

**INDEPENDENT AUDITOR'S REPORT OF
TALMAKIWADI CO-OP. HOUSING SOCIETY LTD.**

[As required under Section 81 of The Maharashtra Co-operative Societies Act, 1960 & Rule 69(3) of MCS Rules 2013 (as applicable to Co-Operative Societies)]

To
The Hon. Chairman
Talmakiwadi Co-operative Housing Society Ltd.,
8/4, Talmakiwadi, Javji Dadaji Marg.,
Tardeo, Mumbai- 400 007

Report on the Financial Statements as a Statutory Auditor

Opinion-

We have audited the accompanying financial statements of **Talmakiwadi Co- operative Society Ltd.**, which comprise the Balance Sheet as at **31st March 2023** and the Statement of Income & Expenditure for the year ended, and a summary of significant accounting policies and other explanatory information incorporated in these financial statements of the Society audited by us for the period **1st April 2022 to 31st March 2023**.

In our opinion, and to the best of our information and according to the explanation given to us the said accounts together with the notes thereon give the information as required, as per the Maharashtra Co-operative Societies Act, 1960 and Maharashtra Co-operative Societies Rules, 1961, and any other applicable Acts and/or circulars issued by the Registrar, in the manner so required for the society and gives a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) In case of Balance Sheet, Statement of Affairs of the Society as at 31st March, 2023;
- (ii) In case of Statement of Income & Expenditure, surplus for the year ended 31st March, 2023;

Basis of Opinion-

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibility under those standards is further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the society in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of financial statements under the provisions of the Maharashtra Co-operative Societies Act, 1960 and rule made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with Maharashtra Co-operative Societies Act, 1960 & Rules there under. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of financial statements that 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 applicable Standards by The Institute of Chartered Accountants of India and under the MCS Act. 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 judgment, 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 control relevant to the Society's preparation and fair presentation of the financial statements 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.

Report on Other Legal and Regulatory Matters

The Balance Sheet and the statement of Income & Expenditure have been drawn up in accordance with the provisions of the Maharashtra State Co-operative Act, 1960.

We report that:

- (a) 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 and have found them to be satisfactory.
- (b) The transactions of the Society, which have come to our notice, have been within the powers of the Society.
- (c) The documents received from the Society have been found adequate for the purposes of our audit.

In our opinion, the Balance Sheet and statement of Income & Expenditure Account comply with applicable Accounting Standards issued by Institute of Chartered Accountants of India (ICAI).

We further report that:

- 1. The Balance Sheet and Income & Expenditure Account dealt with by this report, are in agreement with the books of account and the returns.
- 2. In our opinion, proper books of account as required by law have been kept by the Society so far as appears from our examination of these books.
- 3. For the year under audit, the society has been awarded "A" classification.

For Jain Chowdhary & Co.
Chartered Accountants
FR No. 113267W

CA Siddharth Jain
Managing Partner

M.No.104709
Place: Mumbai
Date: 16/07/2023
UDIN: 23104709BGULYT7248

FORM 1

Particulars	Remarks
Name of the society:	TALMAKIWADI CO-OP. HOUSING SOCIETY LTD.
Sr. No. of the audit memo as per audit register:	Nil
Full Registered Office:	8/4, Talmakiwadi, Javji Dadaji Marg., Tardeo, Mumbai- 400 007
Administrative Office:	Same as Above
Taluka:	Mumbai
District:	Mumbai
Registration No.	B227
i) Audit Classification - ii) Audit Classification given during the last three audits -	'A' 'A'
Date of Registration:	05.04.1941
Area of Operation:	Mumbai
No. of Branches, depots and shops:	N.A.

1. <u>Audit Information:</u>		
i)	Full Name, designation and Head Quarters of auditing officer.	CA Siddharth Jain Managing Partner. M/s Jain Chowdhary & Co. 104, Model Residency, B J Marg, Jacob Circle, Mahalaxmi, Mumbai 400011
ii)	Period covered during the present audit:	01.04.2022 to 31.03.2023
iii)	Dates on which:	
	a) Audit was commenced	03/07/2023
	b) Audit was completed	10/07/2023
	c) Audit memo was submitted	10/07/2023

2. Membership:		
I	No. of members	1. Individuals- (a) Ordinary -217 (b) Nominal -1 (c) Sympathiser -NA 2. Societies-1 3. Other (institutions) -1 Total- 220
	A] Share Capital:	AUTHORISED CAPITAL - Rs. 4,00,000/- PAID UP CAPITAL From Individual & Institutions- Rs.2,56,800/-
	B] Discrepancies Observed:	No discrepancies observed
	C] Members admitted outside the area of operation:	NA
ii)	Have new members been duly admitted? Have they paid entrance fees?	No
iii)	Are their written applications in order and filled properly?	No
iv)	Is the members' register kept in Form "I"	Yes
v)	Is a list of members kept in Form "J" under Rule 33 of the M.C.S. Rules 1961?	Yes
vi)	Have due remarks been passed against names of the deceased, dismissed or resigned members in the members' register?	Yes
vii)	Are resignations in order and are they duly accepted?	No Resignation
viii)	Have nominations made under rule 25 of the M.C.S. Rules 1961 been duly entered in the members' register under rule 26?	Yes, wherever given by the members

3. <u>Shares:</u>		
i)	Are applications for shares in order?	YES
ii)	Is the share register written up to date?	YES
iii)	Do the entries in share register tally with the entries in the cash book?	YES
iv)	Is the share ledger written up to date?	YES
v)	Do the total of share ledger balances tally with the figures of share capital in the Balance Sheet?	YES
vi)	Have share certificates been issued to the shareholders for all the shares subscribed?	YES
vii)	Are share transfers and refunds in accordance with the provisions of the Bye-laws, Act and Rules?	YES
4. <u>Outside Borrowers:</u>		
i)	What is the limit fixed in the Bye-laws for borrowings of the society?	Not Applicable
ii)	Has it been exceeded?	No Outside Borrowers during the financial year under audit
iii)	If so, state whether necessary permission	Not Applicable
5. <u>Meetings:</u>		
i)	Give dates of:	
	a) Annual General Meeting.	24-09-2022
	b) Special General Meeting.	Not held
ii)	State the no. of meetings held during the period as follows:	
	a) Board or Managing Committee Meetings.	12

	b) Loan Committee Meetings	Not Applicable
	c) Recovery Committee	Not Applicable
	d) Audit & Inspection Committee	Not Applicable
	e) Computer Committee	Not Applicable
	f) Asset Liability Management Committee	Not Applicable
	g) Development Committee	Not Applicable
	h) Staff Committee	Not Applicable
	i) Investment Committee	Not Applicable
6. <u>Rectification Reports:</u>		
i)	Has the society submitted audit rectification reports of the previous audit memos? If so, give dates of submission. If not, state the reason for non-submission.	Not Applicable
ii)	Have any important points mentioned in the previous audit memos been neglected by the society? If so, state them in general remarks.	No
7. <u>Audit Fees:</u>		
i)	Give amount of audit fees last assessed.	Rs. 34,800/- (Including GST)
	a) State period for which assessed:	01.04.2022 to 31.03.2023
	b) State the date of recovery of audit fees, name of treasury and amount credited (Give no. and Date of Treasury Challan retained as per rule	Not Applicable
ii)	If audit fees have not been paid by the society, give details about outstanding audit fees and reasons for non-payment.	As mentioned above

8. Internal or Local Audit:					
i)	If there is internal or local audit, state by whom done, period covered and whether memo is on record of the society	Yes, Internal audit was conducted by Rajaram Pandit for FY 2022-23			
ii)	State whether there is a proper co-ordination between Statutory and Internal auditor.	Yes			
9. A] Managing Director/ Manager/ Secretary:					
i)	Name of the officer	Mr. Shivdutt Halady			
ii)	Pay drawn	N.A.			
iii)	Grade	Hon. Secretary			
iv)	State other allowances, if any, any facilities given such as rent-free quarters etc.	Nil			
iv)	State whether he is a member	Yes			
v)	If so, whether he has borrowed or has been given any credit facilities? State the amount borrowed and the amount of overdues, if any.	No			
vi)	If other amounts are due from him, give details.	Not Applicable			
9. B] Obtain a list of staff showing names, designations, qualifications, scales, present pay and allowances given, date from which employed, security furnished.		Sr. No.	Name	Designations	Salary
		1	Ms. Darshana Mahadik	Manager	1,64,451.00
		2	Mrs. Sheetal Vokhetur	Manager	85,800.00
		3	Mr. Aishwarya Rane.	Accountant	1,78,751.00
		4	Mr. Suresh Shelke	Gardener	94,250.00

5	Mr. R P Jha	Peon	22,100 .00
6	Mrs. Vasanti Ramchandra Kanere	Cleaner	13,000 .00
<i>The above-mentioned employees are on contractual basis.</i>			

10. Breaches:

i)	Does the bank possess a copy of the Act, Rules, and its registered Bye- laws?	YES
ii)	Give only no. of breaches of the Act, Rules and Bye-laws.	Nil
	a) Section no.	
	b) Rule no.	
	c) Bye-laws	
iii)	Have any rules been framed under the Bye-laws? Are they approved by appropriate authority? Are they properly followed? (These breaches should be discussed in brief in general remarks).	NO

11. Profit & Loss:

i)	What is the amount of profit earned or loss incurred during the last co- operative year?	Profit of Rs. 4,33,352.84 for the year ended 31.03.2023
ii)	State how the net profits are distributed. (In case of non-business societies, figures of surplus or deficit may be given against query no. 11(i) above).	25% of profit transferred to Reserve Fund Interest of Rs. 2,17,500 on FD of Rs 30 Lakhs was transferred to Sinking Fund

12. Cash, Bank Balances, and Securities:

a) Cash:		
i)	Count cash and sign the cash book stating the amount so counted and date on which counted.	Cash was verified and found to be in order

ii)	Who produced the cash for counting? Give his name and designation. Is he authorized to keep cash?	Not Applicable
iii)	Is it correct according to the cash book?	Yes
iv)	Are arrangements for safety of cash in safe and cash in transit adequate?	Yes
b) Bank Balance:		
Do the bank balances shown in Bank pass books or bank statements and bank balance certificates tally with such balances shown in books of accounts? If not, check reconciliation statement		Yes
c) Securities:		
i)	Verify securities physically and see whether they are in the name of the Society?	Yes
ii)	Are dividends and interest being duly collected?	Yes
iii)	If securities are lodged with the bank, are relevant certificates obtained?	Yes
iv)	Is Investment Register kept and written up-to-date?	Yes, Investments are made only in Fixed Deposits and Mutual Funds.
13. Movable and Immovable Property:		
i)	Are relevant registers maintained and written up to date?	The details are maintained in Tally Software
ii)	Verify property physically and obtain its list. Does the balance tally with Balance Sheet figures?	Not Applicable
iii)	In case of immovable property including lands, verify title deeds and see whether they are in the name of the bank.	Yes. Checked and found correct

iv)	Is the property duly insured where necessary? If so, give details in general remarks?	Yes Tata AIG Policy Number- 0304007458 Sum Assured- 10,00,000/-
v)	Depreciation:	
	a) Is due depreciation charged?	Yes
	b) State the rate of depreciation charged on various assets.	<ol style="list-style-type: none"> 1. Furniture and Fixtures-10% 2. Maintenance Equipment-25% 3. Electric Motor Pump Set and Accessories-25% 4. Electrical Fittings-15% 5. Computer and Printer-40% 6. Water Tank (PVC)-10% 7. CCTV System-15% 8. Office Equipment-15% 9. Shredder Machine-15% 10. Composite Machine-15%
	14. Have you discussed the draft audit memo in the Board or Managing Committee Meeting? If not, state the reasons for the same:	Yes

For Jain Chowdhary & Co.
Chartered Accountants
FR No. 113267W

CA Siddharth Jain
Managing Partner
M. No. 104709
UDIN: 23104709BGULYT7248
Place: Mumbai
Date: 16/07/2023

FORM NO.28

Audit Memo (Co-Operative Housing Societies) PART - II

1) Borrowings:

i)	State the loans obtained by the society for various or various purposes from Government and other agencies.	NIL
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Agency Sanctioning Loan	Purpose for which the loan is sanctioned	Amount of loan sanctioned	Maximum amount drawn	Repayment made	Outstanding	Amount Overdues if any	Remarks
1	2	3	4	5	6	7	8
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ii)	Are payments of loan punctual?	Not Applicable
iii)	Are all conditions laid down for grant of various loans and credits observed? Note breaches if any.	Not Applicable
iv)	Are necessary documents executed in favor of the authority sanctioning the loan?	Not Applicable

2) Government Financial Assistance: -

i)	What is the amount of Govt subsidy sanctioned and received by the Society?	Not Applicable
ii)	Has Govt. sanctioned any amount for land development? If so, state the amount. Have development expenses exceeded the said amount?	Not Applicable

3) Membership: -

i)	State whether in case of backward class. co-op. housing societies certificates from the social welfare officers are obtained for backward class members for their eligibility to membership and obtaining of financial assistance?	Not Applicable
ii)	State whether certificates are obtained from officers of the concerned industry in case of the subsidized industrial housing scheme.	Not Applicable

iii)	Have declarations been obtained from members that they and their family members do not own land or houses in the area of operation of the society as per provisions in the Bye-Laws?	Not Applicable
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4) Lands and their developments: -

i)	State whether lands or constructions of houses have been secured, purchased or obtained on lease. Give details of the lands, starting local area, survey Nos. and C.R.S. Nos. if any, price for which purchased, lease rent etc.	Not Applicable
ii)	See the title deeds and ascertain whether they are properly executed in favor of the Society?	Not Applicable
iii)	State how the lands have been utilized for:- a) Construction of houses. b) Construction of roads. c) Open spaces. d) Other purposes (give details)	Not Applicable
iv)	Have they layouts and plans of development been approved by the Municipal authorities before actual, commencement of the work?	Not Applicable
v)	Have completion certificates been obtained from appropriate authorities for drainage, water supply, roads etc before construction work of building is commenced?	Not Applicable

5) Construction of Buildings:-

i)	a) Has building construction commenced? b) State the No. of houses or flats constructed and under construction. c) Have the completed houses and flats allotted to members?	Completed
ii)	Are buildings constructed on contract basis? See the terms and conditions of contracts and state whether they have been properly observed. Note breaches if any.	Not Applicable

iii)	Are these contracts properly sanctioned by the competent authority as per Bye-Laws of the society?	Yes
iv)	Have tenders or quotations been called after giving due advertisement in local newspapers? If the works are not given to the Contractors quoting the lowest figures, see whether reasons for the same are recorded.	Not Applicable
v)	Are contractors paid after necessary work progress certificates are obtained from the Architects? Are running and final bills obtained before payments are made to the contractors?	Not Applicable
vi)	See the terms on which the Architects are employed. Are there any breaches?	Not Applicable
vii)	See whether the completion certificates have been obtained from the qualified Engineers and Architects, stating that the constructions have been completed according to approved plans, specification and other terms of contract?	Not Applicable
viii)	Is the property register kept in proper form? Is written up to date?	No
ix)	When buildings are built departmentally, state whether the following books are kept and written up-to-date? a) Job registers and measurement books. b) Stock registers? c) Are valuations certificates from qualified Engineers and / or Architects obtained? Is expenditure allocated properly between items of capital and revenue nature?	Not Applicable

x)	State whether buildings have been constructed according to the original plans and estimates submitted with the loan application and which are approved by competent authority. Are there any deviations? If so are they got approved from the competent Authority?	Not Applicable
xi)	In case of flat owners societies, see whether titles to the land have been transferred in the name of the society.	Yes
xii)	Are buildings and other construction got insured?	Yes
xiii)	In case of flat owners' society, have the promoters fulfilled their obligations as per agreements entered with them by the members prior to the resignation of the society?	Not Applicable
xiv)	Examine the agreements entered into with the promoters and see whether they are in the interest of the society.	Not Applicable
xv)	Has the society executed lease deeds in the favor of the members for giving plots and / or buildings on lease to them?	Not Applicable
xvi)	Has the society created sinking fund as per provisions of the Bye-Laws?	Yes
xvii)	Examine the basis on which monthly rents or contributions are fixed in case of the tenant co- partnership societies or flat owners societies and see that the following items are adequately covered. i) Amounts required for payment of loan installments. ii) Municipal & Other taxes. iii) Lease rents. iv) Service charges & common expenses. Contribution to the Sinking Fund.	Yes

6) Loans of Members: -

i)	Are recoveries of loans punctual?	Not Applicable
ii)	State the amount of overdue?	Not Applicable
iii)	State what steps are being taken to recover overdue?	Not Applicable

7) Expenditure: -

Has the expenditure been approved by the Managing Committee, from time to time?	Yes
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For Jain Chowdhary & Co.
Chartered Accountants
FR No. 113267W

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Managing Partner

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