

# S V A N S & ASSOCIATES

CHARTERED ACCOUNTANTS

H.O.: A-202, VEENA RESIDENCY, PLOT NO-5D, SECTOR-22, DWARKA, NEW DELHI-110077

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## INDEPENDENT AUDIT REPORT

To

**The Members of the,**

**Munirka Cooperative Group Housing Society Ltd.**

Plot No.11, Sector-09

Dwarka, New Delhi-110075.

We have audited the attached Balance Sheet of **M/s MUNIRKA CO-OP GROUP HOUSING SOCIETY LTD.** New Delhi, as at 31<sup>st</sup> March, 2022, annexed Income & Expenditure Account and Receipts & Payments Account for the year ended on that date thereto. These Financial statements are the responsibility of the society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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 management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Subject to our detailed observations in parts 'A' 'B' 'C' forming parts of this report, we report that:



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- I. 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.
- II. In our opinion proper books of accounts as required by law have been kept by the society so far as appears from our examination of books.
- III. In our opinion, the Balance Sheet, Income & Expenditure Accounts and Receipt & Payment Account dealt with by the report are drawn up in conformity with the law and provide full information as required by Delhi State Co-operative Societies Act, and rules framed there under.
- IV. In our opinion and to the best of our information and according to the explanation given to us the said accounts, subject to our report annexed here to, give true and correct state of affairs: -
  - a) In the case of the Balance Sheet of the society as at 31<sup>st</sup> March, 2022.
  - 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 31<sup>st</sup> March, 2022.
  - c) In the case of Receipt and Payment Account of receipts and payments for the year ended on 31<sup>st</sup> March, 2022.

**For S V A N S & Associates**

Chartered Accountants

FRN: 004483N

  
**CA Sagar Hooda**

Partner

M. No.: 092885

UDIN:



Place: New Delhi .

Date :28-08-2022

UDIN:- 22092885A200HZ4186.



**AUDIT REPORT ON THE WORKING OF  
MUNIRKA CO-OPERATIVE GROUP HOUSING SOCIETY LTD.  
PLOT NO.-11, Sector-09, Dwarka, New Delhi-110075**

**PART – A**

1. The Society is Liable for ground rent payment to DDA. The Management Committee is advised to ascertain the ground rent payable liability for the DDA and account for the same in its financial records.

**RTI Filed**

Corpus Fund Balance of Rs. 60,05,722.98 as on 31.03.2021 in liabilities side of Balance Sheet but no Fixed deposit/any assets in Balance Sheet. It should be available in form of liquidity for Emergency.

**Complied With.**

2. Previous Years Education Fund payable of Rs.595.00 should be deposit immediately with Registrar of Co-Operative Society office.

**Complied With.**

3. The Society is liable for TDS payable of Rs.31,422.00 For Previous years.

**Complied With.**

4. Society Should start Filing Income tax Return to comply with income tax act.

**Complied With.**



**PART - B**

Name of the society	: MUNIRKA CO-OPERATIVE GROUP HOUSING SOCIETY LTD.
Address of the society	: Plot No.11, Sector-9,Dwarka, New Delhi-110075.
Registration no.	: 1165 G/H
Period of Present Audit	: 1.4.2021 to 31.3.2022
Period of Previous Audit	: 1.4.2020 to 31.3.2021
Name & Address of the Present Auditor	: S V A N S & Associates Chartered Accountants
Name & Address of the Previous Auditor	: Madhu Chaube & Associates Chartered Accountants Dwarka, Sector-05, Plot -04 New Delhi-110075
No. of Members at the time of Present Audit.	: 119
No. of Members at the time of Previous Audit.	: 119
No. of Members Enrolled during the current year	: 03
No. of Members Resigned/expelled during the year	: 03
Area of operation	: NCT, Delhi



**FUNCTIONING:**

The society is functioning from its Registered office i.e., Plot No. 11, Sector-09, Dwarka, New Delhi-110075 and member being allowed to inspect the documents & accounts of the society including Audit report as per the provisions of the societies rules 84(8).

**MEMBERS:**

The Total No. of members of the society as on 31.03.2022 was 119. During the year under audit, 03 members have joined/resigned from the society. A list of members as on 31.03.2022 is enclosed.

**MANAGEMENT:**

The management of the society is managed by the Managing Committee duly elected as per last election was held on 06<sup>th</sup> Sep'2020. A list of the Members of the Managing Committee is enclosed.

**MANAGING COMMITTEE MEETING:**

During the year under audit, 12 M.C. Meetings were held, and the proceedings of M.C. Meetings are found properly recorded in the Minutes Books as produced before & verified by us.

**ANNUAL GENERAL MEETING:**

During the year under Audit, Last AGM was held on 26.12.2021 and its minutes were found duly recorded.

**LENDING POLICY OF THE SOCIETY:**

It is informed that there is no system of extending any loan to its members and no loan been extended during the year under audit.





**UNRESOLVED DISPUTES:**

List of Pending Court cases as provided by the Managing Committee of the society.

**DISPUTED CLAIMS:**

There is no disputed claim of the society as per certificate issued by the management of the society.

**EXPENDITURE REVIEW:**

The society is maintaining its account on accrual system basis.

**OBSERVATION & COMMENTS ON EACH PART OF THE BALANCE SHEET ITEMS****COMMENTS ON LIABILITIES SIDE ITEMS:****SHARE CAPITAL: RS. 11,900.00**

There is no change in the Balance under the head of account as on 31-03-2022 as compared of balance as on 31-03-2021.

**GENERAL RESERVE Rs. 18,945.25**

There is no change in the Balance under the head of account as on 31-03-2022 as compared of balance as on 31-03-2021.

**RESERVE & SURPLUS (CORPUS FUND) Rs. 21,57,000.00**

There is change in balance as on 31-03-2022 under this head of account of Rs.38,48,722.98 as compared to balance as on 31-03-2021.

**WATER CONNECTION FUND Rs. 2,06,728.00**

There is no change in balance as on 31-03-2022 under this head of account as compared to balance as on 31-03-2021.



**COMMON GOOD FUND Rs. 15,000.00**

There is change in balance as on 31-03-2022 under this head of account of Rs.1,000.00 as compared to balance as on 31-03-2021.

**LAND & CONSTRUCTION MONEY Rs. 17,72,26,000.00**

There is no change in balance as on 31-03-2022 under this head of account as compared to balance as on 31-03-2021.

**CURRENT LIABILITIES & PROVISIONS Rs. 27,17,739.00**

The Balance under this head of account as on 31-03-2022 was Rs. 27,17,739.00 as compared to balance of Rs. 27,13,700.00 as on 31-03-2021. The outstanding balance of Rs. 27,17,739.00 represents Audit Fees payable, Security Charges Payable, TDS Payable, Salary Payable, Ground Rent Payable, Education Fund Payable, Accounting Charges Payable etc.

**COMMENTS ON ASSETS SIDE ITEMS:****1. FIXED ASSETS:**

During the year, 01 addition was made in fixed assets. Detail of Fixed Assets is shown in Balance Sheet with the financial statements. Depreciation on Fixed Assets namely Computer, Camera, Furniture & Fixture, Water Motor, Sound System, Water Cooler, Water Purifier Etc. has been provided as per Income Tax Act & rules there-under.

**2. INVESTMENTS:****A) SHARE OF DELHI CO-OP G/H Rs. 5,100.00:**

There is no change in balance as on 31-03-2022 under the head of account as compared to balance as on 31-03-2021.





B) FDR WITH CANARA BANK Rs. 21,57,000.00

During the year there is Change of Rs.3,57,000.00 in Fixed Deposit as on 31-03-2022 under the head of account as compared to balance as on 31-03-2021. The same FDR has been earmarked against the corpus fund of the society.

3. MAINTENANCE / DEFICIT FUND Rs. 68,848.65

During the year, the balance of this head of account was Rs. 68,848.65 as on 31.03.2022 as compared to balance of 31.03.2021.

4. CURRENT ASSETS, LOANS & ADVANCES Rs. 59,35,542.60

The balance under this head of account as on 31-03-2022 was Rs 59,35,542.60 as compared to balance of Rs. 12,62,579.00 as on 31-03-2021. The outstanding balance of Rs. 59,35,542.60 represents the member Dues, Rs. 10,107/- TDS deducted by Canara Bank on Interest on Fixed Deposit, Rs.1,69,682.00 towards interest accrued on Fixed deposit with Canara Bank Rs. 48,73,658.60 towards building upgradation fund expenses, Advance tax paid of Rs. 65,000.00, & Excess amount paid to Shri. Shyam Sunder Dalal of Rs. 6,500.00 & Shri. Dushyana Kumar Rs. 5,500.00 towards non deduction of TDS against the payments made to them.

5. CASH & BANK BALANCES:

The cash in hand balance of Rs. 21,300.00 could not be physically verified as the audit was conducted after the completion of the financial year. However, the certificate of the managing committee regarding cash in hand of Rs. 21,300.00 as on 31-03-2022 is enclosed with the audit report. The Bank Balance certificate and Bank reconciliation statement, if any, of Canara Bank & Union Bank of India are enclosed. A certificate from Management is obtained and attached with the audit report.



6. **INCOME & EXPENDITURE ACCOUNT Rs.2,849.38**

The opening balance of Rs. 9,29,435.98 has been decreased to Rs. 2,849.38 due to current year excess of Income over Expenditure by Rs. 9,67,158.60 which is apparent from the Income & Expenditure account annexed herewith. Prior Year adjustments were made with the approval of Management Committee amounting to Rs. 40,574.00 towards Income Tax & TDS for Financial Year 2020-21.

**COMMENTS ON INCOME & EXPENDITURE ACCOUNT:**

**INCOME SIDE:**

During the year under audit, the society has earned a sum of Rs. 47,00,528.00 towards various income of the society. Income side represents the Maintenance Community Hall, Interest Received from Bank, Interest on fixed Deposit, Maintenance Charges, Misc. Income, delay payment charges from members, prior year adjustments from previous year adjustments earned by the society during the year. Society has accepted cash receipts from members of the society during the year under audit. The society is advised to accept all type of receipts from members and other parties through cheques only and cash receipts should be accepted only in exceptional circumstances only.

**EXPENDITURE SIDE:**

During the year under audit, the society has incurred a sum of Rs. 37,33,369.40 towards various expenses of the society. Various expenses of the society include salary & wages, generator running expenses, AMC charges, security service expenses, Electricity Charges, printing & stationery expenses, repair & maintenance, Lift maintenance, Professional charges, accounting charges, Audit fees, GBM Expenses, Housekeeping & Cleaning Expenses, Computer Maintenance etc. The society is advised to make all its expenditure/payments through cheques only except some petty expenses payments which are





unavoidable. Society should avoid any expenditure/payment in excess of Rs. 10,000/- in cash as per the limit specified under Income Tax Act, 1961. Further, a sum of Rs. 48,361.00 has been provided as depreciation on fixed assets by the society except on Land & Building.

### **PART – C**

#### **OBSERVATIONS & SUGGESTIONS:**

1. As pointed out by previous auditors as well as by us that the Society is Liable for ground rent payment to DDA, as some of the flats are not freehold. The Management Committee is advised to liaison with DDA and reconcile its Ground rent liability, so that the further interest and penalties can be saved by paying the accrued ground rent liability of the society till date after due reconciliation with DDA. Further year to year liabilities should also be calculated by the society on the basis of pending freehold flats and should be accounted in the books of accounts and paid to the DDA to avoid interest and penalties thereon in the best interest of the members and society as a whole.
2. Current year Education Fund is payable of Rs. 20,333.00 pertaining to financial year 2021-22. The same should be deposited immediately with Registrar of Co-Operative Society office before filing the audited financial statements with the same.
3. TDS amounting to Rs. 5,500/- has not been deducted from the legal charges paid to Adv. Dushyant Kumar, resulting in excess payment of Rs. 5,500/- for non-deduction of TDS. The same should be recovered immediately or should be adjusted in his future legal fee, if any and TDS return for the said period should be revised accordingly.
4. TDS amounting to Rs. 6,500/- has not been deducted from the legal charges paid to Adv. Shyam Sunder Dalal, resulting in excess payment of Rs. 6,500/- for non-deduction of TDS. The same should be recovered immediately or should be adjusted





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in his future legal fee, if any and TDS return for the said period should be revised accordingly.

5. In Members Receivable account lots of credit balances are outstanding which should be reconciled and adjusted in the next year receipts from members.

**For S V A N S & Associates**

Chartered Accountants

FRN: 004483N

14/2/22  
CA. Sagar Hooda

Partner

M.No.: 092885

UDIN:



Place: New Delhi

Date : 28-08-2022

UDIN:- 22092885AR00HI4186.