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N.K. & CO.
CHARTERED ACCOUNTANTS

237, VARDHMAN PREMIUM MALL, DEEPALI, PITAMPURA, NEW DELHI-34
TEL: 32424941, 9313702192 Email: nareshfca@yahoo.co.in

GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY LIMITED

DETAILED AUDIT REPORT FOR THE YEAR 2015-2016

PART - A

**OBJECTIONS POINTED OUT IN PREVIOUS AUDIT REPORT
AND COMPLIANCE THERETO BY THE MANAGEMENT**

1. The accounting records for the period prior to 8th June, 1992 were not available for our examination/ audit which are stated to be not traceable

Compliance : Not complied as the records received from the erstwhile Administrator are informed to be incomplete and further on their seizure from the former Sh. Umesh Verma (Former Vice President of the Society) on 13.03.2007, the 94 items were found to be missing. The due intimation by the society was given to the SDM and the RCS on 02.03.2007 but no further action is taken by the RCS.

2. The attached Balance Sheet as on 31st March, 2015 does not include the items of assets and liabilities held by the society since prior to 8th June, 1992 for want of missing records.

Compliance : Not complied.

3. Embezzled amount of Rs. 717282.60 are recoverable from Mr. I.A. Farooqui.

Compliance : Notice has been given for recovery of embezzled amount several times & case filed in competent court for recovery.

4. The society has not complied the TDS provisions for payment of legal charges made by them.

Compliance : Society has applied for TAN & PAN.

5. As per Balance Sheet of 31.03.2015, interest and penal interest payable to DCHFC and recoverable from individual members are not reconciled. Difference of Rs. 2,41,54,188.36 needs reconciliation. Moreover amount recoverable from members as per Balance Sheet is Rs. 11,79,53,272.57. Members' ledger balances whether debit or credits are subject to confirmation and reconciliation from them as on 31.03.2015

Compliance: Difference has been reconciled and reconciliation statement sent to DCHFC.



COMMENTS ON THE WORKING OF THE SOCIETY

1. At present the society is functioning from the registered office at 259, Ghalib Apartments, Plot No. 27, Road No. 42, Parwana Marg, Pitampura, Delhi-110 034. As informed to us, the members are being allowed to inspect the documents including audit reports of the society.
2. The society has reconciled its accounts with the accounts of members & DCHFC. The society has submitted the reconciliation of amount payable to DCHFC by the society. However confirmation from DCHFC is still awaited. Balance outstanding in members accounts (amount recoverable for DCHFC) are subject to confirmation from them as on 31.03.2016. As per balance Sheet of 31.03.2016, balance recoverable from members for DCHFC dues amounting to Rs. 12,61,04,386.07 whereas amount payable to DCHFC is Rs. 16,30,49,034.00.
3. The society has not raised any fund or borrowed any amount during the year under audit.
4. As accounting records, vouchers and requisite documents, information prior to 8th June, 1992 not available, it is not practicable to work out debt equity ratio of the society. As regards discharge of its debt liabilities, the society has been making part payment to DCHFC from time to time out of collections made from its members.
5. No loans were extended by the society to its members or to any other parties during the current year nor any debt has been considered bad debt during the year.
6. The management committee of the society formed in 08.04.2012. Prior to 08.04.2012 Society's management was entrusted to the Administrator appointed u/s 32(1) of the Act on 12.01.2012. Last election were held on 10.01.2016
7. The construction and allotment of flats was completed before the current audit period, so the question of financial & material management / control and allotment policy does not arise during the current year.
8. List of members at the close of the co-operative year is annexed.
9. The society does not own any fixed asset except some furniture items, Computer & Flat. There is no cash credit extended to any members.
10. It not being a T/C Society or Co-operative Bank. The requirement regarding review of cash credit limit and loaning/ credit to any parties not applicable.
11. A certificate from the custodian of records regarding list of documents and records certifying possession thereof is annexed herewith.
12. The society is maintaining accounts with Indian Bank. Bank accounts are reconciled.



INCOME & EXPENDITURE ACCOUNT:

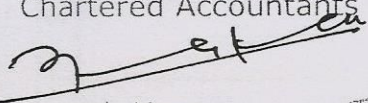
The main sources of income of society during the year under audit are maintenance charges received from members Rs. 34,74,350.00 & Water Charges demand of Previous years Rs. 17,88,225.00. The major heads of expenses are wages paid to Electrician/Plumber/Gardeners etc. of Rs. 9,51,405.00, Electricity exp. Rs. 4,42,093.00 and Water Charges of Rs. Rs. 9,21,468.80. During the year, Rs. 51,48,988.50 being difference of amount payable to DCHFC & amount recoverable from members debited in Income & Expenditure account resulting in society suffered deficit (excess of expenditure over income) of Rs.29,98,821.45. The accumulated Loss of the society as on 31.03.2016 is Rs. 3,34,26,503.35. Water charges of Rs. 17,88,225.00 yet to be paid by the society whereas water demand receivable amounting to Rs. 4,48,125.00

PART 'C'

OBJECTIONS POINTED OUT DURING THE PERIOD UNDER REVIEW

1. As per Balance Sheet of 31.03.2016, Principle amount, Interest and penal interest payable to DCHFC is Rs. 16,30,49,034.00 whereas amount recoverable from members as per list provided to us Rs.12,61,04,386.07. Members' ledger balances whether debit or credits are subject to confirmation as on 31.03.2016.
2. The accounting records for the period prior to 8th June, 1992 were not available for our examination/ audit which are stated to be not traceable
3. The attached Balance Sheet as on 31st March, 2012 does not include the items of assets and liabilities held by the society since prior to 8th June, 1992 for want of missing records.
4. Embezzled amount of Rs. 717282.60 are recoverable from Mr. I.A. Farooqui.
5. TDS provisions has not been complied for payment made for legal charges.

For N.K. & Co.
Chartered Accountants


Naresh Kumar
Partner
M.S. No. 088305



Place : New Delhi
Dated : 11/11/16

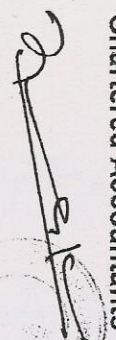
GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY LTD.
BALANCE SHEET AS ON 31ST MARCH 2016

Amount in Rs.

31.03.2015	Liabilities	31.03.2016	31.03.2015	Assets	31.03.2016
30,100.00	Share Capital	30,100.00	1,876,550.87	Fixed Assets	1,703,613.72
	Share Money			As per annexure given	
149,748,932.00	Loan From D.C.H.F.C	163,049,034.00	117,953,272.57	Recoverable Recoverable from Member	126,104,386.07
148,125.45	Current Liabilities	148,125.45	49,399.00	Advances	53,449.00
1,336,756.20	Unclaimed Share Capital	1,788,225.00	717,282.60	Wages Advances	717,282.60
	Water Bill Payable		-	Recoverable From IA Farooqi	448,125.00
				Water Demand Receivable	477,800.00
				Maintenance Charges Receivable	
			9,134.00	Cash & Bank Balances	15,008.00
			230,592.71	Cash in Hand	118,000.00
			-	Indian Bank	1,951,316.71
			-	Indian Bank	
				Excess of Expenditure Over Income	
			30,427,681.90	Opening Bal:-	3,04,27,681.90
				Loss	29,98,821.45
151,263,913.65	Total	165,015,484.45	151,263,913.65	Total	165,015,484.45

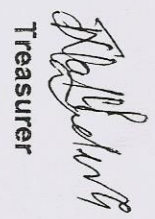
As per our report of even date
 For N.K. & Company
 Chartered Accountants

For Ghalib Memorial Co-op. Group Housing Society Ltd.


 Naresh Kumar
 (Partner)
 MS No. 288 215


 President


 Secretary


 Treasurer



DMS - 1/8/16

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GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY LTD.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH' 2016

Amount in Rs.

Expenditure	31.03.2016	Income	31.03.2016
Printing & Stationary	28,640.00	Bank Interest	7,733.00
Accounting Charges	5,000.00	Collection - Rental/Venders	14,600.00
Affidavit to Forest Dept.	200.00	Maintenance Charges	3,474,350.00
Audit Fees	8,380.00	Other charges Received	140,560.00
Bank Charges	242.00	Water Usage Charges	15,000.00
Cable Expenses	2,690.00	Water Demand Previous Year	1,788,225.00
Camera Repair Charges	9,900.00		
Computer Expenses	6,520.00	Excess of Expenditure over Income	2,998,821.45
Conveyance Charges	54,200.00		
D.C.H.F.C Reconciliation Charges	5,000.00		
Deewali Bonus	19,220.00		
Election Expenses	44,792.00		
Electricity Expenses	442,093.00		
Electrical Expenses	14,670.00		
Festival Expenses	4,330.00		
Focking Machine Expenses	2,100.00		
Labour Charges	8,550.00		
Legal Expenses	179,235.00		
Medicine Expenses	100.00		
Misc. expenses	1,350.00		
Tea Expenses (Night watchmen & Office)	16,491.00		
Refreshment Expenses	11,010.00		
Repair & Maintenance (water & other)	186,190.00		
Rickshaw Repair	4,080.00		
Security Expenses	125,220.00		
Survey Expenses	6,000.00		
Stamp Expenses	570.00		
Sticker Expenses	200.00		
Sweeper & Sewer Maintenance	11,240.00		
Telephone Expenses	11,977.00		
Umrella	100.00		
Valuation Expenses	10,000.00		
Wages Paid	951,405.00		
Depreciation	197,137.15		
Water Expenses	921,468.80		
Difference Payble to DCHFC	5,148,988.50		
Total	8,439,289.45	Total	8,439,289.45

As per our report of even date

For N.K & Company

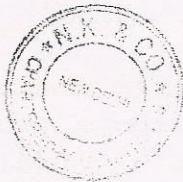
Chartered Accountants

Naresh KUMAR
(Partner)

MS No. *ad/2015*

Place : New Delhi

Date : *1/0/16*



For Ghalib Memorial Co-op. Group Housing Society Ltd.

President
President

Secretary
Secretary

Treasurer
Treasurer

