

# **AGENDA**

**FOR**

**27<sup>th</sup> Meeting**

**OF**

**BOARD OF DIRECTORS**

**OF**

**HARYANA STATE ROADS & BRIDGES  
DEVELOPMENT CORPORATION LTD.**

**DAY : MONDAY  
DATE : 26.03.2007  
TIME : 3:00 P.M.**

**IN THE OFFICE OF FCPW, HARYANA, 7<sup>TH</sup> FLOOR  
HARYANA CIVIL SECRETARIAT,  
CHANDIGARH**

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## AGENDA ITEM NO. 27.01

### LEAVE OF ABSENCE

Leave of absence may be granted to the Directors who have shown their inability to attend the meeting.

Sr. No.	Name	Designation	Present Absent
1.	Sh. Dharam Vir, IAS	Chairman	
2.	Sh. N. Balabhaskar, IAS	Director	
3.	Sh. H.S.Chahal, E:-C	Director	
4.	Sh. B. S. Singla	Managing Director	

**AGENDA ITEM NO. 27.02**

**TO TAKE NOTE OF THE APPOINTMENT OF SH. N. BALABHASKAR, IAS, FINANCIAL COMMISSIONER & PRINCIPAL SECRETARY TO GOVERNMENT OF HARYANA, FINANCE DEPARTMENT AS DIRECTOR OF THE CORPORATION IN PLACE OF SH. BHASKAR CHATTERJEE, IAS (RETD.)**

As per provision of Clause 20 (b) of the Articles of Association of the Company, the Director including the Chairman and Managing Director shall be appointed by the Government and Government will determine the period for which Chairman, Managing Director and Directors are to hold their respective office.

Haryana Government has appointed Sh. N. Balabhaskar IAS, Financial Commissioner & Principal Secretary to Government of Haryana, Finance Department as Director of the Corporation in place of Sh. Bhaskar Chatterjee, IAS (Retd.)

The Board is requested to take note of the above appointment and resolve to approve the appointment of Sh. N. Balabhaskar, IAS, Financial Commissioner & Principal Secretary to Government of Haryana, Finance Department as Director of the Corporation in place of Sh. Bhaskar Chatterjee, IAS (Retd.).

**AGENDA ITEM NO. 27.03**

**TO TAKE NOTE OF THE APPOINTMENT OF SH. B.S.SINGLA, CHIEF ENGINEER AS MANAGING DIRECTOR OF THE CORPORATION IN PLACE OF SH. H.S. CHAHAL, E-I-C.**

As per provision of Clause 20 (b) of the Articles of Association of the Company, the Director including the Chairman and Managing Director shall be appointed by the Government and Government will determine the period for which Chairman, Managing Director and Directors are to hold their respective office.

Haryana Government has appointed Sh. B.S.Singla, Chief Engineer as Managing Director of the Corporation in place of Sh. H.S. Chahal, E-I-C w.e.f. 01.03.2007 vide order No. 443/2006-2 B & R (E) dated 01.03.2007

The Board is requested to take note of the above appointment and resolve to approve the appointment of Sh. B.S.Singla, Chief Engineer as Managing Director of the Corporation in place of Sh. H.S. Chahal, E-I-C.

Further, the Managing Director may be authorized to file all the documents with the Registrar of Companies, Regional Director, Company Law Board, Central Government or any other authority under the provisions of the Companies Act, 1956 and obtain Digital Signature Certificate for filing the said documents through e-filing.

**AGENDA ITEM NO. 27.04**

**TO TAKE NOTE OF THE CESSATION OF DIRECTORSHIP OF SH. R. R. SHEORAN CONSEQUENT UPON HIS RETIREMENT.**

It is brought to the notice of the Board that consequent upon the superannuation of Sh. R. R. Sheoran, E-I-C on 30.11.2006, he has been ceased to be the Director of the Corporation.

The Board is requested to take note of the same.

**AGNDA ITEM No. 27.05**

**TO CONFIRM THE MINUTES OF 26<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS.**

Minutes of the 26<sup>th</sup> meeting of the Board of Directors of the Corporation held on 24.10.2006 are enclosed. The Board is requested to confirm the same and pass the following resolution:-

**“RESOLVED THAT the minutes of the 26<sup>th</sup> meeting of the Board of Directors held on 24.10.2006 be and are hereby approved and confirmed.”**

**MINUTES OF 26<sup>TH</sup> MEETING OF BOARD OF DIRECTORS OF HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LIMITED HELD ON 24.10.2006 AT 11.30 A.M. IN THE OFFICE OF FINANCIAL COMMISSIONER & PRINCIPAL SECRETARY TO GOVT. HARYANA, P.W.D. (B & R) DEPARTMENT.**

**Present: -**

1. Sh. Dharam Vir, IAS (Chairman)  
Financial Commissioner & Principal Secretary to  
Govt. Haryana, Public Works (B& R) Department.
2. Sh. R. R. Sheoran (Director)  
Engineer-in-Chief,  
Haryana PWD B&R Branch, Chandigarh.
3. Sh. H. S. Chahal. (Managing Director)  
Chief Engineer. (HHUP)  
Haryana PWD B&R Branch, Chandigarh

**Special Invitee**

Sh. V. P. Goel Special Secretary (Finance)

The meeting was chaired by Sh. Dharam Vir, IAS, Financial Commissioner & Principal Secretary to Govt. Haryana, P.W.D. (B & R) Department.

**ITEM NO 26.01**

**LEAVE OF ABSENCE**

All the Directors were present.

**ITEM NO. 26.02**

**TO CONFIRM THE MINUTES OF 25<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS.**

Minutes of the 25<sup>th</sup> meeting of the Board of Directors of the Corporation held on 08.08.2006 as circulated to members of the Board were considered and confirmed. The Board passed the following resolution:

**“RESOLVED THAT the minutes of the last meeting of the Board of Directors held on 08.08.2006 as circulated to the members of the Board be and are hereby approved and confirmed.**



**ITEM NO. 26.03****FOLLOW UP ACTIONS ON THE DECISIONS TAKEN IN THE PREVIOUS MEETING OF BOARD OF DIRECTORS HELD ON 08.08.2006.**

The Board took note of the actions taken on the decisions of the meeting held on 08.08.2006.

**ITEM NO. 26.04****TO TAKE NOTE OF THE PROVISIONAL ACCOUNTS FOR THE PERIOD FROM 01.04.2006 TO 31.08.2006.**

The Board took note of the provisional financial results for the period from 01.04.2006 to 31.08.2006 and desired that items pertaining to loans and advances to be re-checked and Administrative Expenses of PMGSY be discussed in the next meeting in detail.

The Board desired to recast the provisional Balance Sheet as on 31.08.2006 and in future, to prepare the quarterly Balance Sheet and put up in each Board Meeting.

**ITEM NO. 26.05****TO CONSIDER AND APPROVE THE WITHDRAWAL OF LOAN INSTALLMENT OF Rs. 5.10 CRORES FROM HUDCO.**

The Board was informed that the Corporation has availed the following financial assistance from HUDCO for the implementation of the road networking under the various schemes, the details of which is given as under:

**Detail position of various loans taken from HUDCO**

Sr. No.	Name of Project	Loan amount drawn	Repayment made to HUDCO		Balance principal yet to be paid	Rate of interest charged by HUDCO
			Principal	Interest		
1.	2.	3.	4.	5.	6.	
1.	SH Phase I & II (16648)	173.35	99.40	66.73	73.95	43.45 @ 12.75% 35.46 @ 8.25%
2.	SH Phase III & IV (16977)	94.90	18.68	11.56	76.22	Flloating @ 25
3.	MDR ODR Phase I (16982)	82.87	22.44	21.60	60.43	19.78 @ 12.75% 42.49 @ 8.25%
4.	MDR ODR Phase II (17035)	111.50	25.96	27.19	85.54	25.24 @ 12.75% 15.38 @ 8.25% 49.28 @ 25%
Total		<b>462.62</b>	<b>166.48</b>	<b>127.08</b>	<b>296.14</b>	

In order to continue to avail the rebate of 0.25% p.a. on the loan obtained for State Highway Ph-III&IV (16977), the Board, after taking into consideration the analysis done by the Chartered Accountant, Mr V. Kaushik, approved the withdrawal of loan of Rs. 5.10 crores from HUDCO and authorized the Managing Director to do all acts, deeds and things for obtaining the said loan.

**ITEM NO. 26.06.**

**TO CONSIDER AND APPROVE THE ALLOTMENT OF TOLL TENDER FOR TOLL COLLECTION IN KM 11 NEAR BADSHAHPUR ON GURGAON-SOHNA ROAD. (T-1).**

The Agenda item with regard to allotment of Toll Point No. 1 on Gurgaon-Sohna Road was discussed in detail. After detailed deliberation, the Board approved the allotment of the said toll tender to Sh Krishan Singla, for a period of six months at the negotiated rate of Rs. 6.70 crores per annum and the allotment letter be issued before the expiry of validity of the tender i.e. up to 18.11.2006. The Board also desired that the next tendering process should be completed before the expiry of this tender. E-I-C was also requested to submit inquiry report without any more delay.

**ITEM NO 26.07**

**TO CONSIDER AND APPROVE THE PROPOSAL FOR HOSTING DINNER FOR THE DELEGATES OF 67<sup>TH</sup> IRC SESSION.**

The Board approved the hosting of dinner on 17.11.2006 in honour of senior delegates around 350 no. in the Red Bishop, Panchkula who would be coming to attend the 67<sup>th</sup> Indian Road Congress (IRC) Session which is being held from 17.11.2006 to 21.11.2006 in Panchkula.

**ITEM NO 26.08**

**TO CONSIDER AND APPROVE THE REAPPOINTMENT OF A FIRM OF CHARTERED ACCOUNTANTS FOR 3 MONTHS.**

The Board approved the re-appointment of M/s V. Kaushik & Co. Chartered Accountants for a further period of three months i.e. upto 31<sup>st</sup> December, 2006 on the same terms and conditions.

**ITEM NO 26.09**

**TO CONSIDER AND APPROVE THE INCREASE IN THE RETAINERSHIP FEE OF M/S S. K. SIKKA AND ASSOCIATES, COMPANY SECRETARIES.**

The Board approved the increase in the retainership fee of M/s S. K. Sikka & Associates, Company Secretaries from Rs. 3500/- to Rs. 4000/- per month plus service tax as applicable w.e.f. 01.11.2006.

**ITEM NO 26.10**

**CLOSURE OF TOLL POINT NO 22 ON FATEHABAD-TOHANA-UKLANA-MUNAK ROAD DUE TO CLOSURE OF THE BRIDGE ON GHAGGAR RIVER.**

The Board was informed that the toll point No. 22 which was allotted to Sh. Rambil Singh, w.e.f 15.10.2005 for two years at the cost of Rs. 1,32,50,786 - has been closed due to the closure of the bridge on Ghaggar River crossing on Tohana-Uklana-Munak Road as reported by SE, Hissar vide memo No. 4165 dated 20.09.2006 and the traffic is being diverted through National Highway. The Board was further informed that under these circumstances, the agency is not in a position to deposit monthly instalments as there is no toll collection at this point and there is no possibility of shifting this toll point as reported by SE, Hissar. The bridge is to be repaired by the Punjab P.W.D which would take at least 6-9 months time.

The Board took note of the closure of Toll Point No 22 on Fatehabad-Tohana-Uklana-Munak Road due to closure of the Bridge on Ghaggar river and non payment of installments by the Agency

**ITEM NO . 26.11**

**TO TAKE NOTE OF THE RESOLUTION PASSED BY CIRCULATION.**

The Board took note of the following resolution passed by circulation.

“RESOLVED THAT the 7<sup>th</sup> Annual General Meeting of the members of the Company be held on Friday, 29<sup>th</sup> day of September, 2006 at 11:00 A.M. at the registered office of the Company at PWD Complex, Near Ghaggar Bridge on NH-73, Old Panchkula, Haryana.

FURTHER RESOLVED THAT the notice of calling the Annual General Meeting as placed before the meeting be and is hereby approved and Sh. H. S. Chahal, Managing Director of the Corporation be and is hereby authorised to sign and send the same to the members of the Corporation as also to all others entitled to receive the notice.”

There being no other item to be discussed, the meeting ended with a vote of thanks to the Chair.

Sd  
(H.S.Chahal)  
Managing Director

Sd  
(Dharam Vir)  
Chairman

AGENDA ITEM NO. 27.06

FOLLOW UP ACTIONS ON THE DECISIONS TAKEN IN THE PREVIOUS MEETING OF BOARD OF DIRECTORS HELD 24.10.2006.

Item No.	Item	Follow up action
26.1	Leave of Absence	No action required.
26.2	To confirm the minutes of 25 <sup>th</sup> meeting of Board of Directors	No action required.
26.3	The Board took note of the actions taken on the decisions of the meeting held on 08.08.2006.	No action required.
26.4	The Board took note of the provisional financial results for the period from 01.04.2006 to 31.08.2006 and desired that items pertaining to loans and advances to be re-checked and Administrative Expenses of PMGSY be discussed in the next meeting in detail. The Board desired to recast the provisional Balance Sheet as on 31.03.2006 and in future, to prepare the quarterly Balance Sheet and put up in each Board Meeting.	The item w.r.t. provisional financial results from 01.04.2006 to 31.12.2006 has been taken as a separate item. The draft balance sheet as on 31.03.2006 is also being taken as a separate item.
26.5	The Board approved the withdrawal of loan of Rs. 5.1 crores from HUDCO and authorized the Managing Director to do all acts, deeds and things for obtaining the said loan.	HUDCO has released this amount.
26.6	The Board approved the allotment of toll tender (T-1), Gurgaon – Sohna road to Sh. Krishan Singla for a period of 6 months.	The allotment letter has been issued to Sh. Krishan Singla at a bid price of Rs. 7.01 crores for one year after further negotiation with the agency on his revised bid offer of Rs. 7.01 crores for one year. In view of the rising trend for this toll, it was decided to allot this work for 3 months only. The agency had taken over this toll w.e.f. 01.12.2006 which has been expired on 28.02.2007. The Tender Committee has now allotted the tender to Sh. Om Prakash Chaudhary @ Rs. 8,82,77,075/- for a period of one year w.e.f. 01.03.2007.

26.7	The Board approved the hosting of dinner on 17.11.2006 in honour of senior delegates around 350 no. in the Red Bishop, Panchkula who would be coming to attend the 6 <sup>th</sup> Indian Road Congress (IRC) Session.	The dinner was hosted on 17.11.2006 and approx. 400 delegates attended.
26.8	The Board approved the re-appointment of M/s V. Kaushik & Co. Chartered Accountants for a further period of three months i.e. upto 31 <sup>st</sup> December, 2006 on the same terms and conditions.	No action required.
26.9	The Board approved the increase in the retainerhip fee of M/s S. K. Sikka & Associates, Company Secretaries from Rs. 3500 - to Rs. 4000 - per month plus service tax as applicable w.e.f. 01.11.2006.	Letter has been issued for increase in retainerhip fee to M/s S. K. Sikka & Associates, Company Secretaries.
26.10	The Board took note of the closure of Toll Point No 22 on Fatehabad Tohana - Uklana-Munak Road due to closure of the Bridge on Ghaggar river and non payment of installments by the Agency.	No action required.
26.11	The Board took note of the resolution passed by circulation for convening the 7 <sup>th</sup> Annual General Meeting of the Company held on 29.09.2006.	The Annual General Meeting was held on 29.09.2006.

AGENDA ITEM NO. 27.07

**TO CONSIDER AND APPROVE THE ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2005-2006.**

The Annual Accounts comprising Balance Sheet as on 31<sup>st</sup> March, 2006 and Profit & Loss Account of the Corporation for the period from 1.4.2005 to 31.3.2006 have been compiled and finalized alongwith the draft Auditors' Report which are placed below for the consideration and approval of Board of Directors.

As per Section 215 of the Companies Act, 1956 that the Balance Sheet and the Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by not less than two Directors of the Company one of whom shall be a Managing Director where there is one and the Manager or Secretary of the Company.

The Board may kindly consider and approve the Annual Accounts, the notes forming part of the account, purchase of fixed assets, provisions and writing off the deferred revenue expenditure preliminary expenses. The Managing Director alongwith any one of the Directors of the Company may be authorised to authenticate the Balance Sheet as on 31<sup>st</sup> March, 2006 and Profit and Loss Account for the period 1.4.2005 to 31.3.2006 under Section 215 of the Companies Act, 1956.

The Board may kindly consider and pass the following resolutions:

**“Resolved that the Balance Sheet as on 31.3.2006 and Profit & Loss Account for the period from 1.4.2005 to 31.3.2006 of the Corporation be and are hereby approved along with notes forming parts of the accounts.**

**“Resolved further that Sh. H. S. Chahal, Director and Sh. B. S. Singla, Managing Director of the Corporation be and are hereby authorised to sign the Balance Sheet, Profit & Loss account and other schedules.”**

**“Resolved further that Sh. H. S. Chahal, Director and Sh. B. S. Singla, Managing Director of the Corporation be and are hereby authorised to approve changes as may be made in the accounts for the aforesaid period subsequently on the receipt of the comments of the Statutory Auditors and sign the same”**

“Resolved further that Sh .B. S. Singla, Managing Director of the Corporation be and is hereby authorised to forward a copy of the Annual Accounts duly authenticated as above to the Statutory Auditors and a copy of the Audited Accounts to the Accountant General Audit, Haryana for their report thereon.”.

The highlights of the Accounts are given as Annexure-I.

## Annexure-I

The highlights of the Accounts are given as under:

<b>BALANCE SHEET:</b>		<b>(Rs. in lacs)</b>	
<b>Sources of Funds</b>	<b>2005-06</b>		<b>2004-05</b>
Paid up capital	5,000.00		5,000.00
Share Application Money	6,370.23		2,060.23
Grant under PMGSY Others	463.24		3,132.04
Grant-Govt. of Haryana (for activities of Corporation)	180.00		-
Loans	31,038.35		34,152.89
<b>Total</b>	<b>43,051.82</b>		<b>44,345.16</b>
<b>Application of funds:</b>			
Fixed Assets (after depreciation)	51,868.13		52,970.46
Capital Work-in-Progress	-		65.04
Current assets	8,026.38	6,078.16	
Loans & Advances	402.19	423.74	
	8,428.57	6,501.90	
(less): Current liabilities & Provision for taxation	21,414.75	16,666.74	
Net current assets	(-)12,986.18		(-)10,164.83
Misc. Expenses	4,169.87		1,474.50
<b>Total</b>	<b>43,051.82</b>		<b>44,345.16</b>
<b>PROFIT &amp; LOSS A/C</b>			
<b>Income</b>			
Toll tax receipt	3,125.66		2,985.88
Interest Income	70.99		140.56
Tender fee receipt & Others	19.28		0.18
Total	<u>3,215.93</u>		<u>3,126.62</u>
<b>Expenditure</b>			
Financial expenses	3,270.38		1,598.40
depreciation	2,797.11		1,963.19
administrative Expenses	8.51		168.95
Preliminary Exp. w off	2.41		2.41
Total	6,078.41		3,732.94
<b>Net loss</b>	<b>(-) 2,862.48</b>		<b>(-)1606.31</b>



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AUDITOR'S REPORT

**THE MEMBERS OF M/S HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LIMITED**

1. We have audited the attached Balance Sheet of M/s HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LIMITED, as at 31<sup>st</sup> March, 2006 and also the Profit & Loss A/c for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by managements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, We enclose in Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books ;
  - iii. The Balance Sheet, and Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies act, 1956 to the extent applicable.
  - v. On the basis of Extraordinary Gazette Notification No. GSR 829 (E) dated 21.10.2003 issued by the Department of Company Affairs, Govt. of India , the provisions of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956, regarding "Disqualification of Directors" for appointment as director of a Govt. Company shall not apply to Haryana State Roads & Bridges Development Corporation Ltd. being a Govt. Company.

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with significant accounting policies and notes appearing in schedule xi give the information required by the Act in the manners so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2006 and

b. in the case of the Profit and Loss Account of the Loss of the Company for the year ended on that date.

For ASHWANI K. GUPTA & ASSOCIATES  
CHARTERED ACCOUNTANTS,

PLACE: PANCHKULA

DATED: \_\_\_\_\_

(ARVINDER SINGH)

**Annexure referred to in paragraph 3 of our report of even date.**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that :-

**1. In respect of fixed assets:**

- a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets *except Roads* on the basis of available information.
- b. As explained to us all the assets other than roads have been physically verified by the management at the year end which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanation given to us, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

**2. In respect of its inventories:**

- a. The nature of the company's operations does not require it to hold inventories and as such paragraph 4 (II) of CARO is not applicable.

3. a. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956;

b. According to the information and explanations given to us, the company has not taken any loan , secured or unsecured, from companies; firm or other parties listed in the register maintained under section 301 of the companies act, 1956.

4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.

b. In our opinion and according to the information and explanations given to us, there are no transactions that needed to be entered into the register required to be maintained under Section 301 of the Companies Act, 1956.

6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from Public attracting the provisions of sections 58, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. As informed to us, no order has been passed by Company Law Board, National Co. Law Tribunal, RBI or any court or any other Tribunal .

7. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by firm of Chartered Accountant appointed by the management, is commensurate with the size of the company and the nature of its business

8. In our opinion and in view of nature of company's operation and according to the information and explanation given to us, the maintenance of Cost Records u/s 209 (i) (d) of the Companies Act, 1956 is not applicable to the company.

9. (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues applicable to it.

(b) According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts payable in respect of dues of sales-tax, Service Tax, Income-tax, custom duty, excise duty and cess were in arrear, as at March 31, 2006 for a period of more than six months from the date they became payable.

(c) On the basis of our examination of the documents and records, the disputed statutory dues which have not been deposited with the appropriate authorities are as under :

Name of the Statute	Nature of Dues	Amount	Forum where dispute is pending
Income Tax Act 1961	Penalty u/s 271(B) (A.Y 2003-04)	100000	CIT (Appeals) Panchkula
- Do -	Penalty u/s 271(C) (A.Y 2002-03)	111980	CIT (Appeal) Panchkula

10. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.

12. The company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures & other securities.

13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provision of clause 4 (xii) of the Company (Auditor's Report) Order, 2003 are not applicable to the company.

14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments. Accordingly the provisions of Clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

15. In our opinion and according to the information and explanation given to us the company has not given any guarantee for loans taken by others from banks and financial institution during the year.

16. On the basis of the records examined by us, and relying on the information compiled by the Company for co relating the funds raised to the end use of term loans, we have to state that, the company has, prima - facie, applied the term loans for the purposes for which they were obtained.

17. According to the information and explanations given to us and on an overall examination of the financial statements of the company and after placing reliance on the reasonable assumptions made by the company for classification of usage of funds, we are of the opinion that the company has used funds raised on short term basis (representing mainly decrease in Net Current Assets) for long term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanation given to us, the company has not issued debentures during the year, requiring creation of security or charge
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

PLACE: PANCHKULA

DATED: \_\_\_\_\_

For ASHWANI K. GUPTA & ASSOCIATES  
CHARTERED ACCOUNTANTS

(ARVINDER SINGH)  
Partner

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**  
**Balance Sheet**  
**as on 31st March, 2006**

Sources of Funds	Schedule	Amount(Rs ) as on 31.03.2006	Amount(Rs ) as on 31.03.2005
<b>SHAREHOLDER'S FUNDS:</b>			
Share Capital	I	500000000	500000000
Share Application Money		637023000	206023000
<b>RESERVES &amp; SURPLUS :</b>			
Profit Loss Account:	II	0	0
Grant- Prime Minister Gram Sadak Yojana Scheme	II	46323818	313203883
Grant - Govt. of Haryana (For Activisation of Corporation)		18000000	
<b>LOANS FUNDS:</b>			
<b>Secured Loans:</b>			
- HUDCO Loan - State HW (Phase I & II) 16648		791210400	989594473
- HUDCO Loan MDRs & OD Rs Phase I 16982		624723650	706321256
- HUDCO Loan MDRs & OD Rs Phase II 17035		879001600	973399095
- HUDCO Loan - State HW (Phase III & IV) 16977 (Secured by Haryana State Govt. Guarantee)		808900000	745974500
<b>Total Rs.</b>		<b>4305182468</b>	<b>4434516207</b>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets:</b>			
Gross Block	III	5855463973	5685985958
Less: Depreciation		668651080	388940204
Net Block		5186812893	5297045754
Capital Work In Progress		0	6503500
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>			
Current Assets	IV	802637729	607816352
Loans & Advances	V	40219284	42374066
		842857013	650190418
Current Liabilities	VI	2141474912	1661529512
Provision for Taxation		0	5143547
Net Current Assets		-1298817899	-1016402641
Miscellaneous Expenditure	VII	416987474	147449594
<b>Total Rs.</b>		<b>4305182468</b>	<b>4434516207</b>
Notes of Accounts	XI	0	

**AUDITOR'S REPORT**

In terms of our separate report of even date annexed  
of ASHWANI K. GUPTA & ASSOCIATES,  
Chartered Accountants

for Haryana State Roads & Bridges Development  
Corporation Ltd.

Winder Singh  
Partner  
Office: Panchkula

Director Managing Director

Address:

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.  
 Profit & Loss Account  
 for the year ended 31st March, 2006

Particulars	Schedule	Amount (Rs.) as on 31.03.2006	Amount (Rs.) as on 31.03.2005
INCOME	VIII	321592760	312692480
EXPENDITURE:		Total Rs. <u>321592760</u>	Total Rs. <u>312692489</u>
To Administrative Exp.	X	850815	16894753
To Financial Exp.	X	327038101	159639548
To Depreciation	II	279710876	196318507
To Preliminary Expenses Written off		241500	241500
		Total Rs. <u>607841291</u>	Total Rs. <u>373294388</u>
Profit & Loss for the year		-286246531	-60631899
Less: Previous year Adjustments		11327298	-706652
Net Profit / Loss for the year		-274921233	-61338551
Less: Provision for Income Tax		0	5143547
Income tax for earlier years		-5141854	118100
Balance carried to Balance Sheet		-269779379	-66600198

The Annexed Notes (Schedule xi) form an Integral Part of the accounts

AUDITOR'S REPORT

In terms of our separate report of even date annexed  
 For ASHWANI K. GUPTA & ASSOCIATES,  
 Chartered Accountants

for Haryana State Roads & Bridges Development  
 Corporation Ltd.

Arvinder Singh  
 Partner  
 Place: Panchkula

Director

**S. Chahal**  
 Managing Director

Dated:

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE I : SHARE CAPITAL	Amount(Rs.) as on 31.03.2006	Amount(Rs.) as on 31.03.2005
Authorized Capital : 50000000 equity shares of Rs. 10/- each (Previous year 50000000 Equity shares of Rs. 10/- each)	500000000	500000000
Issued, Subscribed & Paid up Capital 50000000 equity shares of Rs. 10/- each fully paid up (Previous year 50000000 Equity shares of Rs. 10/- each)	500000000	500000000
Total Rs.	<u>500000000</u>	<u>500000000</u>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE II : RESERVES & SURPLUS	Amount(Rs.) as on 31.03.2006	Amount(Rs.) as on 31.03.2005
Profit & Loss Account	0	0
	<u>0</u>	<u>0</u>
		0
GRANT-PRIME MINISTER GRAM SADAK YOJANA: Opening Balance	313203883	276209402
Additions/Adjustments	220387808	290416367
	<u>533591689</u>	<u>566625769</u>
Less: Utilised during the year	487267872	250070074
Prior Period Adjustments	0	2542812
	<u>487267872</u>	<u>2542812</u>
Total Rs	<u>46323818</u>	<u>313203883</u>



Haryana State Road & Bridges Development Corporation Ltd.

Schedule III

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	ORIGINAL COST	ADDITIONS	SALE/TRF ADJUSTMENT	UPTO 31.3.2005	FOR THE YEAR	UPTO 31.3.2006	AS ON 31.3.2005	AS ON 31.3.2006
Telephone	10035	6000		5457	636.80	6093.7988	9941.2002	4578
Photocopy Machine	111768			60298	7159.48	67457.477	44310.523	51470
Furniture	6160			2162	723.64	2985.638	3274.362	3998
Project of Improvement of State Highways	2011858918			336267847	143704208	479972055	1531886863	1675591071
Project of Improvement of State Highways (Phase III & IV)	1629093000	151508642		52604440	135998148	188602588	1591999054	1576488560
Project of Improvement of MDR's and ODR's (Phase I)	864621362	6475543.64		0	0	0	871096905.6	864621362
Project of Improvement of MDR's and ODR's (Phase II)	1180284715	11487829.56		0	0	0	1191772545	1180284715
PREVIOUS YEAR	2473283881	3212702077		192621617	196318587.4	388940204.4	5297045754	2280662264
	5685985958	169478015.2		388940204	279710875.9	658651079.9	5186812893	5297045754

Note : No Depreciation has been provided during the year on the completed works under the Project of Improvement of MDR's and ODR's (Phase I & II) as the full points have not been notified during the year in respect of such works

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HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE IV : CURRENT ASSETS	Amount(Rs.) as on 31.03.2006	Amount(Rs.) as on 31.03.2005
<b>CASH &amp; BANK BALANCES:</b>		
Cash in Hand	9844	3029
With Scheduled Banks	121486945	10591525
With Scheduled Banks In FDRs	679495179	595591921
Sundry Debtors		
- Less than Six Months	1593530	
- More than Six Months	52231	
	1645761	1629877
<b>Total Rs.</b>	<b>802637729</b>	<b>607016352</b>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE V : LOANS & ADVANCES (Unsecured, considered good unless otherwise stated)	Amount(Rs.) as on 31.03.2006	Amount(Rs.) as on 31.03.2005
Security Deposit ( Advances recoverable in cash or in kind	30375	30375
Toll Tax Receivable	7362432	18276694
I.Tax/TDS	25161996	24914908
Interest Recoverable PNB 22	10598	10598
Cheque Pending Realisation	6174230	14655
PMGSY (TDS )	943459	26836
Advance for Plot (HUDA, Panchkula)	516194	0
	0	0
<b>Total Rs.</b>	<b>40219284</b>	<b>42374066</b>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE VI : CURRENT LIABILITIES & PROVISIONS	Amount(Rs.) as on 31.03.2006	Amount(Rs.) as on 31.03.2005
Sundry Creditors	2000	2000
Deposit Work-Health Services	17871300	
Deposit Work - LAOT - Municipal	169578000	0
Deposit Work - LAOT - Panchayat	517532000	0
Deposit Work -ASIDE Scheme	10000000	0
Haryana PWD B & R	1419548705	1472969063
Haryana Industries Deptt.	4263566	4263566
Audit Fee Payable	37441	0
Internal Audit Fee Payable	15000	
Cheque Pending Encashment	0	178751958
Professional Fee Payble	115	115
LOC Unpaid (PNB)	0	2667452
Excess Toll Adjustable	30908	
Toll (T-4) Security Refundable	2500000	2500000
Advance Toll Collection	46480	
Retainership Charges Payable	43500	43500
Expenses Payble	3180	40274
TDS Payble	2717	369
TCS Payable	0	291317
<b>Total Rs.</b>	<b>2141474912</b>	<b>1661529512</b>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE VII : MISCELLANEOUS EXPENDITURE

	Amount(Rs.) as on 31.03.2006		Amount(Rs.) as on 31.03.2005	
<b>Preliminary Expenses</b> (To the extent not written off or adjusted)				
Opening Balance as per last Balance Sheet	1191000		1432500	
Add : Addition during the year				
Less : Written off during the year	<u>241500</u>	949500	<u>241500</u>	1191000
<b>Profit &amp; Loss Account</b>				
As per last Balance Sheet	146258595		79658396	
Add ; Loss during the year	<u>-269779379</u>	416037974	<u>66600199</u>	146255595
<b>Total Rs.</b>		<u>416987474</u>		<u>147449595</u>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE VIII : INCOME

	Amount(Rs.) as on 31.03.2006		Amount(Rs.) as on 31.03.2005	
Toll Tax Receipts		312565500		295588192
Tender Fee Receipts		102000		18000
Toll Bid Fee Receipts		1400000		0
Toll Security Forfeited		400000		0
Excess Collection from Toll		25851		0
Innt. from Toll Contractors		1135188		0
Interest Income- Bank	6090535			14056287
Less: Premature FDR Sweep ICICI	126314	5964221		
Amount Rounding Off		0		10
<b>Total Rs.</b>		<u>321592760</u>		<u>312662489</u>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.

SCHEDULE IX : ADMINISTRATIVE EXPENSES	Amount(Rs.)	
	as on 31.03.2008	as on 31.03.2005
Accounting Charges	54000	0
Advertisement	403803	603077
Arbitration Awards & Claim	0	16040388
<b>Audit Fee</b>		
- Statutory Audit Fee	10000	10000
- Tax Audit Fee	7000	7000
- Service Tax	2081	18734
Internal Audit Fee	12000	---
Books & Periodicals	820	202
Computer Expenses	8115	5200
Entertainment Expenses	12114	130
Fees & Taxes	0	7500
General Expenses	3219	450
Honorarium Fee	3000	0
Membership & Subscription	375	0
Newspaper & Periodicals	324	0
Office Expenses	0	1418
Postage & Courier	0	635
Postage & Courier Expenses	3005	0
Printing & Stationery	80811	26510
Prior Period Audit Fee	0	5400
Professional Charges	62668	63218
Retainership Fee	49000	103428
ROC Filing Fee	8500	0
Service Tax	103071	0
Telephone expenses	22953	18411
Travelling & Conveyance	3846	0
Vehicle Running & Maintenance	510	0
<b>Total Rs.</b>	<b>850815</b>	<b>327888916</b>
		<b>16894753</b>

HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.  
SCHEDULE X - Financial Expenses  
as at 31st March, 2006

Particulars	Amount (Rs.)
Bank Charges	19878
Up Front Fee	1000000
Intl. on HUDCO Loan MDR/ODR I-16082	62365667
Intl. on HUDCO Loan MDR/ODR II-17035	85557655
Intl. on HUDCO Loan St./Highway I & II-16040	107000126
Intl. on HUDCO Loan St./Highway III & IV-16077	<u>70234775</u>
	326018223
Total Rs.	<u>327038101</u>

**Schedule XI**  
**Significant Accounting Policies and Notes forming part of the Accounts**  
**as at 31<sup>st</sup> March, 2006**

1. Significant Accounting Policies

(i) Basis of Preparation of Financial Statements

a. The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

b. Revenue/Income and Cost/Expenditure are generally accounted for an accrual basis as they are earned or incurred, except in case of significant uncertainties.

(ii) Use of Estimates

The preparation of financial statement in conformity with generally accepted accounting principals required estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

(iii) Fixed Assets.

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation.

(iv) Borrowing costs

Borrowing Costs attributable to the acquisition/construction of qualifying fixed Assets are capitalized. Other borrowing costs are charged to profit and loss account. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

v. Income Tax

The income tax on company's income is determined under the Income Tax Act, 1961 and Accounting Standard 22 "Accounting for taxes on Income" issued by The Institute of Chartered Accountants of India. Income Tax expenses comprises of current and deferred taxes. Current tax is determined on the assessable income, determined under Income tax Act, 1961, at the tax rates applicable for the year after considering tax allowances and exemptions. Deferred tax on timing differences is determined as per the Accounting Standard 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Deffered Tax Assets are recognized and carried forward only to the extent there is virtual certainty that sufficient

future taxable income will be available against which such deferred tax assets items can be realized.

vi. Depreciation is provided under the Straight Line Method at the rates specified in Schedule XIV of the companies Act, 1956, except in the case of completed Projects where depreciation has been provided over the useful life of the asset estimated by the Management as follows:

- |  |          |
|--|----------|
| a. Improvement of State Highways (Phase I & I)   | 14 years |
| b. Improvement of State Highway (Phase III & IV) | 13 years |

vii. Capital work in Progress

Projects under progress are carried at cost, comprising direct cost, related incidental expenses, interest and other financing costs payable on funds specifically borrowed to the extent they relate to the period till assets are put to use.

viii. Contingent Liability

Financial effects of contingent liabilities are disclosed in the accounts based on information available upto the date on which the financial statements are approved and which have material effect on the position stated in the Balance Sheet.

## 2. NOTES

2. Toll Tax.

(i) Toll tax receipts include Toll collections from own departmental toll points and from toll points given on contract basis to outside parties. *In certain cases of departmental toll, toll collections have been booked based on determinable amounts in accordance with Accounting Standard 9 Revenue Recognition issued by ICAI.*

(ii) During the year a sum of Rs. 151508642 has been capitalized on account of completed works under the project 'Improvement of State Highways Phase III & IV' and the same has been shown under the schedule of Fixed Assets.

(iii) A sum of Rs. 195400000 has been deposited by the Corporation with Haryana PWD B & R against the expenditure incurred by Haryana PWD (B & R) in respect of various deposit works. A sum of Rs. 1419548705 is yet to be deposited by the corporation with Haryana PWD (B & R) which is outstanding amount as on 31.3.2006 against the expenditure already incurred by the Haryana PWD (B & R).

(iv) The amounts under the head Share Application money represents Funds received from Govt. towards counter part funding.

(v) Pradhan Mantri Gram Sadak Yojana Scheme (PMGSY)

Corporation is the Nodel Agency for receiving the funds under PMGSY scheme but the actual funds will be utilized by Haryana PWD ( B & R ) which is the executing agency for works under PMGSY Scheme. Corporation has invested the surplus funds received under the scheme in various FDR's and interest is being received as per guidelines, the interest earned on the surplus bank balances will not be diverted to any other programme even on temporary basis. Therefore, the interest earned on Funds received under PMGSY scheme has not been taken to income account but has been credited to Govt. Grant received under PMGSY scheme. *No utilization certificate has been received from Haryana PWD (B & R) during the year.*

(vi) Grant for Activisation

During the year, a sum of rs. 180 lacs has been received for following purposes;

a. Setting up of Design Cell in HSRDC	Rs. 50.00 Lacs
b. Strengthening of HSRDC	Rs. 50.00 Lacs
c. Preparation of Project Report & Feasibility studies through HSRDC	Rs. 50.00 Lacs
d. Setting up of State Academy of Research & Training & Strengthening of quality control system.	Rs. 30.00 Lacs

As per guidelines, the funds cannot be divered towards any other purpose from the purpose as specified above. No utilization has been reported in the prescribed proforma as per guidelines.

Vii Local Area Development Tax

Panchyat Department and Urban development Department, Haryana approved a scheme under local area Development funds during F.Y 2005-06 and allocated funds to be spent through Haryana State Road & Bridges Dev. Corporation Ltd. For construction/repair/maintenance of Rural Link Roads.

No utilization certification has been received from PWD (B & R) during the year.

vii. Grant for Central Assistance under ASIDE Scheme



Rs. 1 Crore has been received by way of Central Assistance under ASIDE scheme for improvement of Roads from GT Road Bahalgarh to Mama Bhanja Chowk Sonapat.

No utilization certification has been received from Haryana PWD (B & R) during the year.

- viii. Balance in the unsecured loans from HUDCO are subject to confirmation and reconciliation.
- ix. The small scale undertakings to whom amount outstanding for more than 30 days is Nil. The information has been compiled to the extent they could be identified as small scale and ancillary undertakings on the basis of information available with the company.
- x. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount considered reasonably necessary.
- xi. A sum of of Rs. 42,63,566.00 is payable to Industries Department for settling the amounts with HUDCO & HFC and the same has been shown under the head Current Liabilities.
- xii. Previous Year Adjustments  
Prior period adjustments represent Net debits relating to earlier years.
- xiii. The Income Tax Assessments of the Company have been completed upto the A.Y 2003-04. Demand for Rs. 31,00,568/- for A.Y 2003-04 been adjusted against Income Tax Refund of A.Y 2003-04. Several appeals preferred by the Company are pending before appellate authorities. No provision for tax has been made during the year as there is no tax liability. As per information and explanation given to us, the entire income for eligible business of the corporation is exempt u/s 80 IA of the Income Tax Act, 1961.
- xiv. Deferred Tax asset has not been recognized during the year as well as previous year in view of recurring losses. However, the management is reasonably certain of sufficient future taxable income against which the identified deferred tax asset shall be realized.

xv. Contingent Liability

Disputed Tax Matters in Appeal - Rs. 2.12 Lacs

xvi. Expenditure in foreign exchange incurred of foreign tours during the year -

Nil

xvii. Additional information as required according to Schedule VI of the Companies Act, 1956.

A. Particulars of Employees, Number, Salary Allowance and other perks:-

- i. Employees whose remuneration is Rs. 6,00,000/- or more per year - Nil
- ii. Employees whose remuneration is Rs 50,000/- or more per month - Nil

B. Quantitative Information - Nil

C Value of goods imported during the year - Nil

1. FOB value of foreign exchange earnings during the year - Nil.

Director

Managing Director

AUDITOR'S REPORT

In terms of our Separate Report of even date attached.  
For ASHWANI K. GUPTA & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE: PANCHKULA

DATED: \_\_\_\_\_

(ARVINDER SINGH)  
Partner

Haryana State Road & Bridges Development Corporation Ltd.

Schedule III

FIXED ASSETS

PARTICULARS	ORIGINAL COST	GROSS BLOCK ADDITIONS ADJUSTMENT	SALE/TRF	COST AS ON 31.3.2006	UPTO 31.3.2005	DEPRECIATION FOR THE YEAR	UPTO 31.3.2006	NET BLOCK	
								AS ON 31.3.2005	AS ON 31.3.2006
Telephone	10035	6000		16035	5457	636.80	6093.7998	9941.2002	4578
Photocopy Machine	111768			111768	60298	7159.48	67457.477	44310.523	51470
Furniture	6160			6160	2162	723.64	2885.638	3274.362	3998
Project of Improvement of State Highways	2011858918			2011858918	336267847	143704208	479972055	1531886863	1675591071
Project of Improvement of State Highways (Phase III & IV)	1629093000	151508642		1780601642	52604440	135998148	188602588	1591999054	1576488560
Project of Improvement of MDR's and ODR's (Phase I)	864621362	6475543.64		871096905.6	0	0	0	871096905.6	864621362
Project of Improvement of MDR's and ODR's (Phase II)	1180284715	11487829.56		1191772545	0	0	0	1191772545	1180284715
PREVIOUS YEAR	2473283881	3212702077		5855463973	388940204	279710875.9	668651079.9	5186812893	5297045754
	5685985958	169478015.2		0	5855463973	0	388940204	0	5186812893
	2473283881	3212702077		0	5685985958	196318587.4	388940204.4	5297045754	2280662264

Note : No Depreciation has been provided during the year on the completed works under the Project of Improvement of MDR's and ODR's (Phase I & II) as the toll points have not been notified during the year in respect of such works

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AGENDA ITEM NO. 27.08

TO TAKE NOTE OF THE PROVISIONAL ACCOUNTS FOR THE PERIOD FROM 01.04.2006 TO 31.12.2006.

The Corporation has prepared provisional Accounts (**copy placed below**) for the period from 01.04.2006 to 31.12.2006. The highlights of the Accounts is given as under:

<b>BALANCE SHEET:</b>		<b>(Rs. in Lacs)</b>	
<b>Sources of Funds</b>	<b>As on 31.12.2006</b>	<b>As on 31.03.2006</b>	
Paid up capital	5,000.00	5,000.00	
Share Application Money	6,370.23	6,370.23	
Grant under PMGSY Others	15,870.85	634.07	
Loans	26,826.50	31,038.36	
<b>Total</b>	<b>54,067.58</b>	<b>43,042.66</b>	
<b>Application of Funds:</b>			
Fixed Assets (after depreciation)	49,771.39	51,868.14	
Current Assets	21,465.91	8,100.31	
Loans & Advances	<u>381.23</u>	<u>319.09</u>	
	21,847.14	8,419.40	
(less): Current liabilities	23,036.27	21,414.75	
Net Current Assets	(-)1,189.13	(-)12,995.35	
Misc. Expenses	5,485.32	4,169.57	
<b>Total</b>	<b><u>54,067.58</u></b>	<b><u>43,042.66</u></b>	

**PROFIT & LOSS A C****Income**

Total tax receipt	2,688.86	3,125.66
Interest Income	335.86	70.99
Tender fee receipt & others	3.33	9.28
<b>Total</b>	<b><u>3,028.05</u></b>	<b><u>3,205.93</u></b>

**Expenditure**

Financial Expenses	2,184.29	3,270.38
Depreciation	2,097.83	2,797.11
Administrative Expenses	61.37	8.51
Preliminary Expenses W/off	1.81	2.41
<b>Total</b>	<b><u>4,345.30</u></b>	<b><u>6,078.41</u></b>
Net Loss	<b><u>(-) 1,317.25</u></b>	<b><u>(-) 2,862.48</u></b>

The Board is requested to take note of the same.

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**  
**BALANCE SHEET**  
**AS ON 31st December, 2006**

Source of Funds	Schedule	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
<b>SHAREHOLDER'S FUNDS:</b>			
Share Capital	I	50,00,00,000.00	50,00,00,000.00
Share Application Money		63,70,23,000.00	63,70,23,000.00
<b>RESERVES &amp; SURPLUS:</b>			
	II	158,70,85,070.00	6,34,07,195.00
Grant-Prime Minister Gram Sadak Yojana Scheme Grant-Govt. of Haryana (For Activisation of Corporation)			
<b>LOANS FUNDS:</b>			
Secured Loans:			
-HUDCO Loan-State HW (Phase I & II) 16648		64,20,24,490.00	79,12,10,400.00
-HUDCO Loan MDRs & ODRs (Phase I) 16982		56,35,23,650.00	62,47,23,650.00
-HUDCO Loan MDRs & ODRs (Phase II) 17035		80,82,01,600.00	87,90,01,600.00
-HUDCO Loan-State HW (Phase III & IV) 16977		66,89,00,000.00	80,89,00,000.00
Total Rs.		<u>540,67,57,810.00</u>	<u>430,42,65,845.00</u>
<b>APPLICATION OF FUNDS:</b>			
Fixed Assets:			
Gross Block	III	585,56,66,033.00	
Less: Depreciation		<u>87,84,34,235.50</u>	518,68,19,694.00
Net Block		497,72,31,797.50	
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>			
Current Assets	IV	214,65,91,419.67	80,09,91,968.00
Loan & Advances	V	<u>3,81,25,577.00</u>	<u>4,09,48,422.00</u>
		218,47,16,996.67	84,19,40,390.00
Current Liabilities	VI	230,37,22,751.00	
Provision for Taxation		0.00	
		<u>230,37,22,751.00</u>	<u>214,14,74,912.00</u>
Net Current Assets		-11,90,05,754.33	-129,95,41,323.00
Miscellaneous Expenditure	VII	54,85,31,766.83	41,69,87,474.00
Total Rs.		<u>540,67,57,810.00</u>	<u>430,42,65,845.00</u>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**  
**PROFIT & LOSS ACCOUNT**  
**AS ON 31 December, 2006**

Particulars	Schedule	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
<b>INCOME</b>	VIII	30,28,04,532.39	32,05,92,760.00
	Total Rs.	<u>30,28,04,532.39</u>	<u>32,05,92,760.00</u>
<b>EXPENDITURE:</b>			
To Administrative Exp.	IX	61,36,753.00	8,50,815.00
To Financial Exp.	X	21,84,28,916.72	32,70,38,101.00
To Depreciation		20,97,83,155.50	27,97,10,875.00
To Preliminary Expenses Written off		1,81,125.00	2,41,500.00
	Total Rs.	<u>43,45,29,950.22</u>	<u>60,78,41,291.00</u>
Loss for the year / Period		13,17,25,417.83	28,62,48,531.00
Less: Previous year Expenses			0.00
Less: Previous year Adjustments			1,13,27,298.00
Net Loss for the year		13,17,25,417.83	27,49,21,233.00
Less: Provision for Income Tax		0.00	0.00
Income tax for earlier years		0.00	51,41,854.00
Balance Carried to Balance Sheet		13,17,25,417.83	26,97,79,379.00

**HARYANA STATES ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

SCHEDULE I: SHARE CAPITAL:	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
<b>Authorised Capital:</b>		
50000000 equity shares of Rs. 10/- each (Previous year 50000000 Equity share of Rs. 10/- each)	<u>50,00,00,000.00</u>	<u>50,00,00,000.00</u>
Issued, Subscribed & Paid up Capital 50000000 equity shares of 10/- each fully paid up (Previous year 50000000 Equity Share of Rs. 10/- each)	<u>50,00,00,000.00</u>	<u>50,00,00,000.00</u>
Total Rs.	<u>50,00,00,000.00</u>	<u>50,00,00,000.00</u>

**HARYANA STATES ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

SCHEDULE II: RESERVES & SURPLUS	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
GRANT FROM HARYANA GOVT.	1,80,00,000.00	1,80,00,000.00
<b>GRANT PRIME MINISTER GRAM SADAK YOJANA</b>		
Opening Balance	4,63,23,818.00	
Addition / Adjustments	200,43,00,000.00	
Interest on Deposits	86,82,140.00	
	<u>205,93,05,958.00</u>	
Less: Utilised during the year	<u>49,02,20,888.00</u>	4,54,07,195.00
TOTAL	<u>158,70,85,070.00</u>	<u>6,34,07,195.00</u>



**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**  
**Schedule "III" - Fixed Assets**

Amount (Rs.)	Block of Asset		Gross Block		Depreciation		Net Block	
	Balance 01.04.2006	Additions (Transfers)	Balance 31.12.2006	Up To 31.03.2006	For the Period	Total Up To 31.12.2006	As On 31.03.2006	As On 31.03.2006
		96,000.00					96,000.00	
Computer								
Telephone	16,035.00	-	16,035.00	6,094.00	477.00	6,571.00	9,464.00	9,941.00
Photocopy Machine	1,11,768.00	-	1,11,768.00	67,457.00	5,370.00	72,827.00	38,944.00	44,813.00
Furniture	6,160.00	6,800.00	12,960.00	2,885.00	543.00	3,428.00	9,532.00	10,075.00
Project of Improvement of State Highways	301,18,58,918.00	-	301,18,58,918.00	47,99,72,055.00	10,77,78,154.50	58,77,50,209.50	142,41,08,708.50	153,18,86,863.00
Project of Improvement of State Highways (Phase III & IV)	178,06,01,643.00	-	178,06,01,643.00	18,86,02,588.00	10,19,98,611.00	29,06,01,199.00	149,00,00,443.00	159,19,99,054.00
Project of Improvement of MDRs & ODRs (Phase I)	87,10,96,905.00	-	87,10,96,905.00	-	-	-	87,10,96,905.00	87,10,96,905.00
Project of Improvement of MDRs & ODRs (Phase II)	119,17,72,545.00	-	119,17,72,545.00	-	-	-	119,17,72,545.00	119,17,72,545.00
Scanner	0	6,700.00	6,700.00	0	0	0	6,700.00	0
Site/light Amptha		92,560.00	92,560.00	0	0	0	92,560.00	0
<b>Total</b>	<b>585,54,63,973.00</b>	<b>2,02,060.00</b>	<b>585,56,66,033.00</b>	<b>66,86,51,079.00</b>	<b>20,97,83,155.50</b>	<b>87,84,34,235.50</b>	<b>497,72,31,797.50</b>	<b>518,68,19,694.00</b>

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**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

<b>SCHEDULE IV: CURRENT ASSETS</b>	<b>Amount Rs. as on 31.12.2006</b>	<b>Amount Rs. as on 31.03.2006</b>
<b>CASH &amp; BANK BALANCES:</b>		
Cash in hand	19,252.00	9,844.00
With Schedule Banks	7,52,14,640.90	12,14,86,945.00
With Schedule Banks in FDRs	207,13,57,526.77	67,94,95,179.00
<b>Total Rs.</b>	<b>214,65,91,419.67</b>	<b>80,09,91,968.00</b>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

<b>SCHEDULE V: LOANS &amp; ADVANCES</b>	<b>Amount Rs. as on 31.12.2006</b>	<b>Amount Rs. as on 31.03.2006</b>
Security Deposit (Advances recoverable in cash or in kind)	30,375.00	30,375.00
I.Tax / TDS 2002-03	25,01,523.00	87,66,556.00
I.Tax / TDS 2003-04	1,08,33,101.00	1,08,33,101.00
I.Tax / TDS 2004-05	44,15,251.00	44,15,251.00
I.Tax / TDS 2005-06	11,47,088.00	11,47,088.00
PMGSY [TDS (2001-02)]	9,43,459.00	26,836.00
TDS on Bank FDR's	37,19,244.00	0.00
Advance for Plot (HUDA, Panchkula)	20,64,775.00	5,16,194.00
Cheque Pending Encashment	14,655.00	61,74,230.00
Training & Development of Engineers (CIDC)	12,83,069.00	0.00
Amount Recoverable	1,11,73,037.00	90,38,791.00
<b>Total Rs.</b>	<b>3,81,25,577.00</b>	<b>4,09,48,422.00</b>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

<b>SCHDULE VI: CURRENT LIABILITIES AND PROVISIONS</b>	<b>Amount Rs. as on 31.12.2006</b>	<b>Amount Rs. as on 31.03.2006</b>
Sundry Creditors	2,47,880.00	2,000.00
Deposit Work-Ladt Municipal	10,63,04,400.00	16,95,78,000.00
Deposit Work-Ladt Panchyat	35,37,55,183.00	51,75,32,000.00
PWD B & R Haryana	166,70,48,705.00	141,95,48,705.00
Haryana Industries Department	42,63,566.00	42,63,566.00
Audit Fee Payable	37,441.00	37,441.00
Deposit work AISDE Scheme	1,00,00,000.00	1,00,00,000.00
Deposit Work Health Services	1,16,32,700.00	1,78,78,101.00
Distt.Sports Counsel-Rohtak	52,95,000.00	0.00
Edu.Deptt.Colleges	6,70,00,000.00	0.00
Edu.Deptt.ITI	1,73,39,000.00	0.00
Irrigation Deptt.Narwana	48,00,000.00	0.00
Residential Revenue House-Rohtak	1,06,72,000.00	0.00
PWD Sonapat Division-I & II	11,40,000.00	0.00
PWD Sports Deptt.Sonapat	2,40,00,000.00	0.00
PWD (NDA Training Block, Kunjpura Karnal)	27,00,000.00	0.00
Internal Audit Fee Payable	15,000.00	15,000.00
Panipat Refinary	1,50,00,000.00	0.00
Professional Fee Payable	0.00	115.00
Toll (T-4) Security Refundable	16,00,000.00	25,00,000.00
Toll Tax Adjustable	30,908.00	30,908.00
Advance Toll Collection	46,480.00	46,480.00
Retainership Charges Payable	43,500.00	43,500.00
Expenses Payable	3,180.00	3,180.00
TDS Payable	1,64,776.00	2,717.00
TCS Payable	5,83,032.00	0.00
<b>Total Rs.</b>	<b><u>230,37,22,751.00</u></b>	<b><u>214,14,74,912.00</u></b>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

<b>SCHDULE VII: MISCELLANEOUS EXPENDITURE</b>	<b>Amount Rs. as on 31.12.2006</b>	<b>Amount Rs. as on 31.03.2006</b>
Preliminary Expenses (To the extent not written off or adjusted)	9,49,500.00	11,91,000.00
Opening Balance as per last Balance Sheet		
Add: Addition during the year	1,81,125.00	2,41,500.00
Less: Written of during the year	<u>7,68,375.00</u>	<u>9,49,500.00</u>
Profit & Loss Account		
As per last Balance Sheet	41,60,37,974.00	
Add: Loss during the year	13,17,25,417.83	41,60,37,974.00
Total Rs.	<u>54,77,63,391.83</u>	<u>41,69,87,474.00</u>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

<b>SCHDULE VIII: INCOME</b>	<b>Amount Rs. as on 31.12.2006</b>	<b>Amount Rs. as on 31.03.2006</b>
Interest	3,35,85,942.39	70,99,409.00
Sale of Toll Forms & Bid Documents	2,80,000.00	9,27,851.00
Toll Receipts	26,88,85,699.00	31,25,65,500.00
Misc. Income	52,891.00	0.00
Total Rs.	<u>30,28,04,532.39</u>	<u>32,05,92,760.00</u>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

SCHEDULE IX: ADMINISTRATIVE EXPENSES	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
Accounting Charges	1,57,136.00	54,000.00
Advertisement	4,23,497.00	4,03,803.00
Arbitration Awards & Claim	0.00	0.00
<b>Audit Fee</b>	0.00	19,081.00
Internal Audit Fee	0.00	12,000.00
Internet Expenses	56,089.00	0.00
Interview Expenses	12,042.00	0.00
Computer Expenses	0.00	6,115.00
Entertainment Expenses	0.00	12,114.00
Service tax	0.00	1,03,071.00
Misc. Expenses	18,362.00	3,219.00
Honorarium Fee (Hartron Staff)	25,160.00	3,000.00
Membership & Subscription	0.00	375.00
Newspaper & Periodicals	0.00	1,144.00
Office Expenses	0.00	0.00
Postage & Courier Expenses	6,163.00	3,605.00
Printing & Stationery	1,26,127.00	80,811.00
Prior Period Audit Fee	0.00	0.00
Professional Charges	1,00,775.00	62,668.00
Technical Consultancy Charges	49,64,346.00	0.00
Retainership Fees	0.00	49,000.00
Refreshment Expenses	16,791.00	0.00
Repairs & Maintenance (Computer & others)	1,09,962.00	0.00
ROC Filing Fees	0.00	9,500.00
Rates, Fees & Taxation	10,000.00	0.00
Telephone Expenses	1,08,642.00	22,953.00
Travelling & Conveyance	1,661.00	3,846.00
Vehicle Running & Maintenance	0.00	510.00
Total Rs.	<u>61,36,753.00</u>	<u>8,50,815.00</u>

**HARYANA STATE ROADS & BRIDGES DEVELOPMENT CORPORATION LTD.**

SCHEDULE X: FINANCIAL EXPENSES	Amount Rs. as on 31.12.2006	Amount Rs. as on 31.03.2006
Intt on Hudco loans	21,83,05,624.00	32,60,18,223.00
Bank Charges	1,23,292.72	19,878.00
upfront fee	0.00	10,00,000.00
Total	<u>21,84,28,916.72</u>	<u>32,70,38,101.00</u>

**AGENDA ITEM NO. 27.09**

**TO CONSIDER AND APPROVE THE CREATION OF POST OF MANAGING DIRECTOR.**

The Board may recall that Haryana State Roads and Bridges Development Corporation Limited was incorporated on 13.05.1999 with the objective of development of road infrastructure like up-gradation of highways, construction of bypasses, railway over bridges across busy level crossings, bridges across streams, strengthening of weak pavements and improving their riding quality and replacement of weak bridges etc. on Built-Operate and Transfer (BOT) basis or any other scheme in a manner which will facilitate to undertake the above mentioned works.

At present, there are four Directors on the Board of the Corporation

- |                            |                   |
|----------------------------|-------------------|
| 1. Sh. Dharam Vir, IAS     | Chairman          |
| 2. Sh. N. Balabhaskar, IAS | Director          |
| 3. Sh. H.S. Chahal         | Director          |
| 4. Sh. B.S. Singla         | Managing Director |

Sh. B.S. Singla, Managing Director is holding the dual charge arrangement with Haryana Police Housing Corporation. In order to have a separate identity of the Corporation, a separate full time Managing Director of the Corporation needs to be appointed who can pay undivided attention to the functioning of Corporation. The Cabinet has already approved the appointment of full time Managing Director from either Engineer-in-Chief Chief Engineer by their U.O. No.9 30A-2 Cabinet-2000 dated 29.09.2000.

It is proposed that independent post of full time Managing Director may please be created in the rank of Chief Engineer in the pay scale of Rs. 18400 – Rs.22400 plus allowances and authorize the Managing Director to forward the case to the Government.

## AGENDA ITEM NO. 27.10

### TO CONSIDER AND APPROVE THE TRANSFER OF POSTS FROM PWD (B&R) TO CORPORATION.

The Corporation since its inception has taken officers & officials on borrowing basis from P.W.D (B&R) to run its affairs. In order to avoid the burden of administrative expenses, the Government had approved that in the initial 2 years period, all the officers and staff will be taken on deputation or function ex-officio from P W D (B & R) Department and pay allowances shall continue to be borne by P W D (B & R) Department .

The Corporation was incorporated in the month of May, 1999 and it started its operation in the year 2004 and 28 Toll Plazas have been allotted to the Contractors for the collection of Toll Tax. In addition to the above, the HSRDC is also looking after the following activities:

#### i) **HUDCO Loan**

So far, the corporation has been used as a channel to borrow loans from HUDCO which was taken to improve the State Highways, MDRs and ODRs. Repayment of the loan is to be made by Levy of Toll. Though the corporation has levied toll on about 30 points in the State, still the repayment is causing a problem every quarter when loan installment is to be paid back to HUDCO. It has to depend on the Govt. for making shortfall in the toll collection.

ii) **Financial Management** of PMGSY funds, deposit works of buildings of other departments, LADT funds etc.

#### iii) **BOT Works**

Last year the Govt. had decided to take the following five road projects for up gradation on BOT basis through HSRDC:-

1. Chandimandir – Jallah Road.
2. Bhuria -- Khadri – Deodhar – Nainawali road.
3. Yamuna Nagar – Ladwa – Indri – Kamal road.
4. Gurgaon – Faridabad road.
5. Ballabhgarh -- Pali - Jhanj – Sohna road.

The consultants were appointed for the preparation of Detailed Project Report for these works. Now the Detailed Project Reports (DPRs) are ready for bidding. As soon as the

approval is accorded by the Govt., the concessionaire shall be appointed for the execution & operation of the facility.

Now 16 more roads have been identified which lead to crusher quarry zone and sand mines. Heavy loaded trucks carrying quarry material ply on these roads. These roads fall in Kamal, Panipat & Sonapat Districts of Haryana. These roads can be taken up in second phase.

All these roads will have to be entrusted to HSRDC on the same pattern as National Highways are entrusted to NHAI.

iv) **Empanelment of Consultant** for Roads, Bridges and Building Works.

v) **Creation of shelf of Projects** : for obtaining loan from NCRPB and NABARD for road works.

vi) **Deposit works of roads** : HSRDC will take up all the deposit works of roads such as of IOCL, Shivalik Development Board etc.

vii) **Development of High Speed Corridors** : HSRDC will take up the work of development of high speed corridors in the State. The department has already proposed the following two roads to be developed as high speed corridors:-

- Kotputli – Mohindergarh – Dadri – Bhiwani – Jind – Kaithal road.
- Road from Saharanpur – Yamuna Nagar – Radaur – Pipli – Pehowa upto Punjab Border

viii) **Construction of Road Over Bridges (ROBs)** : The department has prepared a master plan for the construction of 89 ROBs out of which 36 ROBs already stands administratively approved by the Govt. and are at various stages of construction: study & shall continue to be taken up by the department. Out of the balance 53 ROBs, 36 ROBs have been identified on State roads & 17 on National Highways. The 36 ROBs identified on State roads shall be taken up by the HSRDC for which it shall prepare the DPRs and will also explore the possibility of financing other than the state budget.

In order to have proper supervision over the activities of the Corporation and have an officer oriented organization with minimum staff, it is proposed that the following posts alongwith posts of their personal staff and vehicles as mentioned below may be transferred from P W D (B & R) to the Corporation:-



Sr. No	Name of the Post	To be re-designated	Pay Scale	Nos.
1.	Superintending Engineer	General Manager	13500-17250	1
2.	Executive Engineers	Dy. General Manager	10000-13900	3
3.	Sub Divisional Engineers	Manager	8000-13500	4
4.	Circle Head Draftsman		6500-9900	1
5.	Head Draftsman		5500-9000	2
6.	Assistant Draftsman		5000-7850	4
7.	Deputy Superintendent		5500-9000	1
8.	Assistants		5000-7850	5
9.	Clerks		3050-4590	5
10.	Drivers		4000-6000	6
11.	Peons		2550-3200	10
12.	Personal Secretary		6500-10500 (Rs. 200 - Spl. Pay)	1
13.	Personal Assistant		5500-9000 (Rs. 150 - Spl. Pay)	2
14.	Stenos vehicles.	Jr Scale Stenographers Sr Scale Stenographers	4000-6000	3
5000-7850			2	
		Car	1	
		Gypsy - Jeeps (2 - 2)	4	

In addition to this, four posts of Junior Engineers who will be designated as Assistant Managers have already been transferred to the Corporation.

All other services of the Corporation shall be outsourced.

The Board is requested to consider and approve the transfer of above posts and authorize the Managing Director to approach the Govt. for the transfer of these posts from PWD (B&R) to the Corporation.

**AGENDA ITEM No. 27.11**

**REQUIREMENT OF SENIOR ACCOUNTS OFFICER/CHARTERED ACCOUNTANT ON REGULAR BASIS**

It is brought to the notice of the Board that the work load in Haryana State Roads & Bridges Development Corporation Ltd. is more related to accounts matters rather than technical matters. So the requirement of one Senior Accounts Officer preferably a Chartered Accountant and other for Accounts Officer on regular basis on Government rolls is highly required for the Corporation. Presently, the services of a Chartered Accountant/Accounts Officer are outsourced on three months basis extended to one or two years maximum. Such type of arrangement makes them free from responsibilities and it becomes difficult to even contact them at the time when some cases relating to accounts matters come into the picture either from AG or income tax Department. The matter of activation of the Corporation has already been sent to the Government wherein, requirement of a Senior Accounts Officer-CA was demanded. As the Corporation is dealing with the huge financial matters having financial liabilities of interest rates/tax deposits and critical financial analysis while dealing with the loan system and payment system which is beyond the knowledge of technical person. In this regard, the Corporation has already requested AG Office / PWD Office for posting of some accounts officers on deputation basis, but no positive response has been received so far.

It is, therefore, requested that the Corporation may please be allowed to pursue the matter with Government for the sanctioning of 2 No. posts, one for Senior Accounts Officer in pay scale of 8000-13500 and other for Accounts Officer in the pay scale of 6500-10500 in the Corporation on regular basis on priority who could be answerable to the accounts finance tax matters.

**AGENDA ITEM NO. 27.12**

**TO CONSIDER AND APPROVE THE CREATION OF POST OF COMPANY SECRETARY.**

As per Section 383-A of the Companies Act, 1956, every Company whose paid up share capital is more than Rs. 2.00 crores is required to appoint qualified whole time secretary who is Associate or Fellow Member of the Institute of Company Secretaries of India to ensure the compliances of the provisions of the Companies Act.

At present, the paid up share capital of the Corporation is Rs. 50.00 crores, thus, the Corporation is required to appoint whole time secretary. It is proposed that in order to comply with the provisions of Section 383-A of the Act, a post of whole time Secretary in the pay scale of 8000-13500 may please be created and authorize the Managing Director to approach the Govt. for the creation of the post of Company Secretary.

**AGENDA ITEM NO. 27.13**

**TO CONSIDER AND APPROVE THE REAPPOINTMENT OF A FIRM OF CHARTERED ACCOUNTANTS FOR 6 MONTHS.**

The Board in its meeting held on 24.10.2006 re-appointed M/s V. Kaushik & Co Chartered Accountants for a period of three months at a remuneration of Rs. 20,000/- per month who shall depute one Accounts Officer on full time daily basis and would be responsible for preparing Day Book, Cash Book, Journal & Ledger, Quarterly, Half Yearly, Annual Accounts & Balance Sheet, reconciliation of accounts with treasury banks. In addition to this, they will handle all cases of the Corporation with regard to income tax matters including filing of returns under Income Tax Act, Service Tax Act.

Their re-appointment was made w.e.f. 01.10.2006 which has expired on 31st December, 2006. During this period, their performance has been rated reasonably good.

It is proposed that this firm may be re-appointed for a further period of next six months i.e. upto 30.06. 2007 on the same terms and conditions plus service tax as applicable from time to time.

**AGENDA ITEM NO. 27.14**

**TO CONSIDER AND APPROVE THE RENOVATION OF THE OFFICE AND PURCHASE OF FURNITURE.**

At present, the activity of the Corporation are being operated from a hired premises situated at SCO No. 23, Sector-7, Madhya Marg, Chandigarh. The condition of the office furniture is in a very poor shape and there is no office of Managing Director in this building.

The Board may recall that the Corporation has purchased a plot in Sector-2, Panchkula from Haryana Urban Development Authority for establishing its own office. The construction of the building is under way and it will take about 4-5 months to complete the construction. To furnish this building an estimate has been prepared by PWD (B&R).

In order to meet the time gap arrangement, it is proposed that the office in SCO No. 23, Sector-7, Chandigarh may be renovated and the furniture presently required may be purchased. This furniture will be shifted to new building later on. The balance furniture shall be purchased on completion of the building.

The Board is requested to consider and approve the above proposal.

**AGENDA ITEM NO. 27.15**

**TO CONSIDER AND APPROVE THE PURCHASE OF CAR.**

At present, the Corporation does not have any vehicle of its own and is using one Jeep which has been borrowed from PWD (B&R). It is proposed that a separate Car may be purchased for the use of the Managing Director.

The Board is requested to consider and approve the purchase of one Ambassador Car.