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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

AUDITORS' REPORT

We have audited the attached Balance Sheet of Ghalib Memorial Co-operative Group Housing Society Limited, Plot No. 27, Road No. 42, Pitampura, Delhi-110034 (Registration No. 163(GH) dated 21.01.1977) as on 31st March' 2017 and the Income & Expenditure Account annexed thereto for the year ended on that date. 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.

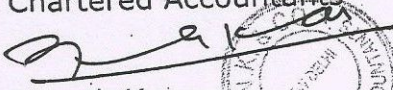
We have conducted our Statutory Audit in accordance with auditing standard & practices accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mismanagement. An audit includes examining, on test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentations. We believe that our audit provide as reasonable basis for our opinion.

On the basis of the audit as indicated in Para above, we report as under:

- a. In our opinion, the Balance Sheet and the Income & Expenditure Account dealt with by this report are in conformity with the books of account.
- b. In our opinion, proper books of accounts as required under the Act, Rules & Bye- laws have been kept by the society, for the year under review.
- c. In our opinion and to the best of our information and according to explanation given to us, and as shown by the books of the society, the said accounts exhibit a true and fair view (Subject to our observations in Part C): -
 - i) In the case of Balance Sheet of the state of affairs of the society as on 31st March' 2017 and
 - ii) In the case of the Income & Expenditure Account, of the Deficit (excess of expenditure over income) for the year ended on 31st March' 2017.
- d. Our detailed report in Part- A, Part-B and Part C is attached.

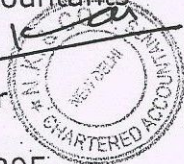
For N.K. & Co.

Chartered Accountants


Naresh Kumar

Partner

M.S. No. 088305



Place : New Delhi

Dated : 30.05.2017

N.K. & CO.
CHARTERED ACCOUNTANTS

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GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY LIMITED

DETAILED AUDIT REPORT FOR THE YEAR 2016-2017

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, 2016 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 : Not complied.

5. 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.

Compliance: ~~Not~~ complied.



PART B

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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 31.03.2017. As per balance Sheet of 31.03.2017, balance recoverable from members for DCHFC dues amounting to Rs. 14,33,92,621.47 whereas amount payable to DCHFC is Rs. 18,33,76,314.00
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:

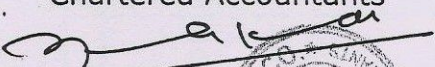
The main sources of income of society during the year under audit are maintenance charges received from members Rs. 43,57,220.00. The major heads of expenses are wages paid to Electrician/Plumber/Gardeners etc. of Rs. 12,97,324.00, Electricity exp. Rs. 4,00,490.00 and Water Charges of Rs. Rs. 14,61,162.00. During the year, Rs. 30,39,044.60 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. 27,99,703.60. The accumulated Loss of the society as on 31.03.2017 is Rs. 3,62,26,206.95:

PART 'C'

OBJECTIONS POINTED OUT DURING THE PERIOD UNDER REVIEW

1. As per Balance Sheet of 31.03.2017, Principle amount, Interest and penal interest payable to DCHFC is Rs. 18,33,76,314.00 whereas amount recoverable from members as per list provided to us Rs. 14,33,92,621.47. Members' ledger balances whether debit or credits are subject to confirmation as on 31.03.2017.
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, 2017 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 : 30.05.2017

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INCOME & EXPENDITURE ACCOUNT:

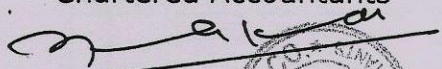
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For N.K. & Co.
Chartered Accountants


Naresh Kumar
Partner
M.S. No. 088305



Place : New Delhi
Dated : 30.05.2017

GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY

BALANCE SHEET

AS ON 31 MARCH 2017

31.03.2016	LIABILITIES	31.03.2017	31.03.2016	ASSETS	31.03.2017
30,100.00	SHARE CAPITAL Share Money	30,100.00	1,703,613.72	Fixed Assets As per annexure given	1,722,826.72
163,049,034.00	Loan from D.C.H.F.C	183,376,314.00	126,104,386.07	Recoverable from Members Loan Principal & interest of DCHFC	143,392,621.47
148,125.45	Current Liabilities Unclaimed Share Capital	148,125.45		Advances Wages Advances	16,300.00
1,788,225.00	Water Bill Payments		53,449.00	Recoverable from IA Farooqi	717,282.60
			717,282.60	Water Demand Receivable	-
			448,125.00	Maintainance Charges Receivable	978,663.00
			477,800.00		
				Cash & Bank Balance Cash in Hand	10,969.00
			15,008.00	Indian bank	312,771.00
			118,000.00	Indian bank	176,898.71
			1,951,316.71		
			33,426,503.35	Excess of Expenditure over Income Opening Bal:-	36,226,206.95
				Loss	2,799,703.60
165,015,484.45		183,554,539.45	165,015,484.45		183,554,539.45

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

Naresh Kumar
(Partner)
MS no. 088305



Arun Gautam
ARUN GAUTAM
(SECRETARY)



J.N. Sachdeva
J.N. SACHDEVA
(TREASURER)

Suresh A.S.
SURESH A.S.
(PRESIDENT)

Particulars	Fixed Assets					Closing Balance
	GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY					
	1-Apr-2016 to 31-Mar-2017					
%	Opening Balance	Transactions				
		TILL 30 SEP	FROM 1 OCT	DEP		
BUILDING	10	1,529,950.55			152,995.00	1,376,955.55
CAMERA	15	85,687.33	142,710.00	30,559.00	36,552.00	222,404.33
COMPUTER	60	4.30	12,150.00		7,293.00	4,861.30
FOGGING MACHINE	15	14,908.50			2,236.00	12,672.50
FURNITURE & FIXTURE	10	5,491.10			549.00	4,942.10
LCD	15	13,621.75			2,043.00	11,578.75
MOTOR	15	18,883.11	3,000.00		3,282.00	18,601.11
PRINTER	15		4,450.00		668.00	3,782.00
RACK ALMIRA	10		1,900.00	8,950.00	638.00	10,212.00
RICKSHAW	15	35,067.08		29,200.00	7,450.00	56,817.08
Grand Total		1,703,613.72	164,210.00	68,709.00	213,706.00	1,722,826.72

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

Naresh Kumar

Naresh Kumar
(Partner)
MS no. 088305



Arun Gautam

ARUN GAUTAM
(SECRETARY)

J.N. Sachdeva

J.N. SACHDEVA
(TREASURER)

Suresh A.S.

SURESH A.S.
(PRESIDENT)



GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY
RECEIPT & PAYMENT ACCOUNT

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1-Apr-2016 to 31-Mar-2017

Particulars	RECEIPTS	Particulars	PAYMENTS
CASH IN HAND	15,008.00	ASSETS PURCHASED	
BANK BALANCE	2,069,316.71	CAMERA	173,269.00
		COMPUTER	12,150.00
WAGES ADVANCE RECEIVED	134,650.00	FURNITURE & FIXTURE	10,850.00
		MOTOR	3,000.00
MAINTAINANCE FEE	4,320,507.00	PRINTER	4,450.00
RECEIPT FROM VENDORS	13,900.00	RICKSHAW	29,200.00
BANK INTEREST	31,481.00		
COMMON FUND	152,000.00	EXPENSES	
ADVERTISEMENT CHARGES	11,000.00	PRINTING & STATIONERY	55,852.00
DEVELOPMENT CHARGES	100,000.00	AUDIT EXP.	9,660.00
		ACCOUNTING RECONCILIATION	29,500.00
DOCUMENT CHARGES	160.00	CHARGES	
MEMBERSHIP FEE	2,604.00	BANK CHARGES	498.00
MISC. RECEIPTS	100.00	CAMERA REPAIR	50,460.00
PARK USAGE CHARGES	2,000.00	COMPUTER EXP.	10,280.00
WATER USAGE CHARGES	20,500.00	CONVEYANCE	41,630.00
		DELHI JAL BOARD	3,249,387.00
		ELECTRICAL GOODS (LED) EXP.	139,491.00
		ELECTRICITY BILL PAID	400,490.00
		FESTIVAL EXP.	31,896.00
		FOGGING MACHINE EXP.	3,975.00
		GARDEN EXP.	19,746.00
		GBM EXP.	30,005.00
		LABOUR CHARGES	36,120.00
		LEGAL CONVEYANCE	61,082.00
		LEGAL EXPENSES	283,370.00
		MISC. EXP. (OFFICE)	2,932.00
		NIGHT WATCHMAN TEA EXP.	11,575.00
		PHOTO TREE	850.00
		REPAIR AND MAINTAINANCE	88,306.00
		RICKSHAW REPAIR	7,495.00
		SEWAR & SWEEPER EXP.	19,875.00
		STAFF WALFARE REFRESHMENT	20,062.00
		TELEPHONE EXPENSES	9,724.00
		VALUATION EXP.	21,300.00
		WAGES PAID	1,291,225.00
		WATER EXP.	109,283.00
		WAGES ADVANCE	103,600.00
		CASH IN BANK	10,969.00
		BANK BALANCE	489,669.71
Total	6,873,226.71	Total	6,873,226.71

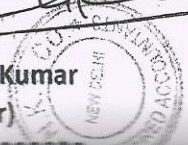
As per our report of even date
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(SECRETARY)

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(TREASURER)

Buresh A.S.
BURESH A.S.
(PRESIDENT)

Naresh Kumar
Naresh Kumar
(Partner)



GHALIB MEMORIAL CO-OPERATIVE GROUP HOUSING SOCIETY INCOME & EXPENDITURE ACCOUNT

1-Apr-2016 to 31-Mar-2017

EXPENSES	INCOMES
PRINTING & STATIONERY 55852.00	MAINTAINANCE FEE 4357220.00
ACCOUNT DCHFC RECOGILATION CHARGES 29500.00	RECEIPT FROM VENDORS 13900.00
AUDIT EXP. 9660.00	ADVERTISEMENT CHARGES 9000.00
BANK CHARGES 498.00	BANK INTEREST 31481.00
CAMERA REPAIR CHARGES 50460.00	COMMON FUND 152000.00
COMPUTER EXP. 10280.00	DEVELOPMENT & OTHERS CHARGES 100000.00
CONVEYANCE 41630.00	DOCUMENTS CHARGES 160.00
Delhi Jal Borad Bill 1461162.00	MEMBERSHIP FEE & OTH 2604.00
DEPRECIATION 213706.00	MISC. RECEIPTS 1750.00
ELECTRICAL GOODS EXP. 122138.00	Park Usage Charges 2000.00
ELECTRICITY EXP. 400490.00	Received From Vendors 2000.00
ELECTRICAL EXP. 17353.00	Water Demand
FESTIVAL EXP. 31896.00	Water Usage Charges 34375.00
FOGGING MACHINE EXP. 3975.00	Excess of Expenditure over Income 2799703.60
GARDEN EXP. 19746.00	
GBM EXP. 30005.00	
DIFF. PAYABLE TO D.C.H.F.C 3039044.60	
LABOUR CHARGES 36120.00	
LEGAL CONVEYANCE EXP. 61082.00	
LEGAL EXPENSES 283370.00	
MISC EXP. 2432.00	
NIGHT WATCHMAN TEA EXP. 11575.00	
PHOTO TREE 850.00	
REPAIR & MAINTAINANCE EXP. 88306.00	
RICKSHAW REPAIR 7495.00	
SEWAR & SWEEPER EXP. 19875.00	
STAFF WELFARE REFRESHMENT 20062.00	
TELEPHONE EXPENSES 9724.00	
VALUATION EXP. 21300.00	
WAGES PAID 1297324.00	
WATER EXP. 109283.00	
Total 7506193.60	Total 7506193.60

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

(Signature)

Naresh Kumar
(Partner)
MS no. 088305



(Signature)
ARUN GAUTAM
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