



## **h. gambhir & co.**

CHARTERED ACCOUNTANTS

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### **AUDITOR'S REPORT**

#### **To HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY,**

We have audited the accompanying financial statements of **HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY**, which comprise of Balance Sheet, as at 31<sup>st</sup> March, 2021 and the Income and Expenditure Account for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation of these financial statements in accordance with the Accounting principles accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation 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 and 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 controls relevant to the society's preparation and presentation of the financial statements that give a true and fair view 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.

**Emphasis of Matter**

1. *The affairs of the Society are being managed by a duly appointed Administrator of the Society w.e.f 13.09.2021.*
2. *We draw attention to Note no. 5 in Schedule 'I' Notes to Accounts regarding Fixed Deposits and bank balances maintained collectively on account of Closure Reserve fund, Escrow account and deposits held on own account. Impact of the same on the Income and expenditure of the society has not been determined.*

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements of HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY, for the year ended 31<sup>st</sup> March, 2021 are prepared, in all material respect conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Society as at March 31<sup>st</sup> 2021;
- (b) In the case of the Income and Expenditure Account, of the excess of Income over Expenditure of the Society for the year ended on that date.



**For H.GAMBHIR & Co.  
Chartered Accountants  
(FRN000812N)**

**Nitin Aneja  
(Partner)**

**Membership No-099481**

**Place : Gurgaon  
Date : 24.11.2021  
UDIN : 21099481AAAAEY4827**



**HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY, GURGAON**  
(REGISTERED UNDER THE HARYANA REGISTRATION AND REGULATION OF SOCIETIES ACT 2012)

**BALANCE SHEET AS AT 31st MARCH 2021**

	<u>SCHEDULE</u>	<u>31.3.2021</u> <u>Rs.</u>	<u>31.3.2020</u> <u>Rs.</u>
<b><u>SOURCES OF FUNDS</u></b>			
<b><u>CORPUS FUND</u></b>			
Admission fees	A	8,223,000	7,745,000
Reserve & Surplus	B	98,490,711	85,874,424
Specific Fund	C	44,127,798	35,344,995
Financial assistance under ASIDE Scheme of Govt.of India	D	6,622,113	6,622,113
Securities & Deposits	E	4,560,000	4,560,000
Escrow Fund	J	7,334,147	4,597,880
GST & Lease Rent Payable		1,306,608	712,249
<b>Total</b>		<b><u>170,664,377</u></b>	<b><u>145,456,661</u></b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>FIXED ASSETS</u></b>			
Gross Block	H	854,232	854,232
Less : Depreciation		<u>695,621</u>	<u>667,562</u>
Net Block		158,611	186,670
<b><u>CURRENT ASSETS , LOANS AND ADVANCES</u></b>			
Cash & Bank Balance	F	151,482,315	127,623,674
Other Advances	G	19,023,451	17,646,317
<b>Total</b>		<b><u>170,664,377</u></b>	<b><u>145,456,661</u></b>
<b><u>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS</u></b>			
	I		

As per our report of even date

For H. Gambhir & Co.  
Chartered Accountants  
(FRN 000812 N)

*mbh*  
CA Nitin Aneja  
Partner  
(Membership No.099481)



For Haryana Environmental Management Society

*Ranbir Singh*  
Ranbir Singh  
Administrator (w.e.f. 13.09.2021)

PLACE: Gurgaon

DATED : 24 NOV 2021

UDIN : 21099481AAAAEY4827

**HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY, GURGAON**  
**(REGISTERED UNDER THE HARYANA REGISTRATION AND REGULATION OF SOCIETIES ACT 2012)**  
**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON 31.03.2021**

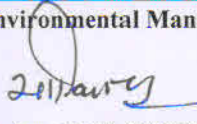
	<u>SCHEDULE</u>	<u>31.3.2021</u>	<u>31.3.2020</u>
		<u>Rs.</u>	<u>Rs.</u>
<b><u>INCOME</u></b>			
Membership - Subscription		7,442,435	8,058,952
Fee from GEPIL		9,215,992	7,168,089
Interest		6,404,320	5,000,747
<b>Total Rs.</b>		<b><u>23,062,747</u></b>	<b><u>20,227,788</u></b>
<b><u>EXPENDITURE</u></b>			
<b><u>Office &amp; Operational Expenses</u></b>			
Salary & Conveyance Allowance		1,575,000	1,566,250
Fee & Subscription Paid		9,000	9,000
Staff Welfare Expenses		79,202	46,009
Telephone, Postage & Courier		160,108	186,590
Bank Charges		4,669	16,004
Printing & Stationary		34,333	81,875
Expenses on Meetings & Seminars		744	582,892
Travelling & Conveyance Expenses		12,302	87,203
Annual General Meeting Expenses		-	76,459
Audit Fee		-	30,000
Legal & Professional Expenses		865,660	265,184
Election Expenses		81,947	-
Repair & Maintenance		2,923	2,000
Electric & Water Charges		49,892	39,764
Rent		798,902	734,536
General Expenses		165,991	942,145
Diwali Exp.		24,798	107,575
Depreciation	<b>H</b>	28,059	44,015
<b>Total Rs.</b>		<b><u>3,893,530</u></b>	<b><u>4,817,501</u></b>
Income - (Expenditure)		19,169,217	15,410,287
Income Tax Paid		6,552,930	-
Income - (Expenditure) after Tax		12,616,287	15,410,287
Excess of Income over Expenditure brought forward from earlier years		85,874,424	70,464,137
Excess of Income over Expenditure transferred to Balance Sheet		98,490,711	85,874,424


**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS** **I**

As per our report of even date

For Haryana Environmental Management Society

For H. Gambhir & Co.  
Chartered Accountants  
(FRN 000812 N)

Ranbir Singh   
Administrator (w.e.f. 13.09.2021)

  
CA Nitin Aneja  
Partner  
(Membership No.099481)



PLACE : Gurgaon

DATED :

24 NOV 2021

UDIN: 21099481AAAAEY4827



**HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY, GURGAON**  
(REGISTERED UNDER THE HARYANA REGISTRATION AND REGULATION OF SOCIETIES ACT 2012)

**SCHEDULE FORMING PART OF BALANCE SHEET**  
**AS AT 31ST MARCH 2021**

	Bal as on 31.03.2021 (Rs.)	Bal as on 31.03.2020 (Rs.)
<b><u>SCHEDULE 'A'</u></b>		
<b><u>CORPUS FUND</u></b>		
<u>Admission Fees.</u>		
Balance as per last Balance Sheet	7,745,000	7,262,500
Additions During the year	478,000	482,500
Total	8,223,000	7,745,000
 <b><u>SCHEDULE 'B'</u></b>		
<b><u>Reserve &amp; Surplus</u></b>		
Income & Expenditure Account	98,490,711	85,874,424
Total	98,490,711	85,874,424
 <b><u>SCHEDULE 'C'</u></b>		
<b><u>Specific Fund</u></b>		
<b><u>Closure Reserve Fund (CRF)</u></b>		
Balance as per last Balance Sheet	35,344,995	14,812,479
Add: Interest received on invested for CRF	1,410,008	548,702
Add: CRF contribution received during the year from operator	7,372,795	19,983,814
From CRF Rs.35,18,707/- transfer to Escrow A/c	44,127,798	35,344,995
Total	44,127,798	35,344,995
 <b><u>SCHEDULE 'J'</u></b>		
<b><u>Specific Fund</u></b>		
<b><u>Escrow Fund</u></b>		
Balance as per last Balance Sheet	4,597,880	3,399,591
Add: Interest received on invested for Fund	827,169	443,552
Add: Fund Received during the Year	1,909,098	754,737
Total	7,334,147	4,597,880
 <b><u>SCHEDULE 'D'</u></b>		
<b><u>Financial Assistance under</u></b>		
<b><u>ASIDE Scheme of G.O.I</u></b>		
Balance as per last Balance Sheet	6,622,113	6,622,113
Add: Interest Earned	-	-
Total	6,622,113	6,622,113
 <b><u>SCHEDULE 'E'</u></b>		
<b><u>SECURITIES &amp; DEPOSITS</u></b>		
a) Members	4,560,000	4,560,000
Total	4,560,000	4,560,000
 <b><u>SCHEDULE 'F'</u></b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
(i) Cash in Hand	11,019	25,204
(ii) Balance with Scheduled banks :		
a. In Current Account	15,661,585	2,130,894
b. In Fixed Deposit Account	135,809,711	125,467,576
(Out of Which 1,25,25,132/- is from CRF)		
Total	151,482,315	127,623,674
 <b><u>SCHEDULE 'G'</u></b>		
<b><u>OTHER ADVANCES</u></b>		
Tax Deducted at Source	12,322,200	10,870,066
Security Against Rent	238,048	238,048
Advance to Staff	95,000	170,000
Amount Recoverable against un-approved transaction	5,868,203	5,868,203
Security Against Escrow Ac	500,000	500,000
Total	19,023,451	17,646,317



HARYANA ENVIRONMENTAL MANAGEMENT SOCIETY, GURGAON

(REGISTERED UNDER THE HARYANA REGISTRATION AND REGULATION OF SOCIETIES ACT 2012)

SCHEDULE 'I'

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

I SIGNIFICANT ACCOUNTING POLICIES

- a. The Financial statements are prepared on historical cost convention basis & confirm to the statutory provisions and practices prevalent in the country.
- b. The method of accounting is on cash basis.
- c. Fixed Assets  
Fixed Assets are stated at cost which comprise of purchase price, duties, levies and any directly attributable cost of bringing the asset to their working condition.
- d. Depreciation  
Depreciation on fixed assets is charged written down value method on the basis and rates prescribed in the Income Tax rules.
- e. Government Grants and Financial assistance  
Government grants or financial assistance receive with reference to specific asset is shown as a deduction from the gross value of the asset concerned. Grants related to revenue are deducted while reporting the related expenses.
- f. Contingent Liabilities  
The ascertained amount is disclosed in the final accounts and wherever it is ascertained the same is disclosed by way of a statement.

II NOTES TO ACCOUNTS

- 1 Contingent Liabilities exists in respect of.  
Any tax or Levy/duty demanded by the Government Authorities in excess of the provision made in accounts.
- 2 The General Body of the Society has disapproved the payment of Rs.32,00,000/- & 25,00,000/- i.e. total of Rs.57,85,760/- made to Ms. Sunita and a sum of Rs.82,443/- held with Sh. Anand Singh - Ex Treasurer in its AGM held on 11.05.2018. The General Body has also decided to initiate recovery proceeding against the same as the said payments were made without the proper approval of the Governing Body and has been shown as amount to be recoverable.





- 3 The Society had been directed by HSPCB vide its office letter dated 16.04.2009 and subsequently by 25.06.15 to deposit 5% of the annual turnover of the land fillable waste to be deposited in escrow account is being maintained separately. The said amounts are subject to reconciliation as on date of Balance Sheet.
- 4 The governing body of the society has been advised that the principle of mutuality as envisaged in the Income Tax Act applies to the society and hence no provision for income tax has been made. However provision & Payments of income tax is made on income which is out of the Preview of the mutuality.
- 5 The total Fixed Deposit held by the Society amounting to Rs.13,58,09,711/- includes fixed deposits against Closure Reserve Fund. Interest received on Fixed Deposits held against Closure Reserve Fund has been shown along with Closure Reserve Fund. The details of which is as under:

FDR against CRF with Corporation Bank	27,660,000
Transfer from CRF to Escrow A/c	3,018,717
Transfer from CRF to Escrow A/c Gurantee	500,000
CRF Direct Received in Citi Bank	12,525,132
TDS Deducted by Corporation Bank credited to CRF	371,975
Balance with Corporation Account	51,410
Bank Charges	564
Total	44,127,798

- 6 During the earlier Years society had received an amount of Rs.2,00,00,000/- as financial assistance under ASIDE scheme of Govt. of India for setting up of Hazardous Waste management facility (HWMF). The net balance of the same has been disclosed separately inclusive of interest earned from bank (Apportioned on proportionate basis) and after deducting as amount of Rs.1,62,84,550/- paid to the operator [Gujarat Enviro Protection & Infrastructure (H) Pvt .Ltd.] towards the setting of HWM Facility.
- 7 An amount of fees received from GEPIL is subject to verification. The same has been accepted on the basis of certification received from operator and without any further verification. The amount received on account of Closure Reserve Fund (CRF) during the year from operator and without any further verification. Declaration from the Governing Body of the Society for the accuracy of the same has not been received for the period ending 31.03.2021.



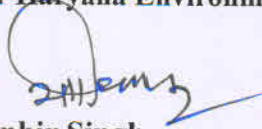
- 8 Personal accounts of parties whether in debit or in credit including squared up accounts are subject to confirmation of the parties.
- 9 Previous year figures have been regrouped wherever necessary to make them comparable.
- 10 Figures in paise have been rounded off to the nearest Rupee.

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As per our report of even date

For Haryana Environmental Management Society

For H. Gambhir & Co.  
Chartered Accountants  
(FRN 000812 N)

  
Ranbir Singh  
Administrator (w.e.f. 13.09.2021)

  
CA Nitin Aneja  
Partner



(Membership No.099481)

PLACE : Gurgaon

DATED :

24 NOV 2021

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