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AGENDA ITEM No. 193.03

To approve/adopt the Audited Balance Sheet and Income and Expenditure Account of the Board for the Financial Year 2018-19.

The Governor of Haryana, in consultation with the Comptroller and Auditor General of India, has appointed M/s Brij Gupta & Co. Chartered Accountant, Panchkula as Statutory Auditor under section 40(3) of the Water (Prevention and Control of Pollution) Act, 1974 for auditing the accounts of the Haryana State Pollution Control Board, Panchkula for the F.Y 2018-2019.

The accounts for the F.Y 2017-18 have already been audited by the statutory auditor and sent to the Government. Now, M/s Brij Gupta & Co. Chartered Accountant, Panchkula have audited the accounts of the Board for the F.Y 2018-19. The copy of the Auditor's report (Annexure-A), Audited Balance Sheet, Income and Expenditure Account for the F.Y 2018-19 (Annexure-B) and reply to the Auditor's report (Annexure-C) are enclosed.

After approval of the Board, the Financial statement will be sent to the State Government, as required under section 40(7) of the Water (Prevention and Control of Pollution) Act, 1974.

The Audited Balance Sheet, Income & Expenditure Account for the F.Y 2018-19 is placed before the Board of Directors for consideration and approval.

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BRIJ GUPTA & CO.

Chartered Accountants

H.No.:729-A (Basement), Near HUDA Offices, Sector-8, Panchkula - 134109 (Haryana). Ph.: 0172-4654660, e-mail: bmg729@yahoo.com

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Annexure - A

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of "Haryana State Pollution Control Board" Panchkula (the 'Board') which comprise the Balance Sheet as at 31st March 2019 and Statement of Income and Expenditure for the Year ended 31st March 2019.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Board. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

On the basis of such checks of the books of accounts and records as we considered appropriate and the information and explanations given to us during the course of the audit, we enclose our observations as per **Annexure-I** to our audit report.

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Opinion

In our opinion and to the best of our Information and according to the explanations given to us, subject to the observations as per Annexure-I, the financial statements give the information in the manner 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 Board as at 31st March, 2019.
- b) In the case of the Statement of Income and Expenditure, of the Excess of Income over Expenditure for the Year ended 31st March, 2019.

We further report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Board so far as appears from our examination of those books.
- c) The Balance Sheet and Statement of Income and Expenditure, dealt with by this report are in agreement with the books of account..

Place: Panchkula
Dated: July 08, 2022

S.P.V



For **BRIJ GUPTA & CO.**
Chartered Accountants
(FRN: 003070N)


(CA. B M GUPTA)
Partner
M.No.081962

UDIN:22081962AMMORT7957

ANNEXURE-I TO AUIDTOR'S REPORT

Referred to in our report of even date on the accounts of 'Haryana State Pollution Control Board' Panchkula for the year ended 31st March,2019:

1. Water (Prevention and Control of Pollution) Act,1974 and the Air(Prevention and Control of Pollution) Act,1981 regarding Annual Report:-

As per clause 35 sub-clause 2 of 'The Air (Prevention and Control of Pollution) Act, 1981

Every State Board shall, during each financial year, prepare in such form as may be prescribed, an annual report giving full account of its activities under this Act during the previous financial year and copies thereof shall be forwarded to the State Government within four months from the last date of the previous financial year and that government shall cause every such report to be laid before the State Legislature within a period of nine months from the last date of the previous financial year.

As per clause 39 sub-clause 2 of 'Water (Prevention and control of Pollution) Act, 1974'

Every State Board shall, during each financial year, prepare in such form as may be prescribed, an annual report giving full account of its activities under this Act during the previous financial year, copies thereof shall be forwarded to the State Government within four months from the last date of the previous financial year and that Government shall cause every such report to be laid before the State Legislature within a period of nine months from the last date of previous financial year.

As informed, the Board has not complied with the above mentioned time schedule for furnishing the Annual Returns of its Accounts due to delay in getting the accounts finalized and audited.

2. Loss incurred due to surplus funds not invested in FDR with banks:

The Board incurred a loss of Rs.2,07,19,898/- during the year kept as surplus funds in saving accounts instead of FDR with various banks as per detail here under

Name of Bank	Diff. in FDR & SB rate	Interest Loss(Rs.)
PNB(7912)	4.85%	44,16,024
PNB(8057)	4.85%	38,23,102
PNB(5744)	4.85%	1,40,018
PNB(7915)	4.85%	2,55,016
INDUSIND BANK(3757)	3.35%	1,17,69,146
ANDHRA BANK (13843)	4.85%	3,16,592
Total		<u>2,07,19,898</u>

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3. Land.

The Board has made payments totalling Rs. 10,29,34,027/- upto 31st March 2019 for purchase of land at Panipat, Panchkula and Gurugram. Out of the five properties included on the Land, conveyance deed has been executed for only one property at Sector-3, IMT, Manesar, DisttGurugram. For Panipat showroom, even letter of allotment was not available. Besides, no documents were made available for our verification for share of Board worth Rs. 4,00,25,300/- in Sawarn Jayanti Building, Gurugram. The Board has possession letter of 625Sq metre land for office building in Sector 15, Part II, Sonipat worth Rs. 11,81,472/- allotted in the year 2001-02, however, no such land at Sonipat exists in the detail of land submitted to us and books of account of the Board.

4. Defaults in filing of TDS Returns.

As per Traces, a default of Rs. 33,680/- persists upto 31/03/2019 in filing TDS Returns.

5. Bank Reconciliation Statements:

i) PNB Sec-6, PKL (A/c No. 7912)

Board has issued cheques amounting to Rs.58,39032/- during the period 2015-16 to December, 2018 which have not been presented to the Bank and have become stale. Similarly Board has received credits amounting to Rs.10,40,381/- in the bank which have not been identified and accounted for in its books of account.

ii) PNB (A/c 8057)

Board has issued cheques amounting to Rs. 88,36,973/- during the period 2012-13 to 2018-19 which have not been presented to the Bank as per Bank Reconciliation Statement provided to us and all these cheques issued have become stale.

iii) PNB (A/c 41180)

Bank reconciliation statement was not made available for our verification. The difference in the amount as per Cash Book and as per Bank is Rs. 45000/- In the absence of reconciliation details, we are unable to comment upon it.

iv) UBI (A/c 18039)

Bank Reconciliation Statement was not made available for our verification. The difference in the amount as per Cash Book and as

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per Bank is Rs. 10,000/-. In the absence of reconciliation details, we are unable to comment upon it.

- v) The Banks for which reconciliation were provided to us, the statements do not mention the dates on which the entry appearing in the Bank Reconciliation Statement has been cleared or reversed in future.
- vi) Outstanding entries (cheques issued but not presented and cheques deposited but not credited by the Bank) have not been reversed. In case, certain cheques deposited which were not credited may become irrecoverable as the particulars of the Issuer of the cheque are not available and it is not known from whom this amount is recoverable and thus loss caused to the Board on account of non-recovery of these amounts can not be ascertained. Sincere efforts should be made to recover the amounts for which cheques has been deposited but which have not been cleared by the Banks as it directly affects the income of the Board.

6. In Respect of Fee charged for Various Consents :

Air Consent Fee, Water Consent Fee, NOC Fee, Noise Fee, BMW Fee, Recognition Fee, Public Hearing Fee, Appeal Fee and NWMP Fee which have been received are duly accounted for but the amounts which were recoverable under the above heads but have not been recovered needs to be quantified and steps taken to recover the same. Copies of the bills raised/ receipts issued for these Fee should be numbered and sent to the Head Office for full control and reconciliation to determine the unrecovered amount.

7. In Respect of Fee charged for Lab Sample Testing :

Year wise detail of fee collection and reports issued by the Board on account of various tests was not available. In absence of any record, we are unable to quantify the amounts which have been claimed but not recovered.

Any such fee remaining recoverable as on 31.03.2019 due to dishonour of cheques or otherwise is also not ascertainable.

8. Advance against Purchases

The Board had released advances to the following suppliers during the previous years which have not been adjusted in the current year.

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<u>Name of Supplier</u>	<u>Amount (Rs.)</u>
Controller Printing and Stationery Department	1,36,710
HARTRON	66,85,398
Sigma Aldrich Chemical	6,872
HAREDA	40,78,000
Mahindra and Mahindra	6
CPR Environmental Education Central Chennai	40,500
NIC (National Informatics Centre)	62,79,320
Reliance Broadcast Network Limited	73,034
Haryana Tourism Ltd.	5,00,000

9. Confirmation of Balances:

Balance confirmations from suppliers and regional offices were not obtained. The amount of un reconciled items that may emerge after the confirmations and reconciliation of accounts cannot be determined and the consequential impact on financial statements remain unascertained. All debit and credit balances including advances are as per book balances. No confirmations for these balances have been obtained.

10. Tax Deduction at Source by Banks on Interest on FDRs:

The Board has not obtained certificate for the amount of interest earned and TDS deducted during the year from most of the Banks with whom it is keeping accounts in fixed deposits. In absence of confirmation of TDS from the Banks, it is difficult to verify that all the TDS deducted from Interest on FDRs have been duly accounted for in the Board's accounts and same has been duly reflected in Form 26AS. In case, certain TDS was deducted from the interest on FDRs but was unconfirmed by Banks and was inadvertently not reflected in 26AS, it may lead to loss to the Board due to omission of this claim in Income Tax Return.

Therefore, the Board is advised to take necessary steps to claim the Actual Tax deducted during the year and also follow up with the Banks that whatsoever TDS has been deducted by them gets reflected in 26 AS. It may be ensured that PAN of the Board is updated in the records of each and every Bank.

11. Filing of Income Tax Returns:

a) F.Y 2018-19

Interest on Bank FDRs & Saving as per Income-
and Expenditure Account Rs. 30,20,51,263/-

Interest on Bank FDRs & Saving as per-
Income Tax Return filed Rs. 28,71,81,159/-

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The differences in the Interest on FDRs & Savings as per Income and Expenditure Account and as per Income Tax Return filed have not been explained.

b) All the Income Tax returns have been filed on the basis of Provisional Financial Statements which do not tally with the final Financial Statements. In the Income Tax Return filed for the year, tax has been calculated on Gross income of Rs. 48,69,83,663/- whereas as per Audited Financial Statement, income for the year before provision of Income Tax is Rs. 30,12,08,918/-.

c) On going through the copy of Income Tax Return filed for AY 2019-20 (FY2018-19), it has been observed that a return with a total income of Rs.28,80,25,500/- was filed and Rs. 3,56,094/- was paid as interest for the Assessment year 2019-20 (FY2018-19) U/S 234.

Thus the Board paid undue amount of interest inspite of no shortage of funds with the Board.

d) Provision for Income Tax amounting to Rs 10,47,40,437 /- for the FY 2018-19 has been made in the books of account and accordingly reflected in the financial statements which was not provided in the Provisional Balance Sheet.

12. Fixed Assets:

The WDV of fixed assets of the Board is worth Rs.16,13,21,004/- as on 31st March, 2019. During the year F.Y 2018-19, total net additions of Rs.4,01,14,234/- were made.

Fixed Assets register showing the quantitative details of various assets was not made available for our verification. Further, as explained to us, no physical verification of fixed assets was carried out during the year F.Y2018-19.

13. Inventories of Lab Materials:

The Board purchased Lab material amounting to Rs.4,82,743/- Stock registers for lab materials were not shown to us. Hence, we cannot comment as to whether proper entries of receipt and issues of stock are maintained or not. The periodic physical verifications of the stocks have not been conducted by the Board during 2018-19. The quantity of the stock lying with the concerned departments as at the close of year cannot be determined.

Thus, we are not able to figure out the value of unconsumed closing stocks of lab materials as on 31st March, 2019. The inventories in hand as at the end of the year are also not available and the entire purchases during the year are booked as expenses and that too on cash basis.

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14. Mixed System of Accounting

The Board is following mixed system of accounting as certain Income and Expenses are recognized on cash basis whereas others are recognised on accrual basis. It is observed that bills/claims for various expenses are submitted/approved/settled/paid and recorded on Payment basis irrespective of the period they pertain to and in many cases after a long gap of years from the date they were incurred. In our opinion the Board should follow Mercantile/Accrual system of accounting so that expenditure incurred and income accrued in a year is accounted for in the same year.

15. Internal Audit and Internal Control

The Board is not having any system of internal audit of its accounts, neither by Internal Auditor nor by External Auditor. Further based on our enquiries, in respect of some aspects, no proper system of internal control procedure was apparently in place. Bank Reconciliation does not identify cheques issued which have been dishonoured but not reversed. Cheques dishonoured may not be renewed in absence of internal audit procedures. The absence of record, reconciliation and wrong claims of TDS may lead to loss to the Board. The entries for Income as per the Income Tax Return, Income Tax Paid, TDS claimed and interest paid on late deposit of taxes were not made from year to year. Advances of Rs. 75,45,780/- released for preparation of Project Reports & Studies and for organising Environmental camps were wrongly accounted for as expenditure. Desktops, Printers and Software amounting to Rs. 2,39,806/- were wrongly accounted for as computer expenses instead of fixed assets. Desktops, Furniture, Air Conditioner and Lab Equipment amounting to Rs. 5,53,607/- were wrongly accounted for as office expense and furniture worth Rs. 45,727/- was wrongly accounted for as Repair & Maintenance of others, unutilized grant in aid of Rs. 5,13,80,400/- was wrongly accounted for as income, wrong booking of showroom as land and non reconciliation of stamps in franking machine etc.

16. Miscellaneous Receipts:

Miscellaneous Receipts amounting to Rs. 72,14,336/- include all receipts the nature of which could not be identified. It includes huge amounts received through ICICI Bank (E-Gateway) and also includes securities which are refundable. Miscellaneous Receipts have been treated as Income irrespective of whether they are capital or revenue.

17. Dishonoured Cheques:

We have observed during our random audit checks in respect of dishonoured cheques that the income account is reversed/debited without debiting the party from whom the cheque was received.

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However in the absence of any records, it is difficult to trace party wise detail regarding dishonoured cheques and to ensure that such payments have been realized in future. There is no list of cheques dishonoured which have not been reversed. In our opinion, the lack of Internal Control on this issue may result in leakage of revenue.

18. Confirmation of Liabilities:

Apart from various other outstanding liabilities, the following amounts have also been shown in the books of accounts to be payable as on 31st March 2019:

Earnest money payable	Rs. 14,22,066/-
Security Deposit (Refundable)	Rs. 117,41,98,894/-
G.P.F Liability	Rs. 8,85,58,526/-
C.P.F Liability	Rs. 2,37,69,995/-
NGT Fee Payable	Rs. 63,39,100/-

No party/person wise details, confirmations and reconciliation of such amounts are being maintained in the case of Earnest money payable and

Security Deposits (Refundable) which may lead to wrong claims. Further no details are available in respect of securities which are required to be forfeited.

As per person wise detail provided to us, the balance of GPF Liability is Rs. 8,72,60,069/- and of CPF Liability is Rs. 2,34,45,917/-. These amounts do not match with the balances in the Books of Accounts. The GPF liability in books of accounts is excess by Rs. 12,98,457/- and CPF liability is excess by Rs. 3,24,078/-.

19. C.R.E.P Fund:

The Board has liability in shape of a fund called "C.R.E.P Fund" amounting to Rs.15,20,000/- which is outstanding in the Balance Sheet for more than eight years.

20. Leave Encashment, Gratuity and Pension Fund:

The Board has maintained various funds like Leave Encashment Fund, Gratuity Fund and Pension Fund with LIC for employee benefits, Claims paid during the year are booked as an expense and interest earned on these funds is booked as an Income. These claims are paid by LIC and reduced from respective funds. It is not certain as to who calculates these and whether individual accounts of the persons and their reconciliation is done from time to time.

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21. Amount released to Eco Clubs:

Detail of amounts released to various Eco Clubs during the year and reimbursement obtained from Ministry of Environment, Forest and Climate change was not available for verification.

Place: Panchkula
Dated: July 08, 2022

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For **BRIJ GUPTA & CO.**
Chartered Accountants
(FRN: 003070N)

(CA. B M GUPTA)
Partner
M.No.081962

UDIN:22081962AMMORT7957

HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)
BALANCE SHEET AS AT 31ST MARCH 2019

PREVIOUS YEAR	LIABILITIES	AMOUNT	TOTAL	PREVIOUS YEAR	ASSETS	AMOUNT	TOTAL
37008956	CAPITAL ACCOUNT:- Operating balance as on 01.04.2018	37008956	37008956	128488242	FIXED ASSETS: As per Annexure 'D' attached	161321004	161321004
	EXCESS OF INCOME OVER EXPENDITURE:-		37008956		1. CURRENT ASSETS:	1599	
4049318013	Operant balance as on 01.04.2018	4401287797		7154	of Cash in hand	198765579	59310
310071982	Add: Amount transferred from Investment & Expenditure Account	106408481		870926147	of Balance with banks		
				44109	of per Annexure 'E' attached		
				1187213826	of Shares in Existing Machine	378441779	
				171836110	of fixed deposit with banks	186908214	
					of Interest Accrued on fixed deposit with banks		
4408387297			4601866478	4300017608			4150126410
	CURRENT LIABILITIES & PROVISIONS:-				2. LONG TERM ADVANCES		
104729198	of Security Deposits (Receivable)	1171138624		189966521	of Advances against purchase document 'F. I.	194201136	
7341562	of Balance Payable (Annexure 'A')	7173245		20000000	of Advance Contribution of Residential Charities	120000000	
4344294	of Other Current liabilities (Annexure 'H')	2628743		2859362	of Small Advances (Annexure 'G')	3799581	
904337	of Unutilised Grant in Aid	3149362			of Advances to staff/other employees (H)	8887120	
1300000	of CRPF Band	2528978		7912498	of loan to R.A. (Annexure 'I')	17500073	
19928731	of C/PF liability	33769226		71585831	of Investment in R.A. (Annexure 'J')	331971786	
1422006	of Current Money	1422006		49730750	of Current Fund with LIC	48510138	
611394	of Grant in Aid/loan Club	2109964		30274928	of Loan encashment with LIC	27600562	
9000104	of C/PF liability	80528220		1000	of Debt (Debt Fund)	1143422	
5289	of Amount due to Staff (Annexure 'L')	4600			of Advance to Pension & Gratuity Account	1090	
3906424	of Provision for Income Tax	104740437			of Reserve from Director Emoluments	6183860	
28900	of Contribution Fund	292000		324470	of Tax Deducted at Source FY 2010-11	234470	
1500000	of MGT Fee Payable	6129100		616014	of Tax Deducted at Source FY 2011-12	616014	
	of Other (Annexure 'O')	51189400		719672	of Tax Deducted at Source FY 2012-13	719672	
				453174	of Tax Deducted at Source FY 2013-14	453174	
				2560240	of Tax Deducted at Source FY 2014-15	2290240	
				5673314	of Tax Deducted at Source FY 2015-16	5693514	
				9741110	of Tax Deducted at Source FY 2016-17	9741110	
				90000000	of Advance Income Tax FY 2017-18	109932736	
				19202981	of Tax Deducted at Source FY 2017-18	19202981	
					of Advance Income Tax FY 2018-19	90000000	
					of Tax Deducted at Source FY 2018-19	21966714	
					of Interest Tax Paid under 'Arrest'	89256683	
1328370926			14677964939	895166433			1793178998
266776729			6106830792	566776729			8109830392
	G. TOTAL(Rs.)				G. TOTAL(Rs.)		

For Haryana State Pollution Control Board

(Senior Accounts Officer)
[Signature]

(Member Secretary)
2-10-2019

Date: July 8, 2022
Place: Panchkula

AUDITORS REPORT
As per our attached report of even date

For Brij Gupta & Co.
Chartered Accountants
FMS 000700

CA B K GUPTA
(Partner)
M.S. 081962



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HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2019

PREVIOUS YEAR EXPENDITURE	ADMINISTRATIVE EXPENSES-	AMOUNT	TOTAL	PREVIOUS YEAR	INCOME	AMOUNT	TOTAL
	A: ESTABLISHMENT EXPENSES				A: Grant-in Aid		
874765	Leave Salary	589292		22961360	Received From Govt. of India/Cess Share	10432722	
2654314	New Pension Board Contribution	4285717					10432722
6223	House Rent Board Contribution	0			A: FEES		
953994	Pension Contribution	312195					
1070386	CPE Board Contribution	2005808					
146511936	Salary A/c	188029820.5					
41984829	Pension Account	143570658					
7932212	Gratuity	1500					
5452401	Leave Encashment	15106442					
0	Penalty	7990503					
0	CM Relief Fund	485000					
		10000000					
207441059			372376936				419697992
207441059	TOTAL (A)		372376936	426822728.9	TOTAL (A)		430130714
	B: CONTINGENT EXPENDITURE:				B: INTEREST		
1675232	Rent, Rates & Taxes	3114707		237715	Car Advance	71550	
676127	Postage & Telegram	849655		3867	Computer Advance	0	
1077081	Telephone Expenses	1152494		2156	Scoter Advance	0	
				2400	Moped Advance	733	
				725749	HBM	706925	
				253491443	Interest on FDR (Annure "J")	279706267	
				14460066	Interest on Savings A/c with banks	22344996	
				12277116	Interest received from LHP/Jan, Gratuity/leave Encashment	11510298	
				153637	Marriage Advance	0	
3428440			5316856	281360150			314341269
210869499	BALANCE CARRIED FORWARD		377693792	708182879	BALANCE CARRIED FORWARD		744471983

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PREVIOUS YEAR EXPENDITURE	AMOUNT	TOTAL	PREVIOUS YEAR	INCOME	AMOUNT	TOTAL
210869499 BALANCE BROUGHT FORWARD		377693792	708182879	BALANCE BROUGHT FORWARD		744471983
25750 Honorarium	915091		13848503	C: MISCELLANEOUS RECEIPTS	7214336	
5578394 Water & Electricity Charges	5381498					
490500 Education Allowance	774175					
2401418 Medical Reimbursement	3631395					
397004 Repairs of Office Equipment	2536605					
0 Property Tax	326469					
2500 Seminar & Workshop	18890					
2817018 Office Expenditure	3374717					
1374801 Printing & Stationary	1855355					
669490 Professional Charges	1052946					
10029911 Environmental Awareness	3546382					
723193 Hospitality & Entertainment	828488					
36554 Newspaper & Magazine	78132					
1500 Liveries	0					
63065.99 Bank Charges	968101.5					
7694061 Advertisement & Publicity	10027020					
0 Insurance GIS	38150.4					
219913 LTC/HTC	878935					
1079359.5 TA Expenditure	1257783					
11050 Repairs & Maintenance (Lab)	108914					
639191 Repairs & Maintenance (Building)	1258812					
3693540 Computer Expenses	2600273					
2778427 Laboratory Expenses	1109436					
275530 Lab Materials	482743					
415768 Repairs & Maintenance (Others)	1213278					
25000 Ex-Gratia	0					
Research & Development Project Report & Studies	0					
3771700 Studies	0					
299610 Misc Expenses	272612					
223011 Insurance Of Vehicle & Building	1615560					
0 Taxi Expenses	1615560					
0 Misc Expenses	250					
45957229		44066201	13848503			7214336
256826728 BALANCE CARRIED FORWARD		421759993	722031582	BALANCE CARRIED FORWARD		751686319

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PREVIOUS YEAR EXPENDITURE	AMOUNT	TOTAL	PREVIOUS YEAR INCOME	AMOUNT	TOTAL
256826728 BALANCE BROUGHT FORWARD		421759993	722031382 BALANCE BROUGHT FORWARD		751686319
TOTAL (B)					
45408659 P.O.L.	5733903				
1204234 Repairs	1594135				
5745103		7328038			
TOTAL (C)					
D. INCOME TAX					
79006224 Income Tax	104740437				
79006224		104740437			
TOTAL (D)					
E. OTHER ADMN. EXPENSES					
94400 Audit Fees	94400				
6898183 Interest on GPF Accounts	6750014				
4514307 Legal Expenses	4878190				
1326380 Interest on CPF Accounts	1360402				
12833270		13283006			
TOTAL (E)					
11548075 F. DEPRECIATION (as per Annexure attached)	8106364	8106364			
356071982 To Excess Of Income Over Expenditure transferred to Balance sheet		196468481			
722031382		751686319	722031382		751686319
GRAND TOTAL (Rs.)			GRAND TOTAL (Rs.)		

For Haryana State Pollution Control Board

(Senior Accounts Officer)

(Signature)
Ajay Prakash

(Member Secretary)

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AUDITORS' REPORT
As per our attached report of even date

For Brij Gupta & Co.
Chartered Accountants
FRN003070X

(Signature)

CA B M GUPTA
(Partner)
M.No.081962

Dated : July 8, 2022
Place : Panchkhla

(Signature)



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HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)

ANNEXURE 'A' EXPENSES PAYABLE

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
70,46,974	Salaries Payable	6843107
2,92,150	Audit Fee Payable	327800
2,438	House Rent Payable	2438
73,41,562	TOTAL(Rs.)	7173345

ANNEXURE 'B' OF OTHER CURRENT LIABILITIES

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
7,212	GIS Payable	7012
38,610	HBA Payable	7240
3,870	Car Advance Payable	5400
6,32,797	Leave Encashment Payable	403729
1,34,167	CPF Payable	175992
4,23,283	TDS Payable	677368
9,37,505	GPF Payable	895505
2,295	Scoter Advance Payable	765
10,79,876	New Pension Scheme Payable	(3,46,500)
10,74,679	Gratuity Payable	711463
0	GPF Advance Payable	5000
0	Interest on HBA Payable	7050
0	GST Payable	86723
43,34,294	TOTAL(Rs.)	2636747

ANNEXURE 'C' OF AMOUNT DUE TO STAFF & OTHERS

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
5,163	Sh. Sushil Kumar	5163
126	Sh. Vikas driver	0
0	Sh. Rajinder Sharma	75
0	Sh. Lokesh Singh Advocate	43450
5,289	TOTAL(Rs.)	48688

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HARYANA STATE POLLUTION CONTROL BOARD, PARCHUKLA (HARYANA)
ANNEXURE 'D' OF FIXED ASSETS

Sl. NO.	PARTICULARS	WDV AS ON 01.04.2018	ADDITIONS UPTO 30.09.2018	AFTER 01.10.2018	SALES DURING THE YEAR	TOTAL AS ON 31.03.2019	Rate of Depreciation	DEPRECIATION DURING THE YEAR	WDV AS ON 31.03.2019
1	Land	8,02,75,027		2,65,000	-	10,29,34,027	0%	-	10,29,34,027
2	Building Under Construction	11,55,018				11,55,018	0%	-	11,55,018
3	Building	2,30,36,279	2,22,459	5,630	-	2,32,64,368	10%	23,26,155	2,09,38,213
4	Air Conditioners/Coolers	29		37,300	-	37,328	15%	2,802	34,526
5	Fans	21			-	21	10%	2	19
6	Paper Copying machine	9			-	9	15%	1	8
7	Machinery Equipments	65,29,160	68,095	28,87,765	-	86,85,020	15%	11,46,171	75,38,849
8	Laboratory Equipments	87,63,539	4,11,577	61,95,450	-	1,53,70,566	15%	18,40,926	1,35,29,640
9	Furniture & fixtures	33,63,212	8,45,808	12,55,965	-	54,64,985	10%	4,83,700	49,81,285
10	Library Books	13,445	2,470			15,915	40%	6,366	9,549
11	Car	51,73,029		28,06,346	1,75,208	78,44,107	15%	9,63,149	68,81,018
12	Cycle	95		3,190		3,284	15%	254	3,031
13	Computers	11,79,480	8,57,053	26,21,126		46,62,659	40%	11,36,838	35,25,821
TOTAL[In.]		12,94,85,342	24,02,462	3,77,11,772	1,75,208	16,94,27,368		81,06,364	16,13,21,004

(M) *[Signature]*
General Manager, Haryana
DATE: July 8, 2019
PLACE: Panchkula

[Signature]



5.10.10/2019
(Member Secretary)

03/17

03/18

ANNEXURE 'G' OF STAFF ADVANCES

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
2,807	Computer Advance	2807
26,725	Scoter/Motor Cycle Advance	8725
3,190	Cycle Advance	
5,01,885	Marriage Advance	630404
23,499	CPF Advance	23498.75
5,58,036	Car Advance	281644
14,99,404	House Building Advance	787637
12,29,620	OPF Advance	1850169
4,896	Advance for POL to Director Env.	4896
0	Moped Advance	0
9,300	Advance for T.A.	9300
38,59,362	TOTAL(Rs.)	3599081

HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)

ANNEXURE 'H' OF ADVANCES TO STAFF & Ro's

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
	A: ADVANCE TO STAFF	
201	Sh. Vinay Jhingan, ADA	201
500	Sh. Ranbir, Peon	500
6,000	Sh. Vinod Kumar Driver	6000
2,511	Sh. Mastinder Singh	2511
5,000	Sh. Manish Kumar	5000
93,900	Sh. Sunil Kaumar	0
1,000	Sh. Roshan Lal	0
3,846	Sh. Kashmir Singh	0
12,088	Sh. Avtar Singh Driver	16000
5,083	Sh. Bijender Kumar	83
0	Sh. PKMK Dass	36097
0	Sh. Sarwan Kumar Programmer	10000
0	Sh. Sanjay Kumar	14057
0	Sh. Vikas Peon	1000
1,30,129	TOTAL(Rs.) (A)	91449
	B: ADVANCE TO Ro's	
379003	Advance Lab Faridabad	110000
110000	Advance Lab Gurugram	100000
100000	Advance Lab Hissar	100000
100000	Advance Ro Bahadurgarh	335483
335483	Advance Ro Ballabgarh	531536
531536	Advance Ro Dharuhera	742883
842683	Advance Ro Faridabad	580390
410390	Advance RO Gurugram North	379003
1171000	ADVANCE R.o. Gurugram South	1482013
297005	Advance RO Hisar Region	409674
207500	Advance Ro Jind	207500
747593	Advance RO Panchkula	2402261
447335	Advance Ro Panipat	447335
585436	Advance RO Sonapat	340488
15,17,356	Advance Ro Yamuna Nagar	667358
7782320	TOTAL(Rs.) (B)	8795722
7912448	TOTAL(Rs.) (A+B)	8887170

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03/19

HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)

ANNEXURE 'E' OF BANK BALANCES

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
2,43,33,918	PNB (A/c 20328057)	6205648
35,25,693	PNB (A/c 20328136)	0
1,51,27,056	PNB (A/c 20328215)	0
35,98,365	PNB (A/c 20327915)	15256732
10,002	UBI 18039	10002
64,07,272	Andhra Bank (A/c 283)	997754
45,000	PNB (A/c 41180)	45000
26,99,59,869	PNB Sec-5, PKL (A/c No. 7912)	92047890
67,32,022	ICICI Bank (A/c No. E - Gateway)	29602516
53,74,30,312	Indusind Bank	914379
37,56,639	PNB Sector 8 (A/c No. 5744)	0
0	Axis Bank 0932	300369
0	HDFC Bank Sector 27	115189
0	PNB Flexi	53270080
87,09,26,147	TOTAL(Rs.)	198765559

ANNEXURE 'F' FOR ADVANCE AGAINST PURCHASES

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
3,84,904	Haryana Forest Development Corporation	2450000
1,36,710	Controller Printing & Stationery deptt.	138153
74,62,821	Hartron Chandigarh	6685398.25
6,872	Sigma Aldrich Chemical	6872
40,78,000	HAREDA	0
6	Mahindra & Mahindra	6
40,500	CPR Environmental Education Central Chennai	40500
62,79,320	NIC (National Informatics Centre)	10179249
73,034	Reliance Broadcast Network Limited	73034
5,00,000	Haryana Tourism	500000
34,387	Usha Enterprises	0
0	Durga Nursery	12910
0	Sai Auto Enterprises	10537
0	Executive Engeenier	5000000
0	Suraj Kund	500000
0	National Environmental Research Centre(NEERI)	600000
0	Indian Insitute of Technology	600000
0	HARSAC	2163500
0	PGIMER	1732280
0	Environment S.A.	118508697
1,89,96,554	TOTAL(Rs.)	194201136



03/20

ANNEXURE 'I' OF IMPREST TO LAB & Ro's		
PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
0	Imprest Lab Faridabad	100000
0	Imprest Lab Gurugram	100012
0	IMPREST LAB HISAR	100000
0	Imprest Lab- Panchkula	200000
0	Imprest RO Bahadurgarh	132700
0	Imprest RO Ballabgarh	100000
0	Imprest R.O Bhiwani	100000
0	Imprest RO Dharuhera	100000
0	Imprest RO Faridabad	100000
0	Imprest RO Gurugram North	67300
0	Imprest R.O Gurugram South	100033
0	Imprest Ro Hissar	100030
0	Imprest RO Panchkula	100000
0	IMPREST R.O PANIPAT	100000
0	Imprest RO Sonapat	99998
0	Imprest RO Yamuna Nagar	100000
	TOTAL(Rs.)	1700073

HARYANA STATE POLLUTION CONTROL BOARD, PANCHKULA (HARYANA)

ANNEXURE 'J' OF INTEREST INCOME ON FDR

PREVIOUS YEAR	PARTICULARS	CURRENT YEAR
17,83,61,187	Interest Received on FDR	240849439
11,59,01,814	Less : Accrued Interest on Previous Year	171826110
17,18,26,110	Add: Accrued Interest on Current Year	186696214
1,92,05,961	Add: TDS (2018-19)	23986724
25,34,91,443	TOTAL(Rs.)	279706267

For Haryana State Pollution Control Board

(Senior Accounts Officer)

Dated : July 8, 2022
Place : Panchkula

S. Talwar
(Member Secretary)



Details of observations made by the Statuary Auditor in the audited Balance Sheet for the year ending 31st march, 2019 (F.Y 2018-19) and reply of the Board

(Annexure-C)

OBSERVATIONS	REPLY
<p>1] Water (Prevention and Control of Pollution) Act, 1974 and the Air(Prevention and Control of Pollution) Act, 1981 regarding Annual Report:-</p> <p>As per clause 35 sub-clause 2 of "The Air (Prevention and Control of Pollution) Act, 1981. Every State Board shall, during each financial year, prepare, in such form as may be prescribed, an annual report @/mg full account of its activities under this act during the previous financial year and copies thereof shall be forwarded to the State Government within four months from the last date of the previous financial year and that government shall cause every such report to be laid before the State Legislature within a period of nine months from the last date of the previous financial year.</p> <p>As per clause 39 sub-clause 2 of 'Water (Prevention and control of Pollution) Act, 1974'</p> <p>Every State board shall, during each financial year, prepare, in such form as may be prescribed, an annual report giving full account of its activities under this act during the previous financial year copies thereof shall be forwarded to the State Government within four months from the last date of the previous financial year and that government shall cause every such report to be laid before the State Legislature within a period of nine months from the last date of previous financial year.</p> <p>As informed the Board has not complied with the above mentioned time schedule for furnishing the Annual Returns of its accounts due to delay in getting the accounts finalized and audited.</p>	<p>The accounts of the Board for the F.Y 2017-18 have been audited by the Statuary Auditor M/s. Brij Gupta & Co. Chartered Accountant, H.No- 729-A basement, Near Huda offices, Sector-8, Panchkula (Haryana) appointed by Comptroller and Auditor General of India. The Balance Sheet Income and Expenditure account for the F.Y 2017-18 have already been sent to State Government after approval given by BOD of the Board in its 191th meeting held on 8.4.2022 vide agenda item No. 191.12 vide office letter No. HSPCB/Accts/2022/62 dated 22.4.2022.</p> <p>M/s. Brij Gupta & Co. Chartered Accountant, H.No- 729-A basement, Near Huda offices, Sector-8, Panchkula has been appointed to audit the Balance Sheet for the F.Y 2017-18 to 2020-21 vide Govt. Letter No. 2/16/1997-JENB dated 22.6.2021. The Chartered Accountant has completed the audit of Balance Sheet for the year 2018-19 and has been requested to complete the audit of the Balance Sheet for the F.Y 2019-20 immediately.</p>

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03/21

2) Loss incurred due to surplus funds not invested in FDR with banks: The Board incurred a loss of Rs.2,07,19,898/- during the year kept as surplus funds in saving accounts instead of FDR with various banks as per detail here under:-

Name of Bank	Diff. in FDR & SB rate	Interest Loss(Rs.)
PNB(7912)	4.85%	44,16,024
PNB(8057)	4.85%	38,23,102
PNB(5744)	4.85%	1,40,018
PNB(7915)	4.85%	2,55,016
Industrial Bank(3757)	3.35%	1,17,69,146
Andhra Bank	4.85%	3,16,592
Total		2,07,19,898

The Haryana State Pollution Control Board received the amount under various heads in the banks directly from various industries/firms/units etc. on account of fees & performance security etc. on day to day basis. The emergent expenditure is incurred from receipts and balance funds if any is invested in fixed deposit (FDR's) in the banks. As such there is no loss of interest to the Board.

3) Land

The Board has made payments totaling Rs. 10,29,34,027/- upto 31st March 2019 for purchase of land at Panipat, Panchkula, and Gurugram. Out of the five properties included on the Land, Conveyance deed has been executed for only one property at Sector-3, I/N.T. Manesar, Distt Gurugram. For Panipat Showroom, even letter of allotment was not available. Besides, no documents were made available for our verification for share of Board worth Rs. 4,00,25,300/- in Swarn Jayanti Building, Gurugram. The Board has possession letter of 6255sq meter land for office building in Sector 15, Part II, Sonapat worth Rs. 11,81,472/- allotted in the year 2001-02, however, no such land at Sonapat exists in the detail of land submitted to us and books of account of the Board.

The Plot for the office of R.O Sonapat has been taken in the land/plot Account. Action regarding conveyance deed for the Land/Plot at Sonpat, Bahadurgarh, Panipat & Gurugram (S) is under consideration. The conveyance deed of plot at Panchkula (Residential Complex) has been executed. Action regarding record of RO Panipat (Showroom) and Swarn Jayanti Building, Gurugram is being taken(Estate Office).

03/22

<p>4) Defaults in filing of TDS Returns.</p> <p>As per Traces, a default of Rs. 33,680/- persists up to 31/03/2019 in filing TDS returns.</p>	<p>The Chartered Accountant M/s Jain & Associates, Panchkula has been engaged for filing of Income Tax Return of the Board. The C.A has been requested to advise in the matter. On receipts of the advice from the C.A, final action will taken.</p>
<p>5) Bank Reconciliation Statements:</p> <p>i) PNB Sec-6, PNL (A/c No. 7912) Board has issued cheques amounting to Rs.58,39,032/- during the period 2015-16 to December, 2018 which have not been presented to the bank and have become stale. Similarly Board has received credits amounting to Rs.10,40,381/- in the bank which have not been identified and accounted for in its books of account.</p> <p>ii) PNB (A/c 8057) Board has issued cheques amounting to Rs.88,36,973/- during the period 2012-13 to 2018-19 which have not been presented to the bank as per Bank Reconciliation Statement provided to us and all these cheques issued have become stale.</p> <p>iii) PNB (A/c 41180) Bank reconciliation statement was not made available for our verification. The difference in the amount as per cash book and as per Bank is Rs. 45000/-. In the absence of reconciliation details we are unable to comment upon it.</p>	<p>i) All the outdated/stale cheques/demand drafts have been sent to all the concerned regional officers with the direction to send the fresh demand drafts/cheques after taking from the parties/firms etc.</p> <p>ii) Bank reconciliation is being done by the Cashier.</p> <p>iii) Bank reconciliation is being done by the Cashier.</p>

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03/23

<p>iv) UBI (A/c 18035) Bank reconciliation statement was not made available for our verification. The difference in the amount as per cash book and as per bank is Rs. 10,000/-. In the absence of reconciliation details we are unable to comment upon it.</p> <p>v) The Banks for which reconciliation were provided to us, the statements do not mention the dates on which the entry appearing in the BS has been cleared or reversed in future.</p> <p>vi) Outstanding entries (cheque issued but not presented and cheque deposited but not credited by the bank) have not been reversed. In case, certain cheques deposited which were not credited may become irrecoverable as the particulars of the issuer of the cheque are not available and it is not known from whom this amount is recoverable and loss to the Board on account of non-recovery of these amounts cannot be ascertained. We advise that sincere efforts be made to recover the amounts for which cheques has been deposited but which have not been cleared by the banks as it directly affects the income of the Board.</p>	<p>v) Bank reconciliation is being made by the Cashier.</p> <p>v) Accounts are being reconciled.</p> <p>vi) All the outdated/state cheques/demand drafts have been sent to all the concerned regional officers with the direction to send the fresh demand drafts/cheques after taking from the parties/firms etc.</p>
<p>5) In Respect of Fee charged for Various Consents:</p> <p>Air Consent Fee, Water Consent Fee, NOC Fee, Noise Fee, BMW Fee, Recognition Fee, Public Hearing Fee and Appeal Fee which have been received are duly accounted for but the amounts which were recoverable under the above heads but have not been recovered needs to be quantified and steps taken to recover the same. Copies of the bills raised for these fees should be numbered and sent to the Head Office for full control and reconciliation to determine the unrecovered amount.</p>	<p>The Air Consent Fee, Water Consent Fee, NOC Fee, Noise Fee, BMW Fee, Recognition Fee, Public Hearing Fee and Appeal Fee and NWMF Fees is received through E-gateway Account through ICID Bank in shape of MIS. On the basis of MIS the fee is being booked head wise. The online control on the firms/unit/factory etc. is being kept by the concerned R.O also.</p>

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<p>7) In Respect of Fee charged for Lab Sample Testing Year wise detail of fee collection and reports issued by the Board on account of various tests was not available. In absence of any record, we are unable to quantify the amounts which have been claimed but not recovered. Any such fee remaining recoverable as on 31.03.2019 due to dishonor of cheques or otherwise is also not ascertainable.</p>	<p>Concerned Regional Officers have been requested to send the information regarding confirmation of the fee charged for various contents for the year 2017-18, 2018-19, 2019-20 & 2020-21 vide letter no. HSPCB/Actcts./2022/378-383 dated 05.08.2022 (Panchkula), HSPCB/Actcts./2022/372-377 dated 05.08.2022(Hisar), HSPCB/Actcts./2022/366-371 dated 05.08.2022 (Ferozabad) and HSPCB/Actcts./2022/360-365 dated 05.08.2022 (Gurgaon North).</p>																																								
<p>8) Advance against Purchases The Board had released advances to the following suppliers during the previous year which have not been adjusted in the current year.</p> <table border="1"> <thead> <tr> <th data-bbox="837 118 1023 1137">Name of Supplier</th> <th data-bbox="837 1137 1023 2110">Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="790 118 837 1137">i) Controller Printing and Stationery Department</td> <td data-bbox="790 1137 837 2110">1,36,710/-</td> </tr> <tr> <td data-bbox="758 118 790 1137">ii) Harton</td> <td data-bbox="758 1137 790 2110">66,85,398/-</td> </tr> <tr> <td data-bbox="726 118 758 1137">iii) Sigma Aldrich Chemical</td> <td data-bbox="726 1137 758 2110">6,872/-</td> </tr> <tr> <td data-bbox="694 118 726 1137">iv) HASEDA</td> <td data-bbox="694 1137 726 2110">40,78,000/-</td> </tr> <tr> <td data-bbox="662 118 694 1137">v) Mahindra and Mahindra</td> <td data-bbox="662 1137 694 2110">6/-</td> </tr> <tr> <td data-bbox="630 118 662 1137">vi) CPRI Environmental Education Central Chennai</td> <td data-bbox="630 1137 662 2110">40,500/-</td> </tr> <tr> <td data-bbox="598 118 630 1137">vii) NIC (National Informatics Centre)</td> <td data-bbox="598 1137 630 2110">62,79,320/-</td> </tr> <tr> <td data-bbox="566 118 598 1137">viii) Reliance Broadcast Network Limited</td> <td data-bbox="566 1137 598 2110">73,034/-</td> </tr> <tr> <td data-bbox="330 118 566 1137">ix) Haryana Tourism</td> <td data-bbox="330 1137 566 2110">5,00,000/-</td> </tr> </tbody> </table>	Name of Supplier	Amount (Rs.)	i) Controller Printing and Stationery Department	1,36,710/-	ii) Harton	66,85,398/-	iii) Sigma Aldrich Chemical	6,872/-	iv) HASEDA	40,78,000/-	v) Mahindra and Mahindra	6/-	vi) CPRI Environmental Education Central Chennai	40,500/-	vii) NIC (National Informatics Centre)	62,79,320/-	viii) Reliance Broadcast Network Limited	73,034/-	ix) Haryana Tourism	5,00,000/-	<table border="1"> <tbody> <tr> <td data-bbox="837 1137 1023 2110">i)</td> <td data-bbox="837 1137 1023 2110">Action is under process (Estate Office).</td> </tr> <tr> <td data-bbox="790 1137 837 2110">ii)</td> <td data-bbox="790 1137 837 2110">Outstanding amount has been adjusted in February, 2022 along with other outstanding advance.</td> </tr> <tr> <td data-bbox="758 1137 790 2110">iii)</td> <td data-bbox="758 1137 790 2110">The advance has been adjusted in the month 3/2022.</td> </tr> <tr> <td data-bbox="726 1137 758 2110">iv)</td> <td data-bbox="726 1137 758 2110">The outstanding amount has already been adjusted in the month 10/2018</td> </tr> <tr> <td data-bbox="694 1137 726 2110">v)</td> <td data-bbox="694 1137 726 2110">Rs.7 adjusted in the month 5/2021.</td> </tr> <tr> <td data-bbox="662 1137 694 2110">vi)</td> <td data-bbox="662 1137 694 2110">The outstanding amount adjusted in the month 1/2022</td> </tr> <tr> <td data-bbox="630 1137 662 2110">vii)</td> <td data-bbox="630 1137 662 2110">Advance Rs.1139985(13.11.2017),Rs.181065(26.11.2019),Rs5199739 (31.3.2019),</td> </tr> <tr> <td data-bbox="598 1137 630 2110">viii)</td> <td data-bbox="598 1137 630 2110">Rs.22804(16.12.2021) & Rs.2140563(24.2.2022) adjusted.</td> </tr> <tr> <td data-bbox="566 1137 598 2110">ix)</td> <td data-bbox="566 1137 598 2110">Action is under process (Publicity Cell).</td> </tr> <tr> <td data-bbox="330 1137 566 2110">ix)</td> <td data-bbox="330 1137 566 2110">Action is under process (Publicity Cell).</td> </tr> </tbody> </table>	i)	Action is under process (Estate Office).	ii)	Outstanding amount has been adjusted in February, 2022 along with other outstanding advance.	iii)	The advance has been adjusted in the month 3/2022.	iv)	The outstanding amount has already been adjusted in the month 10/2018	v)	Rs.7 adjusted in the month 5/2021.	vi)	The outstanding amount adjusted in the month 1/2022	vii)	Advance Rs.1139985(13.11.2017),Rs.181065(26.11.2019),Rs5199739 (31.3.2019),	viii)	Rs.22804(16.12.2021) & Rs.2140563(24.2.2022) adjusted.	ix)	Action is under process (Publicity Cell).	ix)	Action is under process (Publicity Cell).
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<p>9) Confirmation of Balances:</p> <p>Balance confirmations from suppliers and regional offices were not obtained. The amount of un reconciled items that may emerge after the confirmations and reconciliation of accounts cannot be determined and the consequential impact on financial statements remain unascertained. All debit and credit balances including advances are as per book balances. No confirmations for these balances have been obtained.</p>	<p>All the regional officers have been given directions regarding confirmation of imprest and advance balances as on 31.3.2018 and 31.3.2019 vide letter no. HSP/CA/ACCTS/2022/1527-1529 dated 28.02.2022. The Cashbook of Regional Office is also being verified/authenticated by the Sr. Accounts Officer (DDO).</p>
<p>10) Tax Deduction at Source by Banks on Interest on FDRs:</p> <p>The Board has not obtained certificate for the amount of interest earned and TDS deducted during the year from various banks with whom it is keeping accounts in fixed deposits. In absence of confirmation of TDS from the Banks, it is difficult to verify that all the TDS deducted from interest on FDRs have been duly accounted for in the Board's accounts and same has been duly reflected in Form 26AS. In case, certain TDS was deducted from the interest on FDRs but was unconfirmed by Banks and was inadvertently not reflected in 26AS which may lead to loss to the Board due to omission of this claim in Income Tax Return.</p> <p>Therefore, the Board is advised to take necessary steps to claim the Actual Tax deducted during the year and also follow up with the banks that whatsoever TDS has been deducted by them gets reflected in 26 AS. It may be ensured that PAN of the Board is updated in the records of each and every bank.</p>	<p>The Chartered Accountant M/s Jain & Associates, Parichkula has been engaged for filing of Income Tax Return of the Board. The CA has been requested to advise in the matter. On receipts of the advice from the C.A, final action will taken.</p>

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11) Filing of Income Tax Returns:

a) FY 2018-19

Interest on FDRs as per Income and Expenditure Account Rs. 30,20,51,263/- Interest on FDRs as per Income Tax Return filed- Rs. 28,71,81,159/-

The differences in the Interest on FDRs & Savings per Income and Expenditure Account and as per Income Tax Return filed have not been explained.

b) All the Income Tax returns have been filed on the basis of Provisional Financial Statements which do not tally with the Financial Statements. In the Income Tax Return filed for the year, tax has been calculated on Gross Income of Rs. 48,89,83,663/- whereas as per Audited Financial Statement, Income for the year before provision of Income Tax is Rs. 30,12,08,918/-.

c) On going through the copy of Assessment Order for AY 2019-20 (FY 2018-19) it has been observed that a return with a total income of Rs. 28,80,25,500/- was filed, Rs. 3,56,094/- was paid as interest for the Assessment year 2019-20 (FY 2018-19) U/S 234. Thus the Board paid undue amount of interest inspite of no shortage of funds with the Board.

d) Provision for Income Tax amounting to Rs. 10,47,40,437 /- for the FY 2018-19 has been made in the books of account and accordingly reflected in the financial statements, which was not provided in the Provisional Balance Sheet.

The Chartered Accountant M/s Jain & Associates, Panchkula has been engaged for filing of Income Tax Return of the Board. The C.A has been requested to advise in the matter. On receipts of the advice from the C.A, final action will taken.

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<p>12) Fixed Assets: The WDV of fixed assets of the Board is worth Rs. 16,13,21,004/- as on 31st March, 2019. During the F.Y 2018-19, total net additions of Rs. 4,01,14,234/- were made. Fixed Assets register showing the quantitative details of various assets was not made available to us for verification. Further as explained to us, no physical verification of fixed assets was carried out during the F.Y2018-19.</p>	<p>Fixed Assets Register is being maintained in the Board, Regional Offices & Laboratories as per past practice. Presently physical verification of store is being conducted from the year 2018-19.</p>
<p>13) Inventories of Lab Materials: The Board purchased Lab material amounting to Rs.4,82,743/- Stock registers for lab materials were not shown to us. Hence we cannot comment as to whether proper entries of receipt and issues of stock are maintained or not. The periodic physical verifications of the stocks have not been conducted by the Board during 2018-19. The quantity of the stock lying with the concerned departments as at the close of year cannot be determined. Thus we are not able to figure out the value of unconsumed closing stocks of lab materials as on 31st March, 2019. The inventories in hand as at the end of the year are also not available and the entire purchases during theyear are booked as expenses and that too on cash basis.</p>	<p>Fixed Assets Register is being maintained in the laboratories as per past practice. Presently physical verification of store is being conducted from the year 2018-19.</p>
<p>14) Mixed System of Accounting The Board is following mixed system of accounting as certain Income and Expenses are recognized on cash basis whereas others are recognized on accrual basis. It is observed that bills/claims for various expenses are submitted/approved/settled/paid and recorded on Payment basis irrespective of the period they pertain to and in many cases after a long gap from the date they were incurred. In our opinion the Board should follow Mercantile/Accrual system of accounting so that expenditure incurred and income accrued in a year is accounted for in the same year.</p>	<p>The accounts of the Board are being maintained on cash based system and Mercantile/Accrual system is not feasible to be maintained due to delay in the finalization of cases. Further, Accounting system of the HSPCB has now been computerized on Tally Software.</p>

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03/28

<p>15) Internal Audit and Internal Control</p> <p>The Board is not having any system of internal audit of its accounts, neither by Internal Auditor nor by External Auditor. Further based on our enquiries, in respect of some aspects no proper system of internal control procedure was apparently in place. Bank Reconciliation does not identify cheques issued which have been dishonoured but not reversed. Cheques dishonoured may not be renewed in absence of internal audit procedures. The absence of record, reconciliation and wrong claims of TDS may lead to loss to the Board. The entries for Income as per the Income Tax Return, Income Tax Paid, TDS claimed and interest paid on late deposit of taxes were not made from year to year. Advances of Rs. 75,45,780/- released for preparation of Projects Reports & Studies and for organizing Environmental camps were wrongly accounted for as expenditure. Desktops, Printers and software amounting to Rs. 2,39,806/- were wrongly accounted for a computer expenses instead of fixed assets. Desktops, Furniture, Air Conditioner and Lab Equipment amounting to Rs. 5,53,607/- were wrongly accounted for as office expenses and furniture worth Rs. 45,727/- was wrongly accounted for as Repair & Maintenance of others, unutilized grant in aid of Rs. 5,13,80,400/- was wrongly accounted for as income, wrong booking of showroom as land and non reconciliation of stamps in franking machine etc.</p>	<p>Internal & external audit system has already been adopted by the Board. One Post of Section Officer, One Post of Accounts Officer and One Post of Sr. Accounts Officer of the Finance Department have already been sanctioned in the Board to Control over accounts & presently all the payment/receipts are being scrutinized/ pre-audited. Action on the dishonoured cheques/demand draft is being taken. To streamline the accounts Tally software has been installed.</p>
<p>16) Miscellaneous Receipts:</p> <p>Miscellaneous Receipts amounting to Rs. 72,14,336/- include all receipt the nature of which could not be identified. It includes huge amounts received through ICICI Bank (E-Gateway) and also includes securities which are refundable. Miscellaneous Receipts have been treated as Income irrespective of whether they are capital or revenue.</p>	<p>Bank reconciliation is being made.</p>
<p>17) Dishonoured Cheques:</p> <p>We have observed during our random audit checks in respect of dishonoured cheques that the income account is reversed/deleted without debiting the party from whom the cheque was received. However in the absence of any records it is difficult to trace party wise detail regarding dishonoured cheques and to ensure that such payments have been realized in future. There is no list of cheques dishonoured which have not been reversed. In our opinion the lack of Internal Control on this issue may result in leakage of revenue.</p>	<p>All the outdated/state cheques/demand drafts Party/Firm wise have been sent to all the concerned Regional Officers with the direction to send the fresh demand drafts/cheques after taking from the parties/firms etc. The list of Parties/Firms wise dishonoured Cheques/Drafts will be submitted to the C.A.</p>

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<p>18) Confirmation of Liabilities:</p> <p>Apart from various other outstanding liabilities, the following amounts have also been shown in the books of accounts to be payable as on 31st March 2019:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Earnest money payable</td> <td style="text-align: right;">Rs. 14,22,066/-</td> </tr> <tr> <td>Security Deposit (Refundable)</td> <td style="text-align: right;">Rs. 17,41,98,894/-</td> </tr> <tr> <td>G.P.F. Liability</td> <td style="text-align: right;">Rs. 8,85,58,526/-</td> </tr> <tr> <td>C.P.F. Liability</td> <td style="text-align: right;">Rs. 2,37,69,995/-</td> </tr> <tr> <td>MOT Fee Payable</td> <td style="text-align: right;">Rs. 63,39,100/-</td> </tr> </table> <p>No party/person wise details, confirmations and reconciliation of such amounts are being maintained in the case of Earnest money payable and Security Deposits (Refundable) which may lead to wrong claims. Further no details are available in respect of securities which are required to be forfeited. As per person wise detail provided to us, the balance of G.P.F. Liability is Rs. 8,72,80,069/- and of C.P.F. Liability is Rs. 2,34,65,913/-. These amounts do not match with the balances in the Books of Accounts. The GPF liability in books of accounts is excess by Rs. 12,08,457/- and CPF liability is excess by Rs. 3,24,078/-.</p>	Earnest money payable	Rs. 14,22,066/-	Security Deposit (Refundable)	Rs. 17,41,98,894/-	G.P.F. Liability	Rs. 8,85,58,526/-	C.P.F. Liability	Rs. 2,37,69,995/-	MOT Fee Payable	Rs. 63,39,100/-	<p>In this regard, it is submitted that in the tally software individual ledger (party wise) are being maintained and compliance is being done now.</p>
Earnest money payable	Rs. 14,22,066/-										
Security Deposit (Refundable)	Rs. 17,41,98,894/-										
G.P.F. Liability	Rs. 8,85,58,526/-										
C.P.F. Liability	Rs. 2,37,69,995/-										
MOT Fee Payable	Rs. 63,39,100/-										
<p>19) C.R.E.P Funds:</p> <p>The Board has liability in shape of a fund called "C.R.E.P Fund" amounting to Rs. 15,20,000/- outstanding in the Balance Sheet for more than eight years.</p>	<p>Case regarding C.R.E.P fund (Corporate Responsibility Environment Protection) is under consideration with the Sr. E.E-1 (Planning).</p>										
<p>20) Leave Encashment, Gratuity and Pension Fund:</p> <p>The Board has maintained various funds like Leave Encashment Fund, Gratuity Fund and Pension Fund with LIC for employee benefits. Claims paid during the year are booked as an expense and interest earned on these funds is booked as an income. These claims are paid by LIC and released from respective funds. It is not certain as to who calculates these and whether individual accounts of the persons used their reconciliation is done from time to time</p>	<p>The amount in the leave Encashment fund, Gratuity fund and Pension fund Schemes is released to LIC of India on the request of the Trustee of the Board and on the advice of trustee the amount is released by the LIC of India. The reconciliation is being made by the Trustee of the Board. The calculation sheet as provided by Trustee has been sent to C.A.</p>										

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<p>21) Amount released to Eco Clubs:</p>	<p>List will be provided to the C.A.</p>
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Detail of amounts released to various Eco Clubs during the year and reimbursement obtained from Ministry of Environment, Forest and Climatechange was not available for verification.

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