

## Chapter V

### 5 Non-Power Sector- Transactions Audit Observations

Significant audit findings emerging from test check of transactions of State Government Companies and Statutory Corporation of the non-power sector are included in this Chapter.

#### **Haryana State Industrial and Infrastructure Development Corporation Limited**

##### *5.1 Non-collection of toll departmentally*

**The Company did not collect toll departmentally till the award of toll collection contract resulting in non-collection of revenue of ₹ 5.15 crore.**

Haryana State Industrial and Infrastructure Development Corporation Limited (Company) was declared (September 2004) as the executing agency by the State Government for the development of 135.65 km long Kundli-Manesar-Palwal (KMP) Expressway. The Company allotted (January 2006) the work of development of above expressway to the Concessionaire for a period of 23 years 9 months including three years construction period with commercial operation date as 29 July 2009. However, the concessionaire defaulted in adhering to the timelines and the project was not completed even by 2014.

The execution performance of the concessionaire was monitored by the Hon'ble Supreme Court of India. The Court directed (January 2015) the Government of Haryana (GoH) to terminate the contract and substitute the project execution agency for completing the balance incomplete work.

The Company awarded (28 March 2015) the contract for 52.33 km long Manesar – Palwal section of KMP Expressway at a cost of ₹ 401.50 crore with scheduled date of completion as January 2016 which was later extended up to March 2016. The State Government approved (29 December 2015) the collection of toll on this stretch up to March 2033. The Managing Director (MD) of the Company while approving (8 February 2016) the proposal for inviting tenders to appoint a toll collection agency directed that the Company should devise means of collecting toll charges if the road gets completed before the engagement of collection agency. The work for this section of expressway was completed on 31 March 2016 and inaugurated on 5 April 2016. The Company carried out a traffic survey to assess volume count of vehicles to estimate toll revenue. The survey report (27 April 2016) estimated Annual Potential Collection of this section of road at ₹ 18.61 crore. The Company awarded (16 May 2016) the work for toll collection to the successful bidder for ₹ 35.01 crore for one year. The contract was operative from 15 July 2016.

Despite directions of the MD to devise means for collecting toll charges immediately after completion of the road, the Company took no action to collect toll charges during the intervening period from the date of inauguration (5 April

2016) of the road till start (15 July 2016) of collection of toll charges by the agency. This resulted in a loss of revenue of ₹ 5.15 crore.

The Management failed to provide reasons for this lapse. In the opinion of Audit, the Company may initiate necessary action for fixing responsibility for this inaction.

The matter was referred (February 2018) to the Government; their response was awaited (May 2019).

**5.2 Avoidable payment of interest due to delay in initiating the process for obtaining Government guarantee**

**The Company failed to initiate the process for obtaining Government guarantee for taking loan and in the process the Company had to make avoidable payment of interest of ₹ 1.27 crore.**

The Company had awarded the KMP Expressway project in July 2006. However, owing to non-completion of the project, the Supreme Court of India ordered (30 January 2015) the State Government to substitute the project execution agency and complete the project by March 2016. Accordingly, the Company in order to implement the decision of the Supreme Court, decided to develop the Manesar - Palwal section (52.33 km) separately as a six-lane access controlled highway. The Company awarded (28 March 2015) the work to a contractor and simultaneously applied (1 May 2015) to National Capital Region Planning Board (NCRPB) for a loan along with Detailed Project Report (DPR) having an estimated cost of ₹ 457.81 crore for completion of balance work of Manesar – Palwal section of the expressway. The guidelines and terms and conditions for obtaining financial assistance from NCRPB, *inter-alia*, provided that NCRPB would provide interest bearing loan up to 75 per cent of the estimated cost of the project against guarantee of the State Government. The Company submitted (23 June 2015) the documents to NCRPB and intimated that the case for providing security was under process.

The Project Sanctioning & Monitoring Group (PSMG) of NCRPB approved (19 January 2016) the loan of ₹ 343.35 crore and issued (9 February 2016) the sanction letter to the Company. The loan of ₹ 343.35 crore was to be drawn as per schedule<sup>1</sup> subject to Company providing guarantee from the State Government. The Company took up the matter of seeking Government guarantee on 30 March 2016 and submitted the complete case along with copy of the DPR to the State Government by 20 April 2016 to which the Finance Department gave (26 August 2016) its approval. The guarantee deed was signed on 29 September 2016 and the first installment of loan of ₹ 274.68 crore was drawn on 3 October 2016. The project was completed by March 2016 as per the deadline of the Supreme Court. The Company incurred an expenditure of ₹ 392.82 crore from May 2015 up to March 2016 on the project which were met by availing cash credit limits from banks bearing interest at rates ranging from 9.65 to 10.25 per cent per annum. These rates were higher than those charged by NCRPB (7.50 per cent).

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<sup>1</sup> ₹ 274.68 crore was to be drawn during 2015-16 and ₹ 68.67 crore during 2016-17.

Although the Company was aware that it needed State Government guarantee for the loan, yet it initiated the case with State Government on 30 March 2016 and sent the complete documents to the Government only on 20 April 2016 *i.e.*, after three months of approval of loan by NCRPB on 19 January 2016. It incurred expenditure by availing cash credit limits from banks carrying rates of interest higher than those of NCRPB loan. Thus, had the Company processed the case in time, the loan could have been drawn earlier and it could have avoided payment of additional interest of ₹ 1.27 crore<sup>2</sup> for three months.

The Management stated (June 2018) that there was no condition for providing State Government guarantee as per minutes of 53<sup>rd</sup> meeting of PSMG of NCRPB and efforts were made to execute the project besides following up the matter simultaneously with the State Government for release of the guarantee. The reply is not acceptable as the terms & conditions for financial assistance from NCRPB *inter-alia* provided that NCRPB would provide loan against the guarantee from the State Government. Thus, delay in initiating and pursuing the matter with the State Government resulted in avoidable interest payment of ₹ 1.27 crore.

The matter was referred (April 2018) to the Government, their replies were awaited (May 2019).

### 5.3 Loss due to deficient terms of contract

**The Company made idle payment of ₹ 59.32 lakh on hiring of machinery on unfavourable terms of contract.**

The Company invited (November 2016) tenders for hiring of mining machinery along with manpower for 180 days for excavation of stones from its mines at Khanak (Bhiwani). The tenderers were to submit their bids on basis of per hour availability of machine (8 hours per day). The work was awarded (29 November 2016) to the lowest bidder (Contractor) at ₹ 18,018 per hour up to 29 May 2017 and was extended (1 June 2017) up to July 2017 on the existing terms till finalisation of new tender.

While processing (March 2017) the claims of hiring charges preferred by the contractor for the period December 2016 to February 2017, the Company's attention was drawn to the fact that the contractor had also claimed payment for the weekly off days/ holidays and those periods when the mines had remained closed due to technical reasons. The contractor had reasoned that the machines were available at site on all days as per contractual terms. The Mining Department and Legal Division of the Company also concurred (26 April 2017) that the payments could not be deducted for weekly off/ other holidays since as per terms of the contract payments were linked to availability of machines and not their usage.

<sup>2</sup> ₹ 274.68 crore x 2.15 *per cent* (Rate of interest of availing cash credit limit - 9.65 *per cent* per annum minus Rate of interest of availing NCRPB Loan - 7.50 *per cent* per annum) for the period of 79 days from 1 February to 19 April 2016 after allowing 13 days for processing the case.

The Company had not utilised the mining machinery/ equipment hired for 40 days because of weekly off days during the period December 2016 to July 2017. Resultantly, it had to make payment of ₹ 59.32 lakh to the contractor for these 40 days without any excavation despite non usage of the machines. While drafting the terms of payment in the tender the Company should have been vigilant and should have safeguarded its financial interests.

Also, although the Company became aware (March 2017) of the fact that it had to make payment for those days when the hired machinery was not put to use as per contractual terms, yet it renewed the contract (1 June 2017) for a further period of two months up to July 2017 on the existing terms and without rectifying the payment clause by linking payment to usage of machines instead of their availability. Thus, the Company failed to secure its financial interests.

The Government did not give specific reply (July 2018) to the audit observations.

#### Haryana Police Housing Corporation Limited

#### 5.4 Irregular reimbursement of Service Tax

**The Company irregularly reimbursed service tax to contractors and further delayed in lodging refund claim for the same with tax authorities resulting in non-refund of ₹ 3.67 crore.**

The Haryana Police Housing Corporation Limited (Company) carries out the construction and maintenance of residential/ non-residential buildings for Police and Jail Department besides undertaking the deposit works of other departments. Prior to 1 April 2015, construction activities were exempted from Service Tax. The position of Service Tax payable and reimbursed to the contractors by the Company during 2015-17 is tabulated below:

**Table 5.1: Service Tax payable and reimbursed to the contractors**

(₹ in crore)				
Period	Tax Provision	Particulars	Service Tax payable	Service Tax reimbursed to contractor by the Company
1 April 2015 to 29 February 2016	Taxable (Notification No. 06/2015-Service Tax dated 1 March 2015) under partial reverse charge in which both service provider and service recipient were to deposit tax equally (50 per cent by Company and 50 per cent by contractor) (Notification No. 30/2012-Service Tax dated 30 June 2012).	The Company asked (August 2015) the contractors to deposit full Service Tax and get the same reimbursed from the Company.	3.67 (1.835 by contractor and 1.835 by the Company)	3.67



Period	Tax Provision	Particulars	Service Tax payable	Service Tax reimbursed to contractor by the Company
1 March 2016 to 31 March 2017	Exempted (Notification No. 09/2016-Service Tax dated 1 March 2016).  Section 102 under Chapter V of Service Tax Act, 1994 as amended by Finance Act, 2016 provided for refund of service tax for the period 1 April 2015 to 29 February 2016 and claim to be lodged within prescribed time limit by 14 November 2016.	The Company reimbursed Service Tax of ₹ 1.02 crore during March to June 2016 to the contractors which was already exempted from 1 March 2016. The Company lodged (March 2017) a claim for refund of ₹ 4.69 crore <sup>3</sup> after a delay of four months from prescribed last date of filing claims. The Company has no claim over ₹ 1.02 crore refunded after exemption notification.	Nil	1.02 (March 2016 to June 2016)
<b>Total</b>			<b>3.67</b>	<b>4.69</b>

Analysis of the facts tabulated above, indicate the following lapses on the part of the Company:

- The Company was registered under Service Tax (January 2013) and was liable to pay service tax from April 2015 under partial reverse charge, 50 *per cent* directly to the tax authority and 50 *per cent* through contractor. However, the Company asked the contractors to deposit 100 *per cent* Service Tax and reimbursed the entire amount (₹ 3.67 crore) to the contractors.
- The Service Tax Act, 1994 as amended by Finance Act, 2016 provided for submission of claim for refund of service tax for the period 1 April 2015 to 29 February 2016 by 14 November 2016. However, the Company did not lodge the refund claim within prescribed time limit. Resultantly, Central Excise & Service Tax Division, Panchkula issued notice (May 2017) to the Company to show cause as to why the claim should not be rejected since (i) the claim had become time barred, (ii) the Company had not provided certificates from contractor that they would not claim refund, (iii) the Company did not claim refund with proper documents to clarify whether the burden of service tax has been passed by the Company to the contractors.
- Although the Service Tax was exempted from 1 March 2016, the Company reimbursed service tax of ₹ 1.02 crore during March to June 2016 to the contractors.

<sup>3</sup> Including ₹ 1.02 crore reimbursed to the contractors for the period from 1 March to 30 June 2016 after the exemption notification.

The Company has not been able to comply with the directions in the show cause notice till now (May 2019) and no claim has been lodged with the Service Tax department. Further, the Company due to lackadaisical approach had in all likelihood, lost the opportunity to recover ₹ 3.67 crore by not filing the refund claims, within prescribed time limit. It was also seen that although 10 of the 19 contractors to whom the service tax had been reimbursed were still working with the Company, the Company has not recovered any amount from subsequent bills.

The Government stated (August 2018) that the financial benefit on above account had not gone to any private party as the funds had been deposited in the Consolidated Fund of India. The reply is not acceptable as ₹ 2.86 crore has been reimbursed to the contractor by the Company. Out of this ₹ 1.835 crore was the liability of the contractor for the period 1 April 2015 to 29 February 2016 and refund claim for this amount should have been made by the contractor with the tax authorities. The Company being a separate body corporate should have secured its own financial interests and should have lodged claims for refund of Service Tax with the tax authorities in time and with proper documents. It is recommended that the Company may fix the responsibility of its officials who are responsible for such lapses and should pursue with the tax authority for getting the refund.

#### **Haryana Agro Industries Corporation Limited**

##### **5.5 Avoidable payment of interest on short term loans**

**The Company delayed claiming driage charges from FCI and had to bear avoidable interest liability of ₹ 3.29 crore.**

The State Government procures paddy on behalf of Food Corporation of India (FCI) for central pool through its procuring agencies including Haryana Agro Industries Corporation Limited (Company). The Company procures paddy every year from the farmers by availing Short Term Loans (STLs) from banks. The paddy is moved directly from *mandis* to the millers' premises for milling and the resultant rice, called Custom Milled Rice (CMR) is delivered to FCI. For each Kharif Marketing Season (KMS), Government of India (GoI) intimates the provisional rates of CMR, which also includes *Mandi* labour charges, driage charges<sup>4</sup> *etc.* to be claimed at the time of delivery of CMR to FCI.

The Company procured 15.65 lakh Metric Tonne (MT) paddy by availing STLs at interest rates ranging from 8.40 to 10.25 *per cent* per annum during 2014-15 to 2017-18. Since the Company pays interest on STLs for undertaking procurement activities, it is in its financial interest to claim reimbursement on time so as to minimise its borrowings and interest liability.

Audit observed that during KMS 2014-15 to 2016-17, four<sup>5</sup> Farmer Service Centres (FSCs) had not claimed driage charges along with sales bills at the time

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<sup>4</sup> Reduction in weight due to loss of moisture during the process of procurement of paddy to its ultimate milling is termed as driage.

<sup>5</sup> Kurukshetra, Karnal, Fatehabad and Ambala.

of delivery of CMR to FCI. All the four FSCs (except FSC Kurukshetra for KMS 2016-17) claimed driage with delays ranging between 777 to 1337 days and received the payment from FCI through consolidated supplementary bills. The FSC wise delay<sup>6</sup> in submission of claims of driage charges and interest thereon up to 31 March 2018 is shown in the table below:

**Table 5.2: Delay in submission of claims of driage charges**

(₹ in lakh)				
Name of FSC	No. of bills	Delay range (in days)	Amount of driage claims	Interest burden <sup>7</sup>
Kurukshetra	1,184	113 to 1337	490.32	101.77
Karnal	794	247 to 1321	352.01	69.87
Fatehabad	1,358	186 to 1231	456.70	74.11
Ambala	1,164	175 to 1287	363.21	83.03
<b>Total</b>	<b>4,500</b>		<b>1,662.24</b>	<b>328.78</b>

Out of ₹ 16.62 crore of delayed driage claims, ₹ 9.40 crore was claimed with delays exceeding 500 days which contributed ₹ 2.50 crore (March 2018) to the total interest burden of ₹ 3.29 crore. There was nothing on record to justify the delays in raising the claims. Non-claiming of driage charges while lodging sales bills with FCI still continues (November 2018).

Thus, non-claiming of driage charges from FCI along with sales bills of CMR led to avoidable burden of interest of ₹ 3.29 crore to the Company. The Company may undertake checks in its other centres to investigate cases where claims for driage have been raised with delay or have not yet been raised on FCI. The Company may put in place an institutional mechanism to avoid such recurrence of delays.

The Management reply (August 2018) did not address the audit observations. The matter was referred (May 2018) to the Government; their replies were awaited (May 2019).

#### **Haryana Agro Industries Corporation Limited and Haryana State Warehousing Corporation**

##### **5.6 Delayed/ non-claiming of value cut imposed by FCI**

**HAIC and HSWC suffered avoidable interest liability of ₹ 2.39 crore due to delayed/ non-submission of claims of differential rates of reimbursement from FCI.**

The Haryana Agro Industries Corporation Limited (HAIC) and Haryana State Warehousing Corporation (HSWC) procure food grains for central pool at Minimum Support Price (MSP) fixed by GoI every year and deliver it to FCI.

<sup>6</sup> Delay has been calculated from the date of receipt of payment for sales bills of CMR to date of receipt of payment of supplementary bills of driage charges or 31 March 2018 where payment has not been received.

<sup>7</sup> Calculated at the average simple interest rate of 9.73 per cent per annum on STLs availed by the Company during 2014-17.

The procurement operations are financed by availing STLs and cash credit from banks.

The State Government approached (March 2015) GoI, seeking relaxation in uniform specifications<sup>8</sup> of wheat to be procured since the wheat crop sustained damages on account of unseasonal rainfall during Rabi Marketing Season (RMS) 2015-16. The GoI agreed to the proposal (April 2015) but with a value cut<sup>9</sup>. The GoI further intimated (19 June 2015) that the amount of value cut, which were hitherto being borne by the State Government/ Food procuring agencies would be reimbursed by FCI to the State Government/ Food procuring agencies at the end of procurement operations of RMS on submission of supporting documents (*viz.* Form I and J). The Food and Supply Department, GoH circulated these directions of GoI on 7 August 2015 to the HAIC and HSWC, who in turn circulated them to their field offices on 21 August 2015 and 10 September 2015 respectively.

Audit observed (September and November 2017) that HAIC and HSWC paid MSP to the farmers for their wheat but the FCI, while reimbursing the same, made deductions from the bills for the value cut (lustre loss, shrivelled and broken grains) up to June 2015. Thereafter, field offices submitted bills to FCI after deducting the value cut from July 2015 onwards. Since HAIC and HSWC carry out procurements with borrowed funds, it was in their financial interest to raise their claims on differential bills on FCI on time so as to reduce the need to borrow interest bearing funds.

Test check of records in Audit revealed that:

a) At seven<sup>10</sup> Farmer Services Centres (FSCs) of HAIC, two FSCs *viz.* Hisar and Karnal claimed the differential bills of ₹ 1.72 crore of value cut from FCI, with delay<sup>11</sup> ranging between 450 to 595 days and 610 to 814 days respectively resulting in additional interest liability of ₹ 27.67<sup>12</sup> lakh. In respect of other five FSCs<sup>13</sup>, the differential bills of ₹ 4.45 crore were not submitted (as of March 2018) due to non-availability of supporting documents *i.e.*, 'I' and 'J' forms. This delay of 730 to 964 days in submission of bills up to March 2018 had resulted in additional avoidable interest liability of ₹ 1.02 crore.

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<sup>8</sup> Regarding percentage of lustre loss, shriveled and broken grains.

<sup>9</sup> Value cut is the reduction in the price of below uniform specifications grain paid by FCI to the procurement agencies wherein the growers are paid the full Minimum Support Price but the procuring agencies are reimbursed a lesser amount depending on the parameters which are below par. The value cut during RMS 2015-16 ranged between ₹ 3.63 to ₹ 10.89 per quintal.

<sup>10</sup> Jind, Hisar, Karnal, Kurukshetra, Sirsa, Kaithal and Fatehabad.

<sup>11</sup> GoI directions dated 19 June 2015 was circulated by Food and Supply department, GoH on 7 August 2015. Delay has been calculated after allowing 30 days beyond 7 August 2015 for bills raised up to this date. For bills raised after 7 August 2015, the delay has been worked out on actual days of delay.

<sup>12</sup> Calculated at the simple average interest rate of 9.15 *per cent* per annum on STLs of the Company during 2015-18.

<sup>13</sup> Jind, Kurukshetra, Sirsa, Kaithal and Fatehabad.

b) At five<sup>14</sup> District Managers (DMs) offices of HSWC, four DMs (Sirsa, Panipat, Rohtak and Kaithal) had raised the differential bills of ₹ 6.45 crore with delay ranging from 166 to 905 days, resulting in additional interest liability of ₹ 75.60<sup>15</sup> lakh. In case of DM Fatehabad, delays ranged from 761 to 936 days due to which the Corporation suffered additional interest liability of ₹ 33.80 lakh up to March 2018 on differential bills of ₹ 1.53 crore.

Thus, due to delayed/ non-submission of differential bills on FCI for value cut, HAIC and HSWC suffered avoidable interest liability of ₹ 2.39 crore.

In respect of HSWC, the Government stated (November 2018) that it becomes difficult to complete the required formalities like obtaining signature of *Arthias* and farmers on I and J forms respectively on time. The reply is not tenable as the procuring agencies are required to maintain the procurement information in form I and J at the time of procurement itself.

It is recommended that HAIC and HSWC may undertake similar exercise in their other centres to assess cases where bills for differential claims have not been raised or have been raised with delay on FCI. The Company/ Corporation should fix timeline for its field offices for raising claims to avoid such recurrence.

The matter was referred (April 2018) to the Government and the Company and Corporation; their replies were awaited (May 2019).

#### **Haryana State Roads and Bridges Development Corporation Limited**

##### **5.7 Wasteful expenditure**

**Due to faulty planning, work of construction of a link road had to be abandoned after incurring an expenditure of ₹ 2.06 crore.**

As per Indian Railways Permanent Way Manual (IRPWM), no new Level Crossing is to be provided on National Highways/ State Highways or their bypasses and important city roads and only grade separator (Road Over Bridge (ROB)/ Road Under Bridge) is to be provided.

The State Government accorded (November 2008) approval for four laning of various roads and construction of new roads in Rewari district, which, *inter-alia*, included construction of a five km new link road from Rewari Jhajjar road to Rewari Narnaul road. The new link road was to be constructed in order to decongest Rewari city. The Company awarded (30 January 2009) these works at a cost of ₹ 98.04 crore. Land measuring 55.66 acres for ₹ 15.54 crore was also acquired (March 2009) for the link road. As there were three railway lines crossing this road, the Company requested (16 November 2008) the Railways for providing level crossings. However, the same was declined (August 2009) as per the rule quoted above. The matter was again pursued (January 2011 to

<sup>14</sup> Panipat, Kaithal, Fatehabad, Sirsa and Rohtak.

<sup>15</sup> Calculated at the simple average interest rate of 9.12 *per cent* per annum on STLs and cash credit limits of the Corporation during the period 2015-18.



December 2011) but the Railway authorities reiterated their refusal (January 2012) and requested the Company to process the case for constructing ROB. By this time, the Company had already incurred an expenditure of ₹ 2.06 crore for laying Granular sub-base, Water bound Macadam and Wet Mix Macadam (*kutch*a work without laying bituminous surfacing) on the road. Thereafter the work was kept in abeyance and in March 2014 it was decided to drop the work. Except the link road, all other road works were completed in August 2013. Since the land had already been acquired for the link road, it was again proposed (April 2015) to revive the work with provision of construction of three ROB, which was approved (May 2015) by the State Government. Thereafter, tenders were invited (December 2017) and the work was awarded (January 2018) with the provision of three ROB.

The work for construction of new link road was planned with provision for three level crossings instead of road over bridges despite the fact that this was in contravention of IRPWM. The condition of *kutch*a work executed earlier for the link road for which expenditure of ₹ 2.06 crore was incurred had deteriorated with the passage of time and was thus rendered wasteful. The Company did not claim any credit for the work done earlier in the newly awarded work. Besides, the objective of the link road which was to decongest Rewari city remained unachieved for long.

The matter was referred (June 2018) to the Government and the Company; their replies were awaited (May 2019).

#### 5.8 Loss due to non-compliance of safety measures

<b>Due to non-compliance of safety measures as per the guidelines of Ministry of Road Transport &amp; Highways, Government of India, the Company suffered a loss of ₹ 2.05 crore.</b>
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Ministry of Road Transport & Highways (MoRT&H), GoI issued guidelines (January 2013) for restricting load on various roads and bridges and required that bridge building authorities should display the details of the bridge and its load bearing capacity.

The Company got constructed (April 2016) a steel bridge on Bhalaut Sub branch canal in Sonapat at a cost of ₹ 2.01 crore, having load carrying capacity of 100 MT. However, information regarding the load bearing capacity of the bridge was not displayed near the bridge by the contractor nor the Company. In May 2016, a multi-axle extra-long vehicle carrying heavy load in excess of the capacity of the bridge, passed through it and damaged the bridge completely. The Company had to construct a diversion road at a cost of ₹ 26.56 lakh for smooth flow of traffic. The Company constituted (June 2016) a Committee for suggesting ways and means to avoid such failures in future. The Committee observed that the transporter was at fault as the approved route was not followed and suggested (July 2016) that the bridge should have bridge information display on both sides giving details of the design load and vertical clearance and heavy duty height gauge should be installed on both sides of the bridge to prevent over dimensioned vehicles from plying on the bridge. Since the steel bridge was damaged completely, the Company dismantled it at a cost of

₹ 5.49 lakh and sold it as scrap for ₹ 28.19 lakh. The Company has now constructed (June 2018) a new reinforced cement concrete bridge at a cost of ₹ 1.20 crore.

Thus due to non-compliance of safety measures as per the guidelines of MoRT&H, GoI, the Company suffered loss of ₹ 2.05 crore<sup>16</sup>. The Company stated (January 2019) that no separate guidelines were issued to field offices as the same were available on the website of MoRT&H, GoI. Had the Company installed the vertical clearance barricade and displayed the bridge information, it could have avoided the entry of the vehicle.

The matter was referred (June 2018) to the Government; their reply was awaited (May 2019).

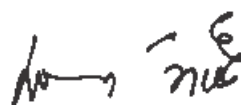


(PUNAM PANDEY)

Chandigarh  
Dated:

Principal Accountant General (Audit), Haryana

Countersigned



(RAJIV MEHRISHI)

New Delhi  
Dated:

Comptroller and Auditor General of India

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<sup>16</sup> ₹ 2.01 crore (cost of bridge) plus ₹ 0.27 crore (cost of diversion road) plus ₹ 0.05 crore (cost of dismantlement) minus ₹ 0.28 crore (proceeds from sale of damaged bridge as scrap).