dyke constitutes an integral part of total electrical generation process being carried out in the Factory The manufacturing process has already commenced and the technology is coal based Thermal Power Generation, which cannot be completed in the absence of Ash disposal system

2 That in terms of section 2 (d) or building and other construction Works (RECS) Act 1996, the provision of the Act is not applicable of any building and other construction work to which the provision of the Factory Act, 1948 apply, and is produced below -

"Building of other construction work" means the construction, alteration, repair, maintenance or demolition, of or in' relation to building, streets, road, railways, tramways, airfields, irrigation, drainage, embankment, and navigation works, floods controls works (including storm water drainage works), generation, transmission and distribution of power, water works (including channel for distribution of water), oil and gas installation, electric lines, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, water sources, tunnels, bridge, viaducts, aqueducts, pipelines, cooling towers, towers, transmission towers and such other works as may be specified in this behalf by the appropriate government, by notification but does not include any building or other construction work to which the provision of the Factories Act, 1948 (63 of 1948), or Mines Act, 1952 (35 of 1952), apply,

Keeping in view the merit of the above representation of M/s Subhash Chander & Co , it was considered appropriate to refer the case to L R Power Utilities for clarification in this matter. The matter was referred to L R Power Utilities

The L R HVPNL, Panchkula has advised in the matter as under -

**"Prima-facie contention of this contractor is correct but in view of financial aspect and also that if cess is not deducted and deposited this liability may be fastened on corporation it would be appropriate to seek clarification from labour Department".**

As per advise of L R HVPNL Panchkula the case was further referred to Labour Commissioner, Sector-17, Haryana, Chandigarh vide this office memo no 4238 dated 21 01 2011 for seeking advice but the same is still awaited in spite of reminder issued vide this office memo No Ch-7 dated 25 02.2012 and dated 22 05 2012

It is further added that initially the amount of ₹ 23 86/- Lakh was intimated 'by the Principal Accountant General (Audit) Haryana, Chandigarh. But now the amount of ~ 31 37 lakh has been indicated in this Para but detail of ₹ 23 86 lakh has been made available as per Annexure "A". The detail of differential amount of ₹ 7 51 lakh has not been provided by the Audit. However, the amount of ₹ 23 86 lakh has already been deducted and kept withheld. Further action shall be taken after advice from Labour Department, Haryana

In view of the facts explained above, the Para may please be dropped

**The Committee discussed this para with the representatives of the Power Department. The Committee would like to know the latest position of recovery of Rs.7.5 Lac of labour cess.**

**REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
FOR THE YEAR 2011-2012.**

**(SOCIAL, GENERAL AND ECONOMIC SECTORS)**

**Haryana State Industrial and Infrastructure Development  
Corporation Limited (Review)**

The Committee scrutinized the replies received from the Industries Department (Haryana State Industrial and Infrastructure Development Corporation Limited) in respect of the Audit Para Nos 2 2 1 to 2 2 30 and discussed the same with the departmental representatives in its various meetings. After discussion with the representatives some of the paras where the committee was satisfied were dropped by the Committee and with regard to some paras the Committee made its recommendations/observations as under -

**6. 2.2.12 Doubtful recovery of loan**

The Company sanctioned (March 1996 to (March 2009) various loans aggregating to Rs 45 22 crore to the promoter of two Units viz M/s Rexor India Limited, Fardabad and M/s Super Fibres Limited, Fardabad. The promoter availed loans amounting to Rs 45 05 crore.

The Company had exclusive charge on plant & machinery acquired by the promoter through loans and, got the charge entered in the records of Registrar of Companies (ROC), New Delhi and pari passu charge on land and building after obtaining 'No Objection Certificate' (NOC) from State Bank of Patiala (SBoP) for both the Units. Both the loanee Units started making default in the payments of installments due from 30 April 2009.

The SBoP intimated (September 2009) the Company that they had never issued NOC for ceding charge on the assets of both the Units in favour of the Company besides asking (November 2009) it to furnish copy of documents of extension of charge on pari passu basis on land and buildings as the bank was in possession of original title deed of mortgaged property which was exclusively mortgaged to the bank. In the meanwhile, the SBoP filed the case with Debt Recovery Tribunal (DRT) for effecting recovery of its dues.

During verification, however, the Company found (November 2010) that the promoter of the loanee units got its first charge vacated on plant and machinery by giving false letter on the letter head of the Company. Thereafter, the Company issued (November 2010) RC against the promoter besides filing the FIR against them. During hearing (3 June 2011) against case filed by SBoP, the Company contended that it had pari passu charge on land and building and exclusive charge on machinery financed in respect of both the Units. DRT passed (December 2011) the orders in favour of SBoP and dismissed the submission of the Company.

Thus, due to non verification of documents submitted by the promoter which subsequently were found to be fake and fabricated, the principal amount

of Rs 13 62 crore had become doubtful for recovery for which responsibility had not been fixed so far (October 2012)

The Management in Exit Conference stated there was no specific system vogue to secure the Charges on mortgage property The reply was not acceptable as there should have been a system to verify the existence of all mortgage properties

**The department in its reply stated as under:-**

The loan was released to the borrower only after verifying all the requisite documents by legal Division w r t creation of charge of HSIIDC on the mortgaged securities viz financed machineries (1st exclusive charge of HSIIDC) and land/building (pari-passu charge with State Bank Of Patiala)

As mentioned above that the loan was released to borrower after verification of the requisite documents by the Legal Division Further, the photocopies of necessary documents as requested by the bank were provided to the Bank However, the original documents were not provided to the bank as the Legal Division had advised not to part with the original documents

The contention of the bank that the charge in favour of HSIIOC had been created on the basis of forged documents is just to avoid the claim of HSIIDC in the share of sale proceeds of land/building (if sold) so that it may take benefit of 100% of sale proceeds of land/building which constitute major portion of value of available securities for the loans of HSIIDC and Bank The bank has not been able to prove that the charge of HSIIDC was created on the basis of forged documents and never raised the issue of validity of HSIIDC charge prior to the account becoming NPA in 2009, although the Corporation was having pari-passu charge on land/building and first charge on financed machinery since 2003-2004

The matter has already been taken up in the DRT, Chandigarh

As earlier mentioned that the Corporation was having valid charge on the assets mortgaged to it The fact is that the valid charge of HSIIDC on the mortgaged assets was later on satisfied by promoters by submitting fabricated/forged documents which is evidenced from the report of Consultant namely M/s S K Sikka & Associates who reported that the charge of HSIIDC had been got vacated by the borrowers by submitting the forged signatures of officers / officials of the Corporation with RoC

HSIIDC has already taken up the matter w r t vacation of charge of HSIIDC on the basis of forged document with the Police Authorities, Faridabad and has also logged an FIR No 405 dated 10 10 2012 with Police Station, Mujesar, Distt Faridabad against



the borrowers in this regard to restore HSIIDC charge on the securities and also pay the dues of HSIIDC

Further, the Corporation has already issued Recovery Certificates against the borrowers/guarantors and got the residential house No 1120, Sector-15, Faridabad attached through Collector / Faridabad for recovery of its dues through sale of attached property

The promoters have moved Hon'ble Punjab & Haryana High Court seeking anticipatory bail but Punjab & Haryana High Court had directed them to pay Rs 2 Crore to HSIIDC (Rs 1 Crore in each case) and amount was to be deposited by 27.5.2013 and the case is listed for hearing in Punjab & Haryana High Court on 5.7.2013. Till date the company has not deposited this amount.

Since the units have been taken over by SBOP, the Delhi High Court has allowed the bank to auction the units but has not allowed them to utilize the sale proceeds which are to be appropriated by the orders of DRT /DRAT after the hearing of HSIIDC and the Bank.

From the above, it is clear that the loan was released to the borrower only after verifying all the requisite documents w.r.t. creation of charge of HSIIDC on the mortgaged securities viz. Financed machineries (1st exclusive charge of HSIIDC) and land/building (pari-passu charge with State Bank of Patiala). Thus, the issue raised regarding non-verification of documents is factually not correct. Further, the Corporation is taking all the measures for the recovery of its dues.

Management in exit Conference also stated that the loan is released to the borrowers only after verifying all the requisite documents and charge of HSIIDC on the mortgage securities. Further, fact is that the valid charge of HSIIDC, in this case, on the mortgaged assets was got satisfied by promoters by submitting fabricated / forged documents against which the corporation has lodged -an FIR No 405 dated 10.10.2012 with Police Station, Mujesar, Distt. Faridabad against the borrowers. Further, now the corporation has also started to check the charge over the mortgaged assets of the borrowers regularly from the website of MCA/RoC.

**The Committee would like the Department to send the details of the FIR and criminal case against the borrowers. The latest position of recovery be also intimated to the Committee at the earliest.**

#### **7. 2.2.15 Loss due to settlement of loan account**

The Company sanctioned a term loan of Rs 3.47 crore and bridge loan of Rs 30 lakh to M/s S K Cotex limited, Panipat (Unit). The Unit availed a loan of Rs 3.45 crore and Rs 30 lakh respectively during October 1994 and September 2000. As per agreement of loan, the Unit mortgaged agricultural

land measuring 11 bighass and 2 biswas worth Rs 97 06 lakh at village Simlia, district Panipat as Collateral Security (C5) Since the Unit was in default of Rs 81 36 lakh (Principal Rs 63 27 lakh and interest Rs 18 09 lakh) as of November 2000, the Company took (July 2002) the possession of the Unit and sold (February 2003) it for Rs 1.62 crore After adjusting the sale proceeds, Rs 48 36 lakh (Rs 2 10 crore, outstanding amount including interest as on February 2003 less Rs 1 62 crore) were recoverable (February 2003) from the Unit

The Company got assessed (July 2003) the value of CS from M/s North India Technical Consultancy Organisation Limited (NITCON) (July 2003) at Rs 13 20 lakhs However, the sale could not be sold as the owner had already sold a part of land without obtaining permission from the Company

The Company again got assessed (June 2006) the value of this CS from NITCON at Rs 51 75 lakh The Unit requested (July 2007) the Company to consider its loan account under OTS Scheme The Company approved (September 2007) the OTS at Rs 28 64 lakh plus miscellaneous expenses against outstanding amount of Rs 98 16 lakh

We observed that since the assessed value of CS mortgaged with the Company was Rs 51 75 lakh, so the Company should not have settled the case under OTS at outstanding principal amount of Rs 28 64 lakh Thus, the acceptance of CS (Rs 97 06 lakh) at inflated value without verifying the title of land, not taking due care of the CS mortgaged and settlement of account under OTS at Rs 28 64 lakh against due amount of Rs 58 94 lakh worked out by the Company, resulted in loss of Rs 30 30 lakh

The Management in Exit Conference clarified that the since the CS was under dispute, the BoDs took conscious decision to recover the amount due under OTS Scheme from the party though he was a willful defaulter But since the Unit sold a part of the CS without informing the Company, it was not eligible for OTS

**The department in its reply stated as under:-**

It may also be noted that the collateral security was accepted after examination of its title by Legal Division and valuation on the basis of documents submitted by the company/verification done by Field Office

Matter of record

As per Policy, the OTS amount was Rs 58 94 lakh but in terms of OTS Policy itself any deviation in the OTS amount /guidelines w r t OTS can be accepted with the approval of BoD depending upon the circumstances/facts of the case The request of the company for OTS at Rs 28 64 lakh (Principal outstanding) along with facts of the case were placed before Sub-committee of BoD in its meeting held on 24 9 2007 which observed that although OTS amount as

per policy was Rs 58 94 lakh plus misc expenses and the value of the collateral security was Rs 51 75 lakh, but this property could not be sold by the Corporation as it had been sold by the promoter and buyer had obtained stay for its sale and accordingly recommended that the proposal of the company to settle the account at principal outstanding (Rs 28 64 lakh) plus misc expenses may be forwarded to the BoD for their consideration

BoD in view of the aforesaid observations/recommendations of the Sub-Committee regarding non-saleability of the mortgaged security approved the OTS at Principal Outstanding Rs28 64 lakh plus misc expenses

It may also be noted that against disbursed amount of Rs 375 00 lakh the Corporation has received Rs 465 75 lakh (Prin Rs 375 00 lakh+ Interest Rs 90 75 lakh) from the borrower and after OTS, entire dues in terms of the approved OTS have been received by the corporation Since, there was no other security (except the disputed one) the Corporation even could not have recovered the amount which it recovered through OTS Therefore OTS was approved by BOD which is to make any deviation from the scheme

**After hearing the Departmental representatives the Committee recommends that an enquiry be conducted against the delinquent officers/officials regarding sale of collateral security and its report be intimated to the Committee.**

#### **8. 2.2.19 Blockage of funds due to improper survey**

Before the acquisition of land for development/establishment of industrial estates/IMTs/Growth Centers, a survey is conducted to ascertain that land being acquired is free from encumbrances and no residential structures/houses are falling in that area Thereafter, proposal for acquisition of land is submitted to State Government The Company got conducted survey from a private party for acquisition of land at Industrial Model Township (IMT), Manesar and on the basis of demand notice issued by the LAC Gurgaon (February 2007) the Company deposited (February 2007) Rs 29 31 crore with LAC, Gurgaon for acquisition of 163 acres 3 Kanal and 15 marla of land in Gurgaon district after the issue and award of notification under Section 4 (24 November 2006) and 6(24 February 2007) of LAAct, 1894 respectively The Company could not take the possession of land so far (March 2012) due to large number of structures on the above said land and several petitions filed by villagers The Chief Town Planner of the Company informed (4 January 2012) that aforesaid land acquired could not be developed due to encroachment at site Further, 9 SLPs were filed in the Supreme Court by land owners, wherein it was alleged that residential houses situated just outside the above area belonging to the petitioners had been acquired The decision of the court was awaited (March 2012)

We noticed that survey for acquisition of land, was neither done properly by the Private party nor it was analysed properly by the Company. Thus, Incorrect survey report which was not verified by the Company resulted not only in delay in development of area but also blocked the amount of Rs 29.31 crore for around five years besides incurring loss of interest of Rs 8.98 crore (worked out at six per cent from February 2007 to March 2012). The Company initiated no action to retrieve the amount from LAC.

During Exit Conference the Management stated that as time of survey, land was clear from all encumbrances except for some temporary structures which would be demolished early.

**The department in its reply stated as under:-**

The award of 24 acre 4 kanal land (left-out pocket of residential sector) was announced on 26.06.2008. However, possession of 20 acre land was taken belatedly on 18.04.2011 because the hon'ble High Court in various CWPs filed by the landowners had stayed dispossession with reference to the land of village Lakhnaula, Naurangpur and Manesar Tehsil a Distt Gurgaon. Since, the landowners had mentioned some of their Khasra Nos in the CWPs filed by them for challenging the main notification of 912 acre land, against whom stay against dispossession was ordered by the Hon'ble High Court. Therefore, it was presumed that matter was sub-judice and since the land was under stay dispossession, so the possession of the land could not be taken over by LAC, Gurgaon. The matter was finally decided by the Govt vide order dated 13.03.2011, thereby, rejecting the representation of the landowners on the ground that the landowners had failed to challenge the subsequent notifications dated 17.12.2005 & 15.09.2006 w.r to 24 acre 4 kanal land. Thereafter, the matter was taken up with the LAC, Gurgaon to handover the possession of remaining 20 acre land, which was taken over on 18.04.2011. Hence, given the facts above, the company is not at fault for delayed possession of the disputed land as pointed out by audit. Above said land has also been planned for workers housing and the same will be allotted when infrastructure development will be created at site.

Proposal regarding acquisition of land was prepared by field office IMT-Manesar, Gurgaon and while forwarding the said proposal to LAC, Gurgaon land on which structure were existing - had not been proposed for acquisition. Accordingly, proposal of acquisition of land was submitted to State Government and land measuring 163 acres 3 kanal 15 marla was notified u/s 4 on 25.11.2005 for setting up of the Industrial Model Township, Manesar to be planned as an integrated complex for industrial, residential, recreational and other public utilities etc in villages Manesar, Khoh & Kasan, Tehsil & District Gurgaon. Total 92 objections were filed U/s 5a of LAC Act, 1894, DRO-cum-LAC, Gurgaon while forwarding his comments had

proposed to acquire the land/construction/structures wherein construction has been raised with mud mortar and roof with kari tukrhi/G I sheet after section 4 of Act Ibid, just to save the land from acquisition. All objections were examined and on the basis of report/recommendations received from LAC, Gurgaon, in the matter, comments of Corporation were forwarded to DI&C (Haryana). Accordingly, land measuring 162 acres 3 kanal 14 marla was notified u/s 6 on 24.11.2006. Thus, it is not true that survey for the acquisition of the land was not analysed properly by the Corporation as existing construction prior to section 4 notification had not been considered for acquisition. All the constructions raised after section 4 were proposed to be acquired as the same were erected with the purpose to save the land from acquisition. It is true that award of land measuring 161 acres 5 kanal 1 marla was announced on 24.02.2007 for setting up of the Industrial Model Township, Manesar to be planned as an integrated complex for industrial, residential, recreational and other public utilities etc in villages Manesar, - khoh & Kasan, Tehsil & District Gurgaon and sum-of Rs 29.16 crore was deposited with LAC, Gurgaon for land measuring 161A-5K-8M. The entire land has been planned for industrial workers housing and the same will be allotted after development of infrastructure at site and as per prevalent policy of the Corporation.

**During the course of oral examination it was informed that the matter is pending in the court. Therefore, the committee desired that this para may be kept pending and the outcome of the court case be sent to the Committee.**

**9. 2.2.25 *Abnormal delay in completion of Kundli Manesar Palwal (KMP) Expressway***

The State Government appointed the Company as executing agency for the development of Kundli-Manesar-Palwal (KMP) Expressway. The development of KMP expressway was undertaken with a view to provide high speed link to the Northern Haryana with its southern districts like Jhajjar, Rewari, Faridabad and Gurgaon besides opening up of new areas adjoining Delhi border as future corridors of development. The estimated cost of the project was Rs 1,200 crore excluding land cost of 135.65 kilo metre which was to be shared among Government of National Capital Territory, Delhi, Government of Uttar Pradesh and Government of Haryana in the ratio of 50:25:25. The share of Haryana was to be further shared between State Government, HUDA and the Company in the ratio of 50:25:25 respectively.

The work was allotted (31 January 2006) to Concessionaire, M/s KMP Expressway Limited on Built Operate, Transfer (BOT) basis. The concession period of the project was 23 years nine months including three years construction period with Commercial Operation Date (COD) as 29 July 2009. The concessionaire submitted (27 February 2009) detailed revised work completion programme with target date of completion as 31 December 2010.

The High Powered Committee (HPC) headed by Chief Secretary in its meeting (June 2009) agreed to the proposal for extension of COD as 31 December 2010. The concessionaire assured (December 2010) the Chief Minister, Haryana that Manesar Palwal stretch would be opened by August 2011 and remaining stretch by November 2011. The HPC reviewed the progress of project from time to time and expressed concern over concessionaire's inability to achieve even its own committed targets besides recommending (November 2011) to impose penalty for delay at the rate of 0.01 per cent of the total project cost per week.

We observed that due to non-existence of any mechanism regarding receipt of requisite funds in advance from various contributors, Rs 12.76 crore was recoverable (March 2012) by the Company from the State Government. Further, the concessionaire could achieve physical progress of 66.86 per cent and financial progress of 77 per cent as on 31 March 2012. The Company, however, levied (July 2012) penalty of Rs 17.88 crore for delay in achievement of COD, but no amount had been recovered so far (October 2012). Thus, due to inordinate delay in completion of project, the intended benefits of the development of KMP expressway could not be achieved.

During Exit Conference, the Management stated that the State Government was vigorously pursuing the matter for early completion of the project.

**The department in its reply stated as under:-**

The following may please be seen

- I The HSIIDC has been nominated as the Executing Agency by the State Government for the development of Kundli-Manesar-Palwal Expressway (Western Periphery, Expressway) project. This project is being developed on Built-Operate-Transfer (BOT) basis. The estimated cost of the project is about Rs 1200 crore excluding the cost of land for 135.65 km long Expressway.
- II The work for development of Kundli-Manesar-Palwal Expressway Project was allotted to the concessionaire, M/s KMP Expressway Ltd., an SPV formed for the purpose. The concession Agreement was executed by the Corporation with the concessionaire on 31.1.2006. As per the terms of the said Agreement the Concession Period of the project is 23 years 9 months including 3 years construction period with Commercial operating Date (COD) as 29.7.2009.
- III Sharing of Cost of Project Status
  - a) The land cost including shifting/relocation of utilities, diversion of forest land etc. for both WPE & EPE is being shared between the Government of NCT Delhi, Government of UP and Government of Haryana in the ratio of 50:25:25. The share of Government of Haryana

is further being shared between State Government HUDA and HSIIDC in the ratio of 50 25 25

- b) Till date, HSIIDC/GOH has incurred a total expenditure of about Rs 895 68 crore towards land acquisition for ROW, land of various interchanges/Toll Plazas, shifting/relocation of utilities & diversion of forest land coming in the alignment of KMPEXpressway Out of this expenditure reimbursement of Rs 353 25 cr has been received from Government of India as share of Government of Delhi and U P after adjusting the share of Haryana Government for total land of WPE and EPE

#### IV Details of Funds to be received from different Agencies

- \* Upto 28 02 2013, HSIIDC has incurred an expenditure of Rs 895 68 crore towards cost of land acquisition for - ROW, land of interchange/Toll Plazas, shifting/relocation of utilities and diversion of forest land coming in the alignment of KMP Expressway
- \* Taking the estimated cost of EPE as Rs 1440 63 crore and WPE Rs 1110 00 crore, the share of different Govt, agencies as per the sharing formula already decided works out as under -

Sr No	Name of Agency	Revised allocation to be made against actual upto date expenditure	Funds received (Rs in Crores)	Balance contribution (Rs in crore)
1	Govt of NCT, delhi, through MoRt&h, GOI	472 33	353 25	119 08 In the Monitoring Committee meeting dated 09 12 2011, it has already been requested to release balance share of Govt of Delhi & U P
2	Govt of Haryana	318 835	219 74	99 95
3	HUDA	159 175	127 62	31 555
4	HSIIDC	159 175	195 07	(-) 35 895
Total		1110 00	895 68	

However, on the basis of up to date expenditure of Rs 895 68 crore, the share of difference agencies is as under -

Sr No	Name of Agency	Revised allocation to be made against actual upto date expenditure	Funds received (Rs in Crores)	Balance contribution (Rs in crore)
1	Govt of NCT, Delhi, through MoRt&h, GOI	311 59	353 25	(-) 41 66 In the Monitoring Committee meeting dated 09 12 2011, It has already been requested to release balance share of Govt of Delhi & U P
2	Govt of Haryana	292 045	219 74	64 88
3	HUDA	146 0225	127 62	18 4025
4	HSIIDC	146 0225	187 645	(-) 41 6225
Total		895 68	895 68	

- V From the above statement, it is evident that as on date, HSIIDC has incurred an excess expenditure of Rs 41 6225 crore after adjusting the excess receipt of Rs 41 66 crore from MoRT&H (i.e. Rs 353 25 crore against its required share allocation of Rs 311 59 crore). However, in case presently if the adjustment of excess amount of Rs 41 66 crore received from MoRT&H is made in the ratio of 2 1 1 i.e. Rs 20 83 crore (State Govt), Rs 10 415 crore (HSIIDC) and Rs 10 415 crore (HUDA), the recoverable amount from State Govt comes to Rs 44 05 crore (after adjusting an amount of Rs 18 522 crore received from the State Govt during 2012 13) and Rs 7 9875 crore from HUDA respectively.
- VI Since the project is being implemented by HSIIDC and at the initial stage, the amount is to be incurred by the Corporation and reimbursement of proportionate expenditure is sought from the other agencies/Govt. Hence it would not be prudent to claim/charge interest on the contribution to be received from the other agencies/Government.



- 2 Physical and financial progress of the Project
  - i) Till 31 3 2013, the Concessionaire has achieved a physical progress of 68 85% (Rs 1019 75 Crore) and gross financial progress of 78 02%(Rs 1286 15 crore)
- 3 Revised Completion Schedule submitted by the Concessionaire
  - \* In view of the continued slow progress of the project, High Powered Committee (Expresways) decided on 16 11 2011 for imposition of damages for delay in achievement of COD @0 01% of the total project cost- per week or part thereof has been levied against the concessionaire w e f 29 7 2009 till achievement of COD vide HSIIDC's letter No HSIIDC KMP 2012 218-220 dated 2 7 2012
  - However, Concessionaire- vide its letter dated 10 10 2012 had invoked Arbitration Clause as per Dispute Resolution as per Article XXXIX of the Concession Agreement under clause 39 2 (39 2 1, 39 2 2) for aggregate claim of Rs 923 43 Crores (For claim demand against Change of Scope of 33 items for Rs 527 43 Crores and against issue in relation to fly Ash Rs 396 00 Crores) and has also given Notice for Constitution of Arbitral Tribunal Through said Notice, Concessionaire had nominated its Arbitrator and has also asked HSIIDC for appointing its Arbitrator
  - In response, HSIIDC vide its letters dated 05 11 2012 had conveyed preliminary observations and had informed the Concessionaire about nomination of HSIIDC's Arbitrator Further, vide its letter dated 09 11 2012 HSIIDC had conveyed to Concessionaire regarding appointment of Sh K B Lal Singal, Engineer-in-Chief (Retd ), Haryana PWD (B&R) as Arbitrator on behalf of HSIIDC
  - However, even before the constitution of above said Arbitral Tribunal, Concessionaire had filed a petition and a stay application in the Court of ADJ, Chandigarh under Section 9 of the Arbitration & Conciliation Act 1996 As per judgment the court of ADJ, Chandigarh on 6 4 2013 has allowed Concessionaire's petition for payment of claims for Change of Scope amounting to Rs 78 74 crore and regarding counter claims of the Corporation towards Negative Change of Scope, the Hon'ble Court has ordered for the same to be decided by the Arbitration Tribunal

- For recovery of damages on account of delay in achievement of Commercial Operation Date(COD) of the Project, as per decision of the High Powered Committee (Expressways) as brought out under para 3(i) above and as per approval of the Government, HSIIDC's vide letters dated 21 12 2012 & 31 1 2013 had requested IDBI Bank, New Delhi (the Lead Lender of the Project) to debit the Escrow Account maintained by the Concessionaire for an amount of Rs, 17 88 Crore and to Credit the same in the account of HSIIDC
- In response M/s IDBI Bank vide its letter No IDBI-ICG/KMP/2069 dated 19 2 2013 informed HSIIDC that there was no inflow of funds from the Concessionaire into the Escrow Account for the last 5-6 months and that they would be able to recover the amount from the Concessionaire as and when the funds were available in the Escrow Account
- In this contest, HSIIDC vide its letter dated 12 04 2013 has again requested M/s IDBI Bank to make recovery of Rs 17 88 crore in installments in case recovery in one go is not feasible The matter is being further pursued with M/s IDBI Bank
- Although, progress of the project is lagging behind the schedule, yet the Govt of Haryana and HSIIDC are committed to get the Project completed and all out efforts are being made to impress upon the Concessionaire in this regard

**During oral examination the Departmental representatives informed that the matter is pending before the Arbitral Tribunal. Therefore the committee desired that the latest position of the matter pending in the Arbitral Tribunal be intimated to the committee. The Committee would also like the Department to send the information to the Committee regarding delay in execution of the project and the detail of the recovery of penalty.**

#### **10. 2.2.27 Less recovery due to wrong costing of land**

The State Government acquired (January 2006) 274 74 acres of land for Rs 55 66 crore of land at Gurgaon for development of recreational, leisure projects and other connected project by the Company in Gurgaon The State Government also transferred (November 2007) 75 975 acres of HUDA land to the Company at acquisition cost of Rs 1 11 crore We observed that out of 350 72 acre land transferred to the Company, 97 72 acre was free for this activity and balance 253 acre land was under plantation / forest land (Aravali plantation scheme -161 03 acre and Punjab preservation Act (PLPA) 1900,91 97 acre) In spite of this fact, the State Government transferred this land to the Company for recreational / leisure projects

M/s ILFS Infrastructure Development Corporation Limited, Chandigarh was appointed (March 2008) as consultant for assessment of land cost and preparation of all handholding documents who submitted their report in April 2008. We observed that the consultant valued the land cost by using a mixed approach i.e. multiplying average market rate of land with average DC rate.

Analysis of rates considered by the consultant revealed that the market rate for residential plots was 2.79 times (average) more of average DC rates and average market rate for commercial plots was 3.105 times more of average DC rate. The consultant, however, by ignoring the actual market rates took factor of 1.8 times of average DC rates instead of 2.79 times for reason not on record for valuation of residential land and factor of 3.12 times for valuation of commercial plots.

The value of property considering factors adopted by valuers thus worked out to Rs 1,683.58 crore whereas valuation of property by considering correct average factors of 2.79 for residential area and 3.105 for commercial plots works out to Rs 2,142.11 crore as depicted in Appendix 9. The Company however, approved (April 2008) the reserve price of above land at Rs 1,700 crore on the basis of valuation by the consultant without looking into the calculations made by the consultant.

In response to advertisement (January 2009), for sale of area M/s DLF limited (DLF) submitted (April 2009) its bid which was found to be technically qualified and its financial bid ('12,000 per square metre) was opened (May 2009). M/s DLF submitted its bid with certain terms and conditions like the Company to clear legal and procedural complexities etc.

The Company re-advertised (July 2009) the project with revised terms. In the meantime, the FCPS, Town and Country Planning Department, Haryana decided (July 2009) that additional Floor Area Ratio (FAR) at the rate of 20 per cent of area should be allowed to the successful bidder. In the second attempt, the technical bids of three bidders (viz. M/s DLF, M/s Country Heights Holding Berhad and M/s Unitech limited, New Delhi) were opened on 12 August 2009. The Company rejected (18 August 2009) the bids submitted by M/s Unitech Limited and M/s Country Height Holdings Berhad, Malaysia on the ground of their being non responsive bids due to not fulfilling the minimum criteria and decided not to open their financial bids. The bid of M/s DLF was accepted at Rs 1,703.20 crore ('12,000 per square meter) which was subsequently approved by the State Government and RLA was issued by the Company to M/s DLF (February 2010) for sale of 350.715 acre.

We observed that M/s DLF submitted bid at the rate of 12,000 per square meter in April 2009 also and the rate quoted by them was same even in August 2009 in spite of the change in terms that all the permission/clearance this time were to be taken by the Company/State and extra FAR of 20 per cent of the area was allowed, and permitted to be used by the DLF at any residential project in Gurgaon, Manesar development plans, the value of which could not be worked out in Audit.

Thus, the Company transferred 253 acre land under plantation / forest in violation of PLPA, 1900 at a cost work out by the consultant who did not follow the rules of valuation in its entirety. This has resulted in under valuation of land by Rs 438.91 crores. The Company by accepting the consultant valuation without any analysis and study suffered a loss of Rs 438.91 crores. Besides, it was allowed benefit of FAR and the Company took upon itself the responsibility of obtaining permission / clearances.

The Management in Exit Conference stated that the bid parameters along with benefit of extra 20 per cent FAR were revised before the re-advertisement and expenses on getting the clearance was the liability of DLF and no financial burden accrued to HSIIDC/ HUDA. The reply was not convincing as the company has fixed the reserve price of the land on the lower side due to wrong posting of land. The Management agreed to submit revised replies which were aviated (December 2012). It is recommended that M/s ILFS IDC Ltd. should be debarred from entering into any business with the Company for its improper valuation of land.

**The department in its reply stated as under:-**

- The State Govt. acquired 274.74 acre of land in Village Wazirabad, Distt. Gurgaon for Rs. 55.66 Crore in 2006 for setting up a Recreation and Leisure Project. It had been decided in the year 2004 itself to join-up about 75 acre of HUDA land as part of the project and a decision to invite bids from the private sector through International Competitive Bidding route was taken. The said project was conceptualized as an Entertainment & Leisure Project with a major component comprising open green cover.

Land being an expensive resource and considering the restrictions existing on the use of major chunk of land, an attempt was made to make the project financially viable and bankable. It was in this background that certain revenue generating components were built into the project and specified upfront with restrictions on use of such areas. The different land uses allowed in the project were as under:

Particulars	Area of Land (acres)
Residential	38.47
Commercial	19.24
Sports Complex & related infrastructure	20.00
* Golf course and open greens (to be used as per permissible land usage)	273.01
<b>Total</b>	<b>350.72 acre</b>

\* Land notified under Section 4 & 5 of the Punjab Land Preservation Act, 1900, and Aravali Plantation

It is made clear that HUDA land was not transferred to HSIIDC. In fact auction proceeds are to be shared between HSIIDC and HUDA in the proportion of land contributed by them.

M/s IL&FS IDC Limited was appointed as consultant for carrying out valuation of the project land. Based on market prices, valuation of project land was estimated as under

Particulars	Rate / acre	Total Value (Rs in Crore)
(a) Residential - 38.47 acre	10.89 crore	418.94
(b) Commercial - 19.24 acre including 5 Star Hotel, Convention Centre, Sports Complex, Club house, Golf Villas, etc	43.40 crore	842.71
(c) Forest Land - 293.01 acre (including 20 acres for Sports Complex & related infrastructure)	1.44 crore	421.93
<b>Grand Total</b>		<b>Rs 1683.58 Crore</b>

It is correct that market rate for residential plot was 2.79 time (average) more of average collector rate (i.e. average collector rate of Rs 12,550/- per sq yard and the market price between Rs 30,000/- and Rs 40,000/- per sq yard). But these rates were for the developed land in the area and not for the raw land.

However, it has to be understood that, in matters of pricing, raw land cannot be compared with the developed residential plots. Three factors are important in this behalf, namely, (i) the statutory charges (e.g. CLU, License fee, EDC and IDC etc.) (ii) the cost incurred on development of infrastructure (roads, water supply, electricity, sewage, drainage, open spaces and all other related services and infrastructure), and (iii) the net plotted area which becomes available for sale.

For development of a plotted colony, Clause No. 4 of the Haryana Development and Regulation of Urban Area Rules, 1976 prescribes that the developer can get saleable area as 55% of the total area of the colony. The said clause is reproduced hereunder

"Percentage of area under roads, open spaces etc. in layout plans (Sections 3 (3) 4 and 24)-(1) In the layout plan of a colony,

other than an industrial colony, the land reserved for roads, open spaces, schools, public and community buildings and other common uses shall 'not be less than forty five percent of the gross area of the land under the colony "

Provided that the Director may reduce (after recording reasons thereof) this percentage to a figure not below 35 where in his opinion the planning requirements and the size of colony so justifies"

While calculating the ratio, the amount of collector rate of Rs 12,550/- per sq yard and market quotes of Rs 30,000 and Rs 40,000/- per sq yard respectively, were taken into account and accordingly the market rates between 2.39 to 3.19 times the collector rates (i.e. an average of 2.79 times) came. However, what is not explicitly mentioned is that market quotes are available for developed residential plots only, Therefore the factor of 2.79 time has been discounted by 35% (on account of provision of roads, greenbelt, common facilities etc.) Thus the market-value of residential components of land under assessment by M/s IL&FS IDC Limited has been considered for plotted development and has been arrived at by multiplying collector rate by 1.8 (i.e.  $2.79 \times 65\%$ ). As regards commercial property, which is a five star hotel cum conventional centre complex and a single entity, its market value has been arrived at by multiplying the collector rates with 3.12 times straight way.

Besides, it may be apt to mention that the market price of plots referred to by the Consultant pertain to individual plots located/ allotted in a developed colony, the rates which are inclusive of EDC, IDC, Conversion charges, License fees, etc. However, in the instant case these costs need to be added for making comparisons, such costs are to the tune of Rs 761.31 crore (approx.) which are to be borne by M/s DLF (detail at Annexure-I) over and above the bid amount.

In view of submission made above and the factors taken into consideration for valuation of land, the valuer has rightly worked out land cost of Rs 1683.58 crore.

In response to the advertisement only a single bid from M/s DLF Limited was received, which although technically qualified, has submitted certain suggestions.

Finding merit in the suggestions / comments received from the sole bidder, the project parameters were re-examined and modified. The major changes accepted/ allowed in the bid conditions were (i) the Government to obtain the statutory clearances in respect of the project land, (ii) the Bidder would have to pay additionally for any compensatory land or other commitments required in the process of obtaining the statutory clearances, and (iii) permitting 20% of the

area under Golf Course for residential purposes. The suggestion for reviewing and reducing the reserve price in the face of economic meltdown conditions and realty prices taking a downward hit in the market was not accepted. It was decided, with the approval of the BoD/ HSIIDC and the State Government, to issue a fresh advertisement inviting bids in accordance with the changed terms and conditions so as to maintain complete transparency and ensure a fair opportunity to all/ any interested parties. Accordingly, the scheme was re-advertised with all the changed terms and conditions on 20th July, 2009 and the last date for submission of bids was 12th August, 2009. A Pre-bid meeting was also held on 31st July, 2009.

At the closing date/time of bid submission, 02 additional bids were received i.e. from a consortium led by M/s Country Heights Holdings, Berhad (Malaysia) and consortium led by M/s Unitech Ltd and the same were opened before the Technical Bid Opening Committees.

Thereafter, the proceedings of Technical bid opening committee were placed before the Sub-Committee of the Board during its 9th meeting held on 18th August, 2009 at 11:00 a.m. Wherein Committee members resolved to seek certain clarifications from the participants in respect of the bids submitted by them. The bidders were invited for the meeting of Sub-Committee held at 3:00 p.m. on 18th August, 2009 to give clarifications on the bids submitted by them.

Both the bids, received on 12.8.2009, having failed to qualify the technical criterion and thus being unsuccessful in the technical evaluation, it was decided not to open the financial bids of these bidders following the well established principles. The representatives of both the bidders were called in by the Sub-Committee and were apprised of the decision of the Sub-Committee. While none of them contested or raised any objection to the Committee's decision, they requested for refund of their earnest money. They also offered to submit in writing that the decision of the committee was acceptable to them without any condition.

Even though the State/ HSIIDC undertook the responsibility to obtain all the forest and environment related statutory clearances for the project, the entire expenditure to be incurred in the process is to be borne by the allottee. For instance, it is the allottee who has to bear the additional financial burden for provision of compensatory land in lieu of the PLPA Land (about 92 acres), and the Aravalli Plantation land (to the extent required). The price of compensatory land of 92 acres of land notified under PLPA, if calculated @ Rs. 40.00 Lakhs/ acre (as per Collector rate for F.Y. 2011-12 for Village Badhkal), it would work out to Rs. 36.80 crore. In addition, the CEC has recommended provision of additional compensatory

land measuring about 80 acres (i.e. to the extent of 50% of the land under Aravalli Plantation), which would cost the allottee an additional amount of Rs 32 00 crore. Thus, a minimum additional expenditure of Rs 68 80 crore would be borne by the bidder on account of Forest & Environment related clearances.

Thus, by adding the other charges/additional expenditure on account of Conversion charges/License fees and compulsory afforestation charges, the total amount payable by the allottee would be to the tune of Rs 2532 37 crore and under.

Sr No	Particular	Amount (Rs in crores)
1	Bid amount	1703 26
2	Conversion charges/License fees/EDC/IDC/Security fees	761 31
3	Compensatory afforestation	68 80
	<b>Total</b>	<b>2532 37</b>

In view of the clarifications given in the fore-going paras, it is clear that there is no under valuation of the land as alleged by Audit and the Corporation has not incurred any loss on this account.

During the course of oral examination it was informed that the matter is pending in the Hon'ble Supreme Court. Therefore the committee desired that this para may be kept pending and the decision of the Hon'ble High Court and the result of the matter pending in the Hon'ble Supreme Court be intimated to the Committee.



## **HARYANA AGRO INDUSTRIES CORPORATION LIMITED**

### **11. 4.11 Loss of Interest**

#### **Loss of interest of Rs.1.57 crore due to non submission of different claims**

The company is engaged in procurement of food grains in the State of behalf of Food Corporation of India (FCI) at Minimum Support Price (MSP) as per guidelines issued by the Govt of India/FCI from time to time Bajra procured by the Company is stored in godowns at various places and is sold at the instance of FCI, through open tenders. It delivers Bajra to the purchasers after collecting payments from them. The Government of India/FCI fix a Provisional Economic Cost (PEC) which comprise of MSP plus incidental charges, incurred by the company viz market fees, dami, mandi labour charges, storage charges, interest charges and cost of gunny bags etc. for reimbursement to the company. If the realization from disposal of Bajra is less than the PEC, the Company claims the differential amount from FCI.

The Company procured 89,646 MT Bajra during Kharif Marketing Season (KMS) 2008-09 at PEC rate of Rs. 987.29 per quintal. The Company disposed off 88,490 MT Bajra pertaining to KMS 2008-09 during 2008-09 to 2010-11 at different rates but lower than PEC. As per procedure the differential claims of these sale transactions were required to be lodged immediately with FCI for payment. We observed (January 2011) that differential claims amounting to Rs. 5.09 crores for 35,527 MT of Bajra in respect of Hisar and Rs. 1.57 crores for 17,824 MT of Bajra in respect of Jind districts had not been lodged by the Company with FCI. The position had not changed even by August, 2012.

During exit conference (3 September 2012), Financial Commissioner and Principal Secretary, Agriculture Department, Government of Haryana agreed to the facts and assured for immediate action.

Thus, failure of the Company to get the Katlas signed before delivery of the stock and consequently not being able to lodge the differential claims immediately, the company suffered a loss of interest of Rs. 1.57 crores on this blocked capital (upto August, 2012).

We recommend the Company to devise procedures to avoid recurrence of such delays which harm its financial interests.

#### **The department in its reply stated as under:-**

It is true that the company is engaged in the procurement of food grain in the State of Haryana on behalf of FCI at MSP. It is also true that the Corporation purchased the bajra and sold at the instance of FCI through open tenders. It is also true that the GOI/FCI fix a provisional economic cost which comprises of MSP plus incidental charges incurred by the Corporation as mentioned in the audit para itself. It is also true that if the realization amount from disposal of

bajra is less than the provisional economic cost, the Corporation claims the differential amount from FCI

The Corporation procured 89646 MT bajra during KMS-2008-2009 at provisional economic cost rate of Rs 987.29 per qtl. Out of this the Corporation disposed off 88490 MT bajra during 2008-09 to 2010-11 at different rate but lower than provisional economic cost. As per the information given by our DMs, the field officers had lodged the differential claims with FCI but the same were returned by them due to some discrepancies in the bills. One of the discrepancy raised by them that the Katlas were not signed.

The delay in submission of the differential claims of bajra happened due to the misconception among the Area Managers, FCI pay offices as to which FCI official will authenticate the weight check memos i.e. FCI official available at the time of purchase and at the purchase centre or the FCI official available at the time of disposal/storage centre. The matter was taken up with the FCI to issue instructions in this regard to the quarters concerned.

Now the Corporation has already lodged balance differential claim of Rs 6.66 crores (Rs - 5.09 cores in Hisar Distt plus Rs 1.57 crores in Jind district) out of which payment of Rs 4.92 crores has already been released by FCI and the balance payment is expected to be received shortly. Due to delay in filing the differential claim—the Corporation has already charged sheeted Sh. Anoop Gachli, Distt. Manager, Sh. Jagdish Khaneja Ex-Distt. Manager, Sh. A.K. Chawla, Distt. Manager and Sh. Kamal Saroha ex-SK cum-MI. The departmental enquiries against the above referred officers/official are in progress.

The recommendations and views of the CAG are noted for compliance.

**The Committee would like the Department to send the information to the committee regarding the latest position of the action taken report against the negligent officials and the position of recovery of the matter in pursuance with the FCI. The Committee also recommends the Department that steps be taken for improvement of the system in future.**

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## HARYANA VIDYUT PRASARAN NIGAM LIMITED

### (REVIEW)

The Committee scrutinized the replies received from the Power Department (Haryana Vidyut Prasaran Nigam Limited) in respect of the Audit Para Nos 211 to 2154 and discuss the same with the departmental representatives in its various meetings. After discussion with the representatives some of the paras where the committee was satisfied were dropped by the Committee and with regard to some paras the Committee made its recommendations/observations as under -

#### **12. 2.1.22 Indira Gandhi Super Thermal Power Project (IGSTPP), Jhajjar**

Aravali Power Company Private Limited (APCPL), a Company owned by National Thermal Power Corporation of India (NTPC), Indra-prastha Power Generation Company Limited (IPGCL) and HPGCL awarded (July 2007) the work for construction of 1500 MW (3 Unitsx500 MW) IGSTPP at Jhajjar with scheduled date of synchronization of the Unit-I, II and III on July 2010, October 2010 and January 2011, respectively. The Unit-I and II were belatedly synchronised on 10 October 2010 and 21 October 2011 respectively. Unit III had not been commissioned so far.

The Company accorded (December 2007) approval for the following transmission works related to the evacuation from IGSTPP

Sr No	Name of work Date	LOA	Commissioning Date		Delay in days
			Schedule	Actual	
1	Construction of 400 KV SS, Daulatabad	19 09 2008	18 04 2010	12 03 2011	328
2	Construction of 400 KV line from IGTPS to Daulatabad	31 10 2008	03 03 2010	07 12 2010	252
3	Construction of 400 KV line from Daulatabad to Sec 72, Gurgaon	03 03 2010	02 01 2011	Not completed (June 2012)	

It may be seen from the above table that the SS and one line was not completed in time and were delayed by 328 and 252 days respectively. Against the synchronization of Unit I in October 2010, the SS with only one line was completed by March 2011. The line from Daulatabad to Sector-72, Gurgaon had not been completed so far (June 2012).

We observed that construction of above transmission works were delayed due to delayed signing of contract and ROW problems because of non obtaining of prior approval from Haryana Urban Development Authority (HUDA)/District Town Planning (DTP) authorities

Thus, due to mismatch between generation capacities and transmission facilities, the Company evacuated power from overloaded lines resultantly availability of quality power, improved voltage supply etc could not be ensured to the consumers

**The department in its reply stated as under:-**

**Indira Gandhi Super Thermal Power Project ( IGSTPP), Jhajjar**

Aravali Power Company Private limited (APCPL), a Company owned by National Thermal Power Corporation Limited (NTPC), Indra-Prastha Power Generation Company Limited (IPGCL) and HPGCL awarded the work for construction of 1500MW ( 3 Unitsx500 MW) IGSTPP in July 2007 at Jhajjar The scheduled date of Synchronization of the Unit-I,II and III of this Thermal plant were July 2010, October 2010 and January 2011 respectively Accordingly down the line transmission System was planned by the Nigam to evacuate its share from the bulk of power and below mentioned works were approved under "Haryana Vidyut Prasaran Nigam limited" ( HVPNL)

- 1 400 KV Substation Daultabad Capacity 3x315MVA, 400/220 KV ICT's)
- 2 400 KV D/C Jharli-Daultabad Transmission line with Twin Moose Conductor
- 3 400 KV line from Daultabad to Sec-72, Gurgaon
- 4 400 KV Substation Daultabad (Capacity 3x315MVA, 400/220 KY ICTs)

- The work for creation of 400 KV Sub-station Daultabad placed at Sr No-1 was awarded to M/s Siemens on dated 15-10-2008 with a time frame of 18 months to get the work completed i e by 15-'04-2010 Accordingly 1 st, 2nd & 3rd ICTs were test charged/ commissioned on dated 17-07-2010,19-09-2010 and 26-11-2010 respectively Several reasons contributed the delay inclusive of force majeure like flooding of Daultabad area, stoppage of mining activities in Haryana etc The requisite penalty clauses of the contract were manoeuvred accordingly

- 400 KV D/C Jharli-Daultabad 'transmission line with Twin Moose Conductor

The work of construction of 400 KV D/C Jharli-Daultabad transmission line was awarded to M/s Best & Crompton Limited on dated 18-11-2008 with the completion period of 16 months i e up to

17-03-2010 Due to some unforeseen circumstances the project was delayed & completed on 07-12-2010 and line was energised Like Daultabad S/Station, force majeure of flooding due to overflowing of Najafgarh Drain near Daultabad contributed significantly for delay in project All sincere efforts were made by the Nigam to complete the project in time like diverting the work & material to/from other contractors for supplementing more resources, technical help from Irrigation Department for de-flooding the low lying area near Daultabad etc The contractual penalty clause was affected for delay besides the above force majeure

Although the non completion of the above projects on scheduled time frame didn't cause any sort of evacuation problem for the supply generated by Jhajjar plant with its synchronization of Unit-I in October 2010 for the reasons elaborated below

400 KV D/C Jharli- Mundka line with twin moose conductor was ready with its one circuit by 26-09-2010 The availability of this one circuit smoothly evacuated the generation of NTPC, being capable of handling 1000 MVA of load

2 The average generation of NTPC thermal plant for the period of delay i.e October, November and December Was merely insignificant which was smoothly evacuated by 400 KV D/C Jharli-Mundka line being of much higher handling capacity

3 The delay in completion of 400 KV Sub-station Daultabad & 400 KV D/C Jharli-Daultabad line also didn't affect the supply to the end consumers as the total demand of Gurgaon at that period of time was successfully compensated from the other source of supplies i.e 20% KV NanuMajra - Daultabad line which was fetching power from 400 KV Sub-Station at Bahadurgarh, 220 KV Samaypur-Badshahpur Line & 220 KV Pali-Badshahpur Line Parameters of the aforesaid transmission lines remained within permissible limited confirming that the end consumer didn't suffer & smoothly provided with the reliable power supply during the mentioned time period

In addition to above elaborated facts, it is also worth to mention here that generation of NTPC Jhajjar Plant for the respective months are below mentioned

Sr No	Month	Generation (In Million Units)	Remarks
1	October 2010	6 30 MU	Average Million units generated by a thermal Unit if runs to full capacity of 500 MW is 0.5 MU/Hour
2	November 2010	6 40 MU	
3	December 2010	0 00 MU	
4	January 2011	0 00 MU	
5	February 2011	3 90 MU	

Thus from above illustrated data, it is illustrated that the generation of NTPC Jhajjar plant for the above mentioned period as tabulated above was mere insignificant & hardly sufficient to meet its internal supply/for auxiliaries consumption. Unit-1 remained in testing mode for most of the time & by the time, the Units were put on commercial use, both the projects i.e. 400 KV D/C Jharli-Daultabad line & 400 KV S/Stn Daultabad were commissioned.

400 kV line from Daultabad to Sec-72 Gurgaon

Meter for securing right of Way for 400 KV Daultabad Sec-72 line was under constant pursual with HUDA and Town & country planning Department since 01.10.2008, but final clearance for feasible ROW could not be given by HUDA. The line is presently under construction & likely to be completed by 31.05.2013. However, evacuation of Power from 3x500 MW IGSTPP, Jhajjar has in no way been affected due to delay in construction of the line.

So, there was no mismatch between generation & transmission network & delay of the above project didn't affect the consumers in any way.

**The Committee would like the Department to send the information to the Committee regarding the date of commissioning the third unit of the power project and the time taken on completion of Daultabad to Sector-72, Gurgaon transmission line.**

**13. 2.1.25 Construction of 220 KV SS Batta without load requirement**

UHBVNL sent proposal for upgradation of 33 KV SS at Kalayat to 132 KV with feeding by L1LO of 132 KV Narwana-Tohana line. But the same could not be finalised due to space constraints. However, the Company without conducting load flow study, approved (August 2008) construction of new 220 KV SS at Batta (Kaithal) and L1LO of 220 KV Narwana-Kaithal D/C line at proposed SS Batta and asked (July 2008-January 2009) the UHBVNL to submit comprehensive proposal for creation of new 220 KV SS Batta along with linked lines.

We noticed that without receiving any proposal from UHBVNL, the Company issued (September 2009 and May 2010) work orders for construction of 220 KV SS Batta at a cost of Rs. 24.96 crore and L1LO of 220 KV Narwana-Kaithal D/C line at 220 KV SS Batta at Rs. 85 lakh. The scheduled commissioning of both the works was 7 December 2010 and 31 August 2011 respectively. We further observed that the Company had not planned any underlying transmission system for the SS Batta before awarding these works. Subsequently, the Company approved (May 2010) three lines of underlying transmission system out of which proposal of two lines was cancelled (June 2011) due to space constraints for making bays and alternative two lines were approved for covering the same Batta 220 KV SS and linked lines.

were commissioned in July and August 2011, but are not being used till date (June 2012)

Thus, due to construction of SS without load requirement and planning of underlying transmission system, expenditure of Rs 24 96 crore remained unfruitful so far (June 2012) Besides this, the Company also suffered losses of 1 92 LUs valuing Rs 6 78 lakh as SS was running on no load since its commissioning

**The department in its reply stated as under:-**

There was a proposal for Creation/Upgradation of 33 kV substation Kalayat to 132 kV substation During preliminary examination of the proposal it was observed that 33 - kV substation Kalayat can be augmented to 132 kV level provided existing residential quarters along, with other infrastructure such as overhead tank, sewerage disposal etc is dismantled The proposal for creation of 132 kV substation Kalayat was not found feasible due to space constraint Thereafter in the inter-utility meeting held on 10 10 2007, it was decided to explore the feasibility to create 220 kV substation in the area under discussion in view of future load requirement (Annexure-I)

Thereafter in the meeting taken by Hon'ble Power Minister, Haryana held on 25 03 2008 and attended by Managing Director, HVPNL, Managing Director, UIHBVNL, Director (Project, HVPNL, Director (Technical), UHBVNL including field agencies of UHBVNL, the creation of 220 kV substation Batta instead of 132 kV substation Kalayat was preferred (Annexure - II)

Thereupon, creation of 220 kV substation at village Batta with 1x100 MVA 220/132 kV transformer + 1 x1 00 MVA 220/33 kV transformer was considered and approved vide R-545/Ch-3/HSS-343 dated 29 08 2008 (Annexure-III)

The load flow study was carried out and it also supported the creation of 220 kV substation Barta (report of load flow study enclosed [Annexure - IV] It would be appropriate here to bring into kind notice of Audit that load flow study was carried out before the award of contract Execution of 220 - kV substation requires more construction period as compared to down line 33 kV and 132 kV system In the present case, creation of new 132 kV substations as down line system was not envisaged and only connectivity to existing 132 kV substation Rajound, Padla and Dhanuri was envisaged for their strengthening Accordingly creation of 132 kV Batta-Rajound line, 132 kV Batta-Padla and 132 kV Dhanuri-Padla line was approved vide R-724/Ch-33/HSS-343 dated 25 05 2010 well in advance of schedule commissioning of 220 kV substation Batta (31 08 2011)

Also to cater the local load requirement, providing of additional 8MVA 132/11 kV at 220 kV substation Batta was approved vide R-790/Ch-50/HSS-343 dated 22 12 2010. The said transformer stands commissioned on 03 01.2012

The execution work for 3 no 132 kV lines meant for strengthening of existing 132 kV substations envisaged at the time of approval of 220 kV substation Batta is under progress

33 kV down line system from 220 kV substation Satta, which included creation of two new 33 kV substation (Sajuma and Kalirarn) and shifting of two existing 33 kV substation Baiu and kalayat was also approved vide R-724/Ch-33/HSS-343 dated 25 05 2010

33 kV substation Balu has already been connected to 220 kV substation Batta and connectivity to the remaining 33 kV substations shall be provided by 24 10 2013 after clearing of the fields due to paddy

From the above, it is clear that adequate down line system at 132 kV level and 33 kV level was envisaged and approved before the award of contract for 220 kV feeding line to 220 kV substation Batta

Furtherance, HVPNL has large transmission system, spare hot transformers (on no load), are kept to meet the emergency during failure of transformer at other substations. In present case, no additional purchase on account of Hot spare transformer has been made by the utility, keeping in view the availability of transformer at 220 kV substation Batta

Submitted for kind consideration of Audit and it is requested to drop the subject cited para

**The Committee would like the Department to send the information to the Committee as to why the Kalayat sub-station was not upgraded in spite being approved. The Committee would also like to know the detail of the proposal for adding 33 K.V. sub-stations and the load added on it.**

#### **14. 2.1.44 Non recovery of HUDA claims**

For operation, maintenance and development of Transmission system, the Company borrowed funds from various agencies. With a view to curtail borrowing, it was decided in the meeting (27 July 2000) with Principal Secretary to Chief Minister (PSCM) that HUDA would make provisions for new SSs and would pay the cost of these SSs. On 27 November 2000 (conveyed to the Company in January 2001) HUDA decided that it would bear the cost of only those SSs which were created after 27 November 2000. Subsequently, in the meetings (16 May 2006 and 7 April 2008) held by HUDA with the Chief Minister of Haryana it was decided that cost of 220/132 kV SSs was to be shared by



the Company with HUDA in the ratio 50:50 and the entire cost of 66/33 kV SSs and 132 kV SSs was to be borne by HUDA, if exclusively meant for HUDA.

We observed that the Company had constructed SSs and their associated transmission lines in Haryana on the area acquired/developed by HUDA after November 2000 and incurred Rs 223.88 crore from November 2000 to March 2012. However, the Company failed to lodge timely claims with HUDA. First partial claim of Rs 144.05 crore was lodged (4 March 2008) in respect of Fardabad and Gurgaon TS only (including those SSs created prior to November 2000) despite the fact that decision to share cost was taken in 2000. This claim was returned by HUDA pointing out that claims should be lodged as per meeting on 27 November 2000 wherein it was decided that HUDA would bear the cost of creation of only those SSs which were created after 27 November 2000. Thereafter, the Company again lodged (January/November, 2011) claims of Rs 223.88 crore. No amount had been paid by HUDA so far. Resultantly the company's funds of Rs 223.88 crore had been blocked besides it had to bear annual interest burden of Rs 20.28 crore.

**The department in its reply stated as under:-**

The creation of substations is a continuous & on going process which is done to meet the requirement of basic necessity of electricity to the public. The creation of infrastructure for Power Transmission & Distributions is primarily done considering the revenue generation. The claims were invariably lodged by the different offices and the substations were created on the land provided by HUDA for which no cost was ever paid. However, the clear understanding of the payment of dues by HUDA could not reach, though there was intervention of Hon'ble Chief Minister, Haryana on several occasions. The financial contribution from the HUDA was sought considering the huge financial burden and slow process of recovery.

The creation of power infrastructure for distribution network for public is the social responsibility of Transmission Utility considering the requirement of load. Though, the land was provided/ allotted by HUDA and for which no charges have ever been paid so far but in the absence of clear cut understanding settlement of claims could not take place.

The settlement in any of the case could not be done in the absence of clear cut guidelines and procedure to claim due to HUDA. Though the HUDA has admittedly agreed to settle the claims made by HVPNL, however, no claim has been considered and re-imbursed so far. The claims made by HVPNL are logical and are being pursued from the year 1998, however, HUDA has yet to consider and the matter is being vigorously being taken up with the HUDA Authority for the settlement of the claims.

Issue is under deliberation and appropriate solution of the issue would be done

All the Circles in HVPNL have finalized the updated claims and submitted to the respective Administrator of the HUDA. The creation of substation is a continuous process as such the claims are to be lodged accordingly

**The Committee recommends that the Department should speed up the process of settlement of claims with HUDA and the latest position of recovery of 223.88 Crores be intimated to the Committee.**

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## HARYANA STATE ROADS AND BRIDGES DEVELOPMENT CORPORATION LIMITED

**15. 4.8 Loss of revenue-The company suffered loss of revenue of Rs. 48.39 lakh due to delay in finalization of tender.**

The Company engaged on construction work on deposit basis has been assigned the job of toll collection on toll points notified by State Government. The Company invited (31 March 2010) bids for collection of toll on Shami-Panipat road (T-13) for one year commencing immediately after conclusion of the then existing contract on 30 June 2010. Financial bids were opened (14 June 2010) after the State Government's approval (3 June 2010). The company issued (16 June 2010) the Letter of Acceptance (LOA) to the highest bidder (contractor) for the year at Rs 6 68 Crore PA i.e Rs 55 67 Lack per month and granted Letter of Authorization (LA) for collection of toll at notified rates from 2 July 2010 to 30 June 2011 (364 days). The contractor requested (January 2011) the Company for extension' of contract up to 30 September 2011 as per its procedure since the period of contract mentioned in the detailed notice inviting tender, was one year and the contract was awarded to him for 364 days only. The company acceded to the request and extended contract upto 30 September 2011 on same terms and conditions. This extension lead to delay in commencement of subsequent contract and it began from 1 October 2011 to 30 September 2012 which was awarded to another contractor at Rs 8 62 crore i.e Rs 71 80 Lakh per month.

We observed (December 2011) that the company delayed in opening of the financial bids after receipt of approval of State Government. Similarly, the LOA was issued on 16 June 2010 but the LA was granted after 15 days On 1 July 2010. The delay in opening the bid and consequent grant of the LA, led to the contract getting commenced from 2 July 2010 and contract period reduced to 364 days instead of full one year. Later on, the contract period had to be extended upto 30 September 2011 on the demand of the bidder. Thus, due to delay in finalization of the tender, the Company suffered a loss of revenue of Rs 48 39 Lakh.

The company stated (April 2012) that the financial bids could not be opened as the High Court had directed (18 May 2010) to decided the representation of one of the bidders which was ultimately decided on 25 May 2010. Thereafter, the financial bids were opened on 16 June 2010 after giving notice to all bidders. The LO A was also Issued the same date. The contractor submitted performance security on 28 June 2010, which after verification from bank on 30 June 2010, the LA was issued to the contractor on 1 July 2010.

During exit conference (November 2012) the Additional Chief Secretary PWD B&R Department, Government of Haryana and MD of the Company stated that after the decision of the court on the representation, there was no delay in issuing LOA. Reply was not convincing as the Company was well aware to the consequences of even one day's delay on issuing LOA and action of the company in granting three month's extension for delay in

commencement of the contract by one day resulted in loss of revenue of Rs 48 39 Lakh

**The department in its reply stated as under:-**

In this corporation the toll tenders were being invited with the facility to the bidders to submit their bids manually / physically. It was observed that e-tendering reduces the time involved in processing of tenders as compared to when accepted manually and helps in maintaining total transparency to major strength and completely curbing the pooling of tenders. Keeping this motive in mind, tenders of nine toll points were invited online for the first time to be received / Hash Submission on 23 04 2010.

To facilitate e-tendering process, 2 No presentations were arranged for the benefit of the bidders and invitation letters to 60 No probable bidders were sent for attending the presentation on 29 03 2010 at Panchkula and on 07 04 2010 at Haryana Bhawan, New Delhi. Out of 60 probable bidders only, 7 bidders participated at Panchkula and 10 bidders at Delhi. All the participants in the presentation were of the view that switching over to e-tendering should not be adopted in one go. It should be done in phased manner till then both the option i.e. physically and e-tendering jointly should be available to the bidders. The request of the proposed bidders was recommended for issuing corrigendum. It was decided by FCPW cum Chairman, HSRDC on 16 04 2010 that bids be invited by e-tendering only, for the purpose of transparency and for curbing pooling of tenders.

The last date for submission and locking of bid in respect of bids invited for 8 No TPs was 23 04 2010 and was 29 04 2010 for 9th toll point. For e-tendering, registration of digital signature is essential to submit the bids on-line, only 7 agencies out of 60 agencies had got their digital signatures registered with the designated agency i.e. M/s Nex Tenders by 20 04 2010. As such, a proposal was submitted on 20 04 2010 to postpone the tenders for minimum a fortnight period so that more agencies get their digital signatures registered in the fitness of the things and in the interest of healthy competition. The proposal of this Corporation was approved by FCPW cum Chairman, HSRDC on 28 04 2010.

The revised notice inviting tender to be received on 17 05 2010, was published and also hoisted on website. However, no tender was received on first call with dated 23 04 2010 as date of Hash Submission. On revised invitation, eight No agencies participated in bidding process online on 17 05 2010 but only 3 agencies submitted their technical bids.

As per bid notice, financial bids were to be opened on 18 5 2010 but in the meantime, Sh Sandeep Kumar filed CWP No

9136 of 2010 in Hon'ble Punjab and Haryana High Court. This petition came up for hearing before Hon'ble court on 18.5.2010 and passed directions to the respondents to decide the representation within a week and in the meanwhile bids may not be opened.

In the light of directions of Hon'ble High Court, the representation of the petitioner was decided on 25.5.2010 and orders were sought for opening of financial bids in view of other issues / complications involved in the tender case, which were passed by FCPW -cum-Chairman, HSRDC on 03.06.2010. Thereafter, intimation was given to all the eligible bidders that financial bids would be opened on 14.06.2010 since reasonable notice is required to be given to the agencies to receive notice and appear on date of opening if they wish so. The meeting of TAC was held on 16.06.2010 and letter of acceptance was issued to the H-I on 16.06.2010, itself.

To issue Letter of Authorisation for collection of toll some formalities/ requirements as per Clause 14(a) and 15 of the bid document, are required to be got completed, in advance.

The relevant extract of clause 14 (a) and 15 are reproduced below for ready reference.

#### **Clause 14 (a)**

xxxxxxx Within 21 days of date of issue of the letter of Acceptance, the successful bidder shall furnish to the HSRDC, security deposit in the form of Bank Guarantee as per guidelines pledged in favour of Managing Director, HSRDC xxxxxxxx

#### **Clause 15)**

xxxxxxx Entrepreneur/bidder shall be required to deposit first installment (and 2nd installment also, if applicable as per Note given below) in advance of Rs \_\_\_\_\_ only along with T C S @2% or as applicable from time to time through Bank Draft in favour of Managing Director, Haryana State Roads & Bridges Development Corporation Ltd payable at Panchkula within 21 days from the date of issue of Letter of Acceptance xxxxxxxx

The contractor submitted the performance security in the shape of B G on 28.06.2010. To save the time, Manager OBC Gohana was requested vide this office memo dated 29.06.2010 to confirm / verify the authenticity and validity of B G. This reference was sent through special messenger and the same was got verified on 30.06.2010 even before submission of 1st installment and stamp duty of required amount as per requirement of bid document under Clause-15.

The 1st advance monthly installment of July 2010 was furnished along with amount of stamp duty on 01.07.2010 though he

was entitled to deposit the first monthly installment up to 06 07 2010 i.e. within 21 days from the date of issue of LOA

The letter of authorization was issued to H-I on 01 07 2010 itself for collection of toll w.e.f. 01 07 2010 at 24 00 hours or 02 07 2010 at 0 00 hours to 30 06 2011 at 24 00 hours

In the mean time, EE, PD, Panipat was also directed to carry out toll collection departmentally from 01 07 2010 at 0 00 hours and he collected the toll for one day to the tune of Rs 4,89,4 and deposited the amount of collection of toll on 02 07 2010 in the accounts of HSRDC. As such, there is no loss for collection of toll for even a day

Later on, the contractor made a representation dated 10 01 2011 that as per clause no. 14 of bid document, the period of toll is to be so adjusted that the toll collection ends at the end of quarter i.e. 31st March, 30th June, 30th September and 31st December of the calendar year. His request was examined and advice of Legal Advisor of HSRDC was taken. The Legal Advisor, HSRDC advised that the time period for collection of toll may be corrected to 30 9 2011 as per bid document and as per Article-14 of the Constitution of India. Accordingly, the period of collection of toll was modified. In fact, this is not extension of time but this is correction of time period for collection of toll strictly as per terms of bid document which is binding upon both HSRDC & Entrepreneur and violation of the same would have amounted to breach of contract.

New contract from 1st October 2011 to September 30, 2012 had been granted to Sh. Abhishek for Rs. 861.55 Lacs. This period includes collection of Toll at revised rates from 01 04 2012 to 30 09 2012 as per Govt. Notification dated 12 10 2011.

It is worth mentioning here that the revised rates for collection of toll were effective w.e.f. 01 04 2012. There was an increase of 33% in toll rates per trip. This increase was effective for six months in this tender which if averaged for one year, the net increase would be 16.5%.

Therefore, increase in toll tender quoted by Sh. Abhishek for the period 01 10 2011 to 30 09 2012 was inclusive of this increase of 16.5% on account of increase in toll rates.

The contract / bid has been finalized on 01 07 2010 though the agency was entitled to get it finalized upto 06 07 2010. Thus, it is not correct to say that it was only one day delay due to which the agency could get extension of three months.

Moreover, in case of toll collection we are never sure that the rate for the next year would always be more than the current year. In

many cases we have received lesser rates in tenders for the subsequent year which has been highlighted in the following table -

TP No	From	To	Agency	Contract amount	Remarks
TP-3	02 09 2009	30 09 2010	M/s Bharat Enterprises	Rs 5,51,00,000/-	Rs (-)87,45,000/-
	09 04 2011	31 03 2012	M/s Jai Singh & Co	Rs 4,63,55,000/-	
TP-6	09 06 2010	30 06 2011	M/s S S Multiservices	Rs 51,10,592/-	Rs (-)9,10,592/-
	02 09 2011	30 09 2012	M/s S S Multiservices	Rs 42,00,000/-	
TP-13	14 05 2008	30 09 2010	M/s Jai Singh & Co	Rs 7,88,00,000/-	Rs (-)99,99,999/-
	02 07 2010	30 09 2011	Sh Narinder Kumar	Rs 6,88,00,001/-	
TP-26	25 09 2009	30 09 2010	Sh Krishanpal	Rs 1,17,07,777/-	Rs (-)24,07,777/-
	01 02 2011	31 03 2012	Sh Yograj Malik	Rs 93,00,000/-	

In view of above, it can well be concluded that neither there is any delay in finalization of contract / bids as the same has been completed on 01 07 2010 nor there is any loss in anyway to State Revenue

During the course of oral examination the Departmental representatives admitted that there were lapses on behalf of some officers/officials and it was informed that an inquiry against the erring officers/officials has already been ordered and report of this inquiry is awaited. The Committee desired that the outcome of the report and final action taken in this regard may be intimated to the Committee.

**16 4.9 Loss of revenue: The company suffered loss of revenue Rs.78 Lakh due to delayed issue of letter of allotment.**

The company invited (2 July 2010) online tenders for collection of toll tax on Firozpur-Jhirka - Biwan road for a period of one year. The last date for submission of bids was 27 July 2010 with validity of 90 days from the bid closing date i.e. up to 24 October 2010. The earnest money was to be deposited by the bidders by 5 August 2010.

Tender Allotment Committee (TAC) 'its meeting held on 3 November 2010, after evaluation of bids, decided to accept the bid of highest bidder M/s R K Construction Company (Contractor) Meerut of Rs 5.09 crore per annum.

The Company issued 'Letter of Acceptance (LOA) to the contractor on 3 November 2010 and asked it to deposit security for due performance of contract agreement to be executed by 24 November 2010. The Contractor, however, did not accept (5 November 2010) LOA reasoning that the validity of

bid had already expired (24 October 2010) and requested for refund of earnest money. The contractor filed a petition (16 November 2010) in the Punjab and Haryana High Court for quashing LOA. The Court awarded (8 April 2011) and gave an option to the Contractor to operate the tender from 1 May 2011 to 31 March 2012 on the same terms and conditions as contained in tender of 2 July 2010. Both the parties agreeing with the same, the Company awarded the contract for toll collection from May 2011 to March 2012. In the meantime toll collection was done departmentally from 25 October 2010 to 30 April 2011.

We observed (December 2011) that Clause 9 of the Tender and Clause 7 of Section 2 of Instructions to the bidders stipulated that validity of the bid was upto 24 October 2010 i.e. 90 days from the bid closing date (27 July 2010), the Company considered the validity of bid up to 3 November 2010 i.e. 90 days from the date of deposit of earnest money citing ambiguity in reckoning or 90 days from the bid closing date or date of deposit of earnest money. However the Company did not issue LOA to the contractor in time which resulted in unnecessary litigation and suffered loss of revenue of Rs 78 Lacs by not being able to collect the toll through director and instead doing departmentally.

During exit conference (November 2012) the Additional Chief Secretary PWD (B&R) department, Government of Haryana and MD of the Company stated that, in practice, period of 90 days was reckoned from the date of submission of earnest money in the interest of the organization. Reply was not convincing since the parties were bound by the conditions of the bid documents and as the Court had given an option to the contractor to operate the tender with mutual consent, the decision was in favour of the contractor and not only in favour of the Company.

**The department in its reply stated as under:-**

TP-37 (Ferozpur Zhirkhia Biwan Road) were invited in June 2010 to be received on 05/08/2010 in advance to expedite the process of tendering and to avoid collection of toll departmentally. However, notification to levy toll on this road was issued by Govt. on 04/10/2010 only. As such, the action for inviting bids for this toll plaza was taken well in advance i.e. 4 months earlier to the issue of notification.

Regarding finalizing the bids and issue of LOA to the contractor well before the expiry of offer / bid, the details are as under -

- 1 Financial bids were opened on 06/08/2010
- 2 The notification dt 04/10/2010 declaring the road as toll road was received on 12/10/2010
- 3 Although, the tender was to be allotted only after 04/10/2010 but to save time, advance tender was invited and TAC considered the tender on 28/09/2010 so as to allot the tender immediately on receipt of notification. The TAC, observed



that amount quoted by H-I is less than projected toll collection based on traffic census conveyed by SE, Rewari. TAC further observed that toll is to be collected at two points on this road & the road user who shall pay the toll tax at one point would be exempted from the toll on 2nd toll point & thus TAC decided to consider the tender case after observing departmental toll collection for a reasonable period so as to have exact data of traffic paying toll on these 2 No toll points

- 4 Accordingly, departmental toll collection was started on 12 10 2010 and TAC considered the tender case on 24 10 2010 again. TAC observed that there was a wide gap between traffic census conducted earlier during 27 08 2010 to 03 09 2010 and the toll collection for the period 12 10 2010 to 18 10 2010 (departmentally). In order to sort out this gap, it was considered that fresh traffic census should be carried out so as to understand the difference between the toll collection and traffic, census. It was also decided that the traffic census be carried out with registration number of the vehicle along with kind of vehicle taking slot of half hour rather than usual slot of two hours so as to arrive at the amount of actual toll collection.
- 5 To make compliance of observations of TAC, the committee of four officers was constituted on 28 10 2010 for conducting traffic census and committee submitted the report on 02 11 2010. The tender case was considered and approved by the TAC on 03 11 2010. The tender case was considered and approved by the TAC on 03 11 2010 i.e. on the same day and also well within bid validity.

From the sequences of events mentioned above, it can be seen that TAC made earnest efforts to arrive at fair conclusion for which it had to sit thrice and survey was got conducted twice by deputing a team of officers.

Regarding the date of receiving of the bid, validity period of 90 days, it is submitted that it has clearly been mentioned in the tender notice that if the earnest money is found proper, the envelop 'TI' - Technical Bid Envelop containing Technical Bid shall be opened. Thus, it is clear that no tender shall be entertained if the earnest money is not deposited by the tenderer. Since, the tender is not considered 'without the deposit of EMD', the process of submission of tender cannot be considered as completed before the date of submission of EMD. In the tender Notice it has also been made clear that the bids would be required to be valid for 90 days from the date of bid closing i.e. from last date of manual submission of 'Technical' documents and EMD. Accordingly, the

date of reckoning of validity of 90 days would be the date of submission of EMD which in the instant case was 05 08 2010 and not the date of Hash Submission. Accordingly, HSRDC had very correctly issued the LOA well within the bid validity period. The above submission is corroborated by the fact that M/s R K Construction Company filed the writ petition and tried to mislead Hon'ble Court that the bid was valid for 90 days to be taken from the date of hash submission i.e. 27 7 2010 and the Hon'ble Court did not accept the pleadings / stand taken by the contractor.

The Hon'ble Court did not agree to the plea of the petitioner but put a query to HSRDC as to whether the tenderer/contractor can be granted the contract for collection of toll for the period from 1 5 2011 to 30 4 2012 on the terms and condition of the tender documents / letter of acceptance.

The matter was considered by the Govt. and it was observed that the departmental collection is much less and recalling of tender may not attract rate more than the present rate of the entrepreneur. So it was decided to convey to the Hon'ble Court that Corporation would have no objection in allowing the entrepreneur to collect toll but limited to the period ending 31 03 2012 because the rates of toll were to be revised with effect from 01 04 2012. On the basis Hon'ble High Court decided the case on 08 04 2011 and the contract was awarded to M/s R K Construction Co. on 11 04 2011, keeping in view the following facts:

- (i) It was 48.78% above the departmental collection.
- (ii) It was 42.14% above the traffic census conducted by a committee for the period from 30 10 2010 to 01 11 2010.

From the above submissions, in fact it emerges that the entrepreneur were not interested in collecting toll at the rates quoted by them and were just trying to back out on flimsy grounds.

As per directions issued by Hon'ble Punjab and Haryana High Court on 08 04 2011 and as committed by Corporation in the Hon'ble Court on 08 04 2011, Letter of Acceptance for the period from 01 05 2011 to 31 03 2012 was issued to M/s R K Construction Co. on 11 04 2011 at the same terms and conditions and rates quoted by them in the instant tender.

The contractor also prayed for stay of operation of letter of acceptance dated 03 11 2011 but the stay was not granted to the entrepreneur M/s R K Construction Co. by Hon'ble Court.

The above submissions clearly indicate that the Hon'ble High Court did not accept the plea / petition of the petitioner and was of the clear understanding that the entrepreneur under the given

circumstances was supposed to operate the toll plaza at the terms and conditions of the bid document and at the same rate as quoted by the entrepreneur in the tender and the entrepreneur cannot escape from the same on these flimsy grounds. Accordingly, the Hon'ble Court put a query to HSRDC as to whether the tenderer / contractor can be granted the contract for collection of toll for the period from 01 05 2011 to 30 04 2012 on the terms and conditions of tender document / Letter of Acceptance issued on 03 11 2010

The decision of Hon 'ble High Court was clearly in favour of the company since the entrepreneur finally had to operate the toll-plaza at the same terms and conditions and rates as quoted by him. The request of the agency to Quash the LOA issued on 03 11 2010 was clearly rejected

The Corporation issued the LOA immediately after issue of notification of this road as toll road and thereafter, the toll had to be run departmentally since the case was sub-judice and was under trial in Hon'ble High Court. However not even a single day was wasted in collection of toll. Thereafter, as per judgment of Hon'ble High Court the toll point was handed over on the same date i.e. 01 05 2011 as was ordered / decided by Hon'ble High Court

As such in view of above submission there is neither any delay in allotment of bid of TP-37 nor any loss to the State Exchequer on this account. Hence this para may be dropped

**During the course of oral examination of the Departmental representatives It was Informed that an inquiry to go into the irregularities committed has been ordered against the erring officers. The Committee desired that the Inquiry may be expedited and the report thereof be submitted within a period of three months.**

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**Details of Pending Recommendations of the Committee till the  
finalization of this report**

Sr. No.	Board/Corporation No.	Report No.	Recommendation	No. of Recommendation
1	2	3	4	5
1	HVPNL/HPGCL/UHBVNL/ DHBVNL	29th	20	1
		35th	23	1
		38th	21	1
		43rd	29	1
		48th	20,43	2
		52nd	7,8,10,11 HVPNL	4
			12 UHBVNL	1
		53rd	1 HPGCL	1
			42 UHBVNL	1
			44 DHBVNL	1
		55th	7 UHBVNL& DHBVNL	1
		56th	3 UHBVNL	1
		57th	5 DHBVNL	1
			6 UHBVNL& DHBVNL	1
		58th	1,2 & 8 DHBVNL	3
		60th	2-3	2
		61st	1-4 UHBVNL& DHBVNL	4
Total				27
2	Haryana State Industrial and Infrastructure Development Corporation	52nd	15	1
		53rd	16,17,20,23	4
		57th	1,4	2
		58th	4	1
		60th	8	1
Total				9

1	2	3	4	5
3.	Haryana Financial Corporation	22nd	72	1
		49th	2,3,4,5,6	5
		50th	4,23	2
		52nd	18	1
		56th	5,6	2
		57th	9-10	2
<b>Total</b>				<b>13</b>
4	Haryana Agro Industries Corporation	16th	6 29	1
		23rd	14-16	3
		38th	8	1
		48th	27-33	7
		52nd	17,20,21	3
		53rd	29-36	8
		56th	2	1
		57th	7	1
		58th	6,7	2
		59th	8-16	9
<b>Total</b>				<b>36</b>
5	Haryana Land Reclamation & Development Corporation	53rd	39	1
<b>Total</b>				<b>1</b>
6	Haryana Warehousing Corporation	49th	13	1
		50th	11-19	9
		52nd	19	1
		53rd	28,47	2
		55th	8-13	6
		60th	7	1
<b>Total</b>				<b>20</b>

1	2	3	4	5
7	Haryana Seeds Development Corporation	49th 53rd	9 3,4	1 2
<b>Total</b>				<b>3</b>
8	Haryana Tourism Corporation Limited	48th 53rd 58th 59th	11 24-27 5 4,5	1 4 1 2
<b>Total</b>				<b>8</b>
9	Haryana Forest Development Corporation	58th	3	1
<b>Total</b>				<b>1</b>
10	Haryana SC Finance & Development Corporation Limited	60th	6	1
<b>Total</b>				<b>1</b>
11.	Haryana Roads & Bridges Development Corporation Limited	55th 57th 60th 61st	14 8 4 5-12	1 1 1 8
<b>Total</b>				<b>11</b>
12.	Haryana Police Housing Corporation Limited	60th	5	1
<b>Total</b>				<b>1</b>
13.	Haryana Roadways Engineering Corporation Limited	60th	10	1
<b>Total</b>				<b>1</b>
<b>Grand Total 1-13</b>				<b>132</b>

Sr. No.	Board/Corporation No.	Report No.	Recommendation	No. of Recommendation
<b>Outstanding Recommendation in respect of Non-Working Companies.</b>				
1.	Haryana State Small Minor Irrigation & Tubewells Corporation	42nd	27	1
		515h	5,6	2
<b>Total</b>				<b>3</b>
2.	Haryana State Small Industries Export Corporation	19th	11 (General)	1
		43rd	3,4,7	3
		51st	8	1
<b>Total</b>				<b>5</b>
3	Haryana Mineral Limited	41st	18	1
		45th	1-14 (General)	14
		48th	23,24,41	3
<b>Total</b>				<b>18</b>
<b>Grand Total 1-3</b>				<b>26</b>

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