



THE HARYANA STATE COOPERATIVE SUPPLY AND MARKETING FEDERATION LIMITED

CORPORATE OFFICE, SECTOR 5, PANCHKULA HARYANA (INDIA)
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(ISO 9001 : 2000 CERTIFIED)

No. Hafed/Accts/Gen/AG-1/1151

Dated: 31/5/16

**All the District Managers,
Hafed in the State.**

**All the GMs/PMs, Managers,
Hafed Processing Units, Rice Mills & Cold Storages,
in the State.**

**LO, Hafed, Delhi, XEN Office, Hisar & Cotton Office, Sirsa.
RSO, Hafed, Kolkata & Mumbai.**

Subject: Finalization of Accounts of HAFED for the financial year 2015-16

In reference to this office letter no. Hafed/Accts/Gen/AG-1/1799 dated 17.03.2016 on the subject cited above. The books of accounts of the Federation for the Financial Year 2015-16 i.e. from 1st April, 2015 to 31st March, 2016 are to be closed on 31st March, 2016.

Once again you are, advised to complete the books of accounts, in all respects after considering the below mentioned points for submission of 'set of final accounts' to Head Office on the scheduled dates:

1. Trial Balance attached with the set of Final Accounts should be in detailed form.
2. Heads of Accounts of the final sets should be strictly as per approved list for keeping uniformity in the accounts and serialized with page no's as per index; otherwise set of accounts will not be accepted.
3. Reconcile all the inter-branch control accounts i.e. Head Office, other District Offices or units of Hafed, up to 31st March, 2016 and attach their 'Balance Confirmation Certificates' as on 31st March, 2016.
4. All the bank accounts must be reconciled and 'Bank Reconciliation Statements' must be attached indicating actual date of clearing after 31st March, 2016.
5. Amount outstanding as Receivables from or Payables to Other Parties should be reconciled and confirmed for the balance existing in the books of accounts as on 31st March, 2016.
6. No provision of any kind, including shortage is to be created by the Field Offices at their own level without specific approval of Head Office, except that of Depreciation, Insurance funds and Bonus which have already been approved by Head Office. The provisions which already exist in the books of account of field offices/head office and are not likely to be adjusted against any expenditure should be revised on 31st March, 2016. However, the provisions created against shortages will continue till the shortage cases are settled.
7. Depreciation on Fixed Assets should be charged to the books of accounts as per rates provided in the Income Tax Act, 1961.
8. Insurance Premium for stocks & stores should be charged in the books of accounts as per existing practice/latest orders.
9. Provision for bonus may be made on actual basis for the financial year 2015-16 and details of bonus i.e. @ 8.33%/11.67% may be given separately for computation of gross profit for the purpose of bonus.

10. Differences in physical and financial balances of the stocks and stores, etc be accounted for in the books of accounts as per Physical Verification reports as on 31st March, 2016 before finalizing and submitting the final accounts to the Head Office.
11. List of surplus, obsolete, excess and non-moving inventory should be prepared. Discrepancies, if any in the inventory should be promptly dealt with.
12. Statement of Stock-in-transit as on 31st March, 2016 be prepared and submitted. Subsequent clearance of stock-in-transit be taken care of and confirmed.
13. Physical verification of fixed assets as on 31st March, 2016 ensures that all the fixed assets are in existence, in productive use and in working condition. Fixed Asset Register should contain sufficient description of the assets to make the identification and sale. All the details of depreciation and accumulated depreciation should be mentioned in the Register.
14. Details of idle/obsolete assets should be attached separately.
15. The accounts of Rail Head Agencies be merged in the accounts of concerned District Offices before transferring the nominal accounts to Head Office and certificate in confirmation thereof by indicating the name of Rail Head Agency may also be given along with final set.
16. Statement of Receivables, age-wise & division-wise, as on 31st March, 2016, depicting separately the amount recoverable as PDS from FCI and amount recoverable from staff.
17. Year-wise statement of amount recovered by FCI on account of storage gain during the year 2015-16.
18. Statement of Rental Income from Godowns which are let-out during the year 2015-16. The Rental Income from Godowns should be supported by its Ledger and it should tally with the Trial Balance submitted. This information is required in order to claim deduction u/s 80P (2) (e) of the Income Tax Act, 1961.
Section 80P (2) (e) of the Income Tax Act is reproduced below:
Deduction in respect of income of co-operative societies:
80P(2) (e) in respect of any income derived by the co-operative society from the letting of godowns or warehouses for storage, processing or facilitating the marketing of commodities, the whole of such income.
19. Statement of Rental Income from other properties of Hafed which are let-out during the year 2015-16.
20. Statement of Statutory dues i.e. PF, ESI, Service Tax, Sales Tax/VAT, TDS, etc. pertaining to the financial year 2015-16 together with the copy of challans.
21. Detail of Cheques in transit as on 31.03.2016 for amount transferred to other District Offices or Head Office.
22. Statement of Pre-paid Expenses should be prepared and submitted.
23. Statement of Bad and Doubtful amount of Recoverable adjusted or reversed in the books of accounts should be prepared and submitted.
24. Statement of Claims against Hafed including that of taxes, if any, be prepared and submitted separately.
25. Expenditure and income, relating to financial year 2015-16, which could not be paid/received, should be shown payable/recoverable under respective heads of accounts by assessing the amount of expenditure/income. All capital expenditure be capitalized as per tax requirement and rules thereof.
26. The rates of the closing stocks as on 31st March, 2016 will be conveyed by the respective divisions of Head Office separately.
27. Complete details of Office Overheads, Administrative, Financial, Sales Overhead Expenses, Fixed Assets, Depreciation Reserve, along with the books of accounts etc. should be submitted.

28. The Income Tax Department disallows the expenditure/loss relating to any financial year not booked in the relevant financial year and levies tax on it. Therefore, all are advised to book the expenditure/losses to be claimed as expenditure in the Profit & Loss Account.
29. With regard to the provisions of Domestic Transfer Pricing of the Income Tax Act, all the officers/officials concerned are advised to supply the information regarding transactions with the member Cooperative Marketing Societies along with the final set and also in excel sheet through email (hfdcao@hry.nic.in) in the following format:-

Business Transactions with Member Societies with HAFED during the Financial Year 2015-16

S.No	Name of The Society	Address of the Society	PAN of the Society	All types of Purchases i.e. wheat, Paddy etc. form Societies during the year 2015-16
				(Rs.)
1	2	3	4	5

All types of Sales i.e. Fertilizers, Pesticides, etc. to Societies during the year 2015-16	Total Commission paid to Societies on purchases during the year 2015-16	Wooden crates purchased from Societies during the year 2015-16	Godown Rent paid to Societies on Society Godowns during the year 2015-16	Any Loan / Subsidy given to the society during the year the year 2015-16
(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
6	7	8	9	10

All the concerned are directed to reconcile the Control Accounts in the month of **5th June 2016**. The accounts will be reconciled by the Field Offices with all divisions at Head Office and ensure transfer of their nominal accounts to Head Office accordingly as per revise schedule given below:-

S.No.	Scheduled Date	District Office/ Unit of Hafed
1	6 th June, 2016	DO Faridabad & DO Ambala
2	8 th June, 2016	DO Karnal & Sugar Mill Assandh
3	9 th June, 2016	DO Gurgaon, RSO Delhi, DO Sonapat & Seed Plant Ganaur
4	10 th June, 2016	DO Panipat & DO Kaithal
5	13 th June, 2016	DO Kurukshetra, DO Yamuna Nagar & Turmeric Plant Radaur
6	14 th June, 2016	DO Hisar, Xen Office Hisar & DO Bhiwani
7	15 th June, 2016	DO Jind, RSO Kolkata & RSO Mumbai
8	16 th June, 2016	DO Rohtak & Cattle Feed Plant Rohtak
9	17 th June, 2016	DO Sirsa, Cotton Office Sirsa & Animal Feed Plant Saktakhera
10	21 st June, 2016	DO Narnaul, DO Rewari, Oil Mill Rewari, Oil Mill Narnaul
11	22 nd June, 2016	DO Fatehabad, Cold Storage Taraori, Hafed Pesticide Plant Taraori, Rice Mill Taraori & Floor Mill Taraori
12	All Rice Mills, Cold Storages, Cotton/Ginning Offices will submit the final set of accounts on the scheduled dates of their concerned District Office.	


All concerned officers are therefore requested to get this work completed by the scheduled dates positively to avoid delay in finalizing the accounts for the year 2015-16.

After obtaining the accounts of the Field Offices the divisions concerned at head Office will further submit their final accounts to Accounts General branch latest by

29th June, 2016 positively complete in all respects along-with details thereof for compiling the Balance Sheet.

In view of the above, all are requested to adhere to the schedule given and to ensure submission of their final sets of accounts (duly tallied) to Accounts General Branch well-in-time for preparation of Balance Sheet of Hafed for the financial year 2015-16.

The tally data should be synchronized well before the scheduled dates. It is made clear that final sets of accounts will not be accepted unless above instructions are fully adhered to. In case, any requisite information, as mentioned above, is not applicable or nil in any District Office/ unit of Hafed, then "Nil Statement" to that respect shall be submitted to the Head Office.


General Manager (F&A)
Hafed; Panchkula

CC:

1. PS to MD, Hafed, for kind information of MD, Hafed please.
2. PS to Secretary, Hafed, for kind information of Secretary, Hafed please.
3. All the Divisional Heads, Hafed, Panchkula for information and their necessary action. In addition to the above, they will also ensure to submit details of Statement of Bad and Doubtful Recoverable adjusted/ reversed in the books, Income, trading and Mfg. Financial Exp., Actual storage rent received from various parties, detail of storage income on monthly stock basis, detail of office overhead exp., selling and distribution expenses and detail of depreciation on storage assets/articles separately.
4. DGMA's/AGMA's/SO's Hafed, Panchkula for information and compliance. They will also ensure that the trial balances of their respective branches/ divisions are duly checked and verified before their submission to this division.

Sl. No.	Particulars	Date
1
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All concerned officers are requested to see the work completed by the scheduled date positively to avoid delay in preparing the accounts for the year 2015-16. After obtaining the accounts of the field office the divisional controller will forward the same to the Head Office for compilation of the Balance Sheet.