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Tel. No. (M). 9810697700

D. NAGPAL & Co.
(CHARTERED ACCOUNTANTS)

18/20 W.E.A. KAROL BAGH
NEW DELHI-110005

Ref.SA/23

Date: 28/08/2023

AUDIT REPORT

TO,
THE MEMBERS,
THE SUREME CO-OPERATIVE (URBAN).
THRIFT AND CREDIT SOCIETY LTD,
OFFICE NO4 ,FIRST FLOOR CSC,POCKET-1
DILSHAD GARDEN ,DELHI-110095

Dear Sirs,

AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of **The Supreme Co-op .(Urban)Thrift &Credit Society Ltd.**, in terms of Registrar of Co-Op. Societies (Delhi Administration) New Delhi vide Letter No. F.AR/AUDIT/2022-23/ Dated 30/06/2023, which comprises the balance sheet as at 31 st ,March 2023 and annexed Income & Expenditure Account and Receipts and Payments Account for the year ended on that date, subject to the notes on accounts in Part A, Part B and Part C, a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, financial statements give the information required by Delhi Co-operative Society Act,2003 the("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at March



31, 2023, and its surplus for the year ended on that date ; and of the receipt & payment ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by issued by The Institute of the Chartered Accountants of India. Our Responsibilities under those standards are 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 Institute of Chartered Accountants of India together with the ethical requirements that re relevant to our audit of the financial statements under the provisions of the Act and the rules 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 audit opinion on the financial statements.

Management’s Responsibility for the Financial Statements

The Society’s Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipt and payments of the Society in with the accounting principles generally accepted in India, including accounting issued by ICAI. This responsibility includes the design implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management it responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable,



matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of entity's internal controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matter, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Report on Other Legal and Regulatory Requirements

1. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion the Balance Sheet and Income & Expenditure Account dealt with by the report have been drawn in confirmation with the Bye-Laws.
3. In our opinion proper books of account have been kept by the Society as required under the Act, Rules and Bye-Laws.
4. There have not been any material irregularities in the expenditure or in the realization of the money due to the Society.
5. The Society has given loan to Members as per provision of the Act and rules framed there under and byelaw of the society
6. During the year members have been enrolled as per provision of the Act, rules framed there under and bye law of the Society

For D.Nagpal & Co
Chartered Accountants

(S.K Miglani)
Partner

M.N.:- 087564

PLACE: NEW DELHI
DATED: 28.08.2023



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AUDIT REPORT
PART-A

Previous Audit objection - NIL

PART-B
INFORMATORY

1. Name of the Society. : THE SUPREME CO-OP. (URBAN) THRIFT & CREDIT SOCIETY LTD.
2. No. & date of the Registration : 10282/NE/TC/2011
Dt. 15/11/2011
3. Address of the Society : Office No. 4, First Floor, CSC, Pocket-I,
Dilshad Garden, Delhi-110095
4. Whether the Society is working : Yes
at the registered office.
5. Area of the operation : Loan to Members
6. Sanctioned M.C.L\ Personal\ Others : Personal Loan :-
Previous Audit 4,00,000/-
Present Audit 4,00,000/-
Loan Against Property
Present Audit 10,00,000/-
Previous Audit 10,00,000/-
Loan Against Gold
Present Audit 5,00,000/-
Previous Audit 5,00,000/-
7. Previous Auditor : D. Nagpal & Co.
Chartered Accountants
Present Auditor : D. Nagpal & Co.
Chartered Accountants
8. No. of Members : Previous Audit 1179
Present Audit 1235
9. No. of resigned/expelled members. : Previous Audit 29
Present Audit 40



10. No of New enrolled Member :	Previous Audit 69 Present Audit 96
11. Audit Classification (Under Section 68 (ii))	Previous Audit A Present Audit A
12. Working capital :	Previous Audit 4,72,19,215/- Present Audit 4,92,66,950/-
13. Audit fee claimed :	Previous Audit 44,051/- Present Audit 45,500/-
14. Pending enquiries (Under Sect on 55/59) :	Previous Audit N.A. Present Audit N.A.
15. No. pending arbitration cases :	Previous Audit 54 Present Audit 49
16. Legal case for recovery U/S 138 of NI Act :	Previous Audit. 43 Present Audit. 58
17. Education Fund :	Previous Audit 16,216/- Present Audit 16,637/-

PART-C

MANAGEMENT

- 1. Managing Committee Meeting: Managing committees meeting were held regularly. List of management committee members of the society are enclosed.
- 2. Audit Report File : The Society is maintaining Audit Report file.
- 3. Registration File : The Society is maintaining Registration file.
- 4. Membership Position There are 1235 Members as on 31.03.2023. During the year, 96 members have been enrolled while 40 members have been resigned.
- 5. Annual General Body Meeting : The Annual General Body Meeting was held on 16.10.2022.



WORKING

- 1. Receipts : Proper receipts are issued to the depositors against the payments received.
- 2. Payments : Payments have been made properly against voucher bills. The prescribed authority has duly authorized the payments.
- 3. Unresolved Disputes :As reported to us no unresolved disputes or claim against members or outside parties is pending except 49 pending cases with arbitration and 58 case for recovery in the court u/s 138 of N.I. Act & Rules.
- 4. Follow of the Claim :To the best of the information provided to us, Society is following to the best for the claims as per Societies Act and Rules.
- 5. Disqualification of The Officers :As appears from the information provided to us, none of the office bearers suffers from disqualification as contained in Sec.35 read with rule 53 & 54.

BALANCE SHEET

LIABILITIES

- I. Excess of income over Expenditure : The society has earned a surplus of Rs.8,15,220/- during the year The same is subject to allocation.
- II. Interest payable on FD/RD : The balance under this head as on 31.03.2023 was Rs.1,14,71,123/-
- III. Share Money : The balance in the share money account was Rs. 10,092,000/- as on 31.03.2023 as compared to Rs. 10,064,000/- as on 31.03.2022. During the year Rs.7,08,000/- as share money were received from members member while Rs. 6,80,000/- were paid to resigning members.
- IV. Compulsory Deposit & CD Int. : The balance in this A/c as on 31.03.2023 Rs.51,49,100/- During the year. A sum of Rs.4,53,600/- was received from the members. It Rs.96,523/- paid to members as interest on Compulsory Deposit for the year 2022-23 while Rs. 1,82,700/- were repaid to resigning members.



V. Optional Deposit & OD Int.

: The balance in this A/c as on 31.03.2023 was Rs.3,472,819/- during the year a sum of Rs.2,701,331/- has been received from the Members. It includes Rs.63,005/- paid to members as interest on Optional Deposit for the year 2022-23 while Rs.2,065,098/- has been refunded to the Members.

VI. Fixed Deposit (Members)

: The balance in this A/c as on 31.03.2023 was Rs.140,235,696/- during the year a sum of Rs. 89,042,977/- has been received from Members and the amount of Rs.79,523,865/- has been refunded.

VII. Recurring Deposit.

The balance in this A/c as on 31.03.2023 Rs. 2,435,500/- during the year a sum of Rs.2,205,500/- has been received from Members and amount of Rs.2,011,000/- has been refunded.

VIII. Reserve Fund

: The balance in this head as on 31.03.2023 was Rs.12,93,172/-. During the year Rs.1,98,642/- has been transferred from allocation of Excess of Income over Expenditure for the year 2021-2022.

IX. Bad Debt Fund

: The balance in this head as on 31.03.2023 was Rs.761,633/-. During the year Rs. 1,00,000/- has been transferred from allocation of Excess of Income over Expenditure for the year 2021-2022.

X. Risk Fund

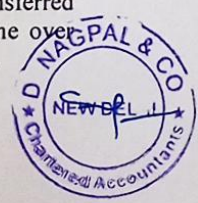
: The balance in this head as on 31.03.2023 was Rs.8,16,002/-, During the year Rs. 43,938/- is Received from Members who avails Loan facility at rate of 0.20% of Loan taken.

XI. Share Transfer Fund

: The balance under this head was Rs. 6,50,000/- as on 31.03.2023. a sum of Rs. 50,000/- has been transferred from allocation of Excess of Income over Expenditure for the year 2021-2022.

XII. Building Fund

: The balance in this A/c as on 31.03.2023 was Rs.1,141,090/-. During the year Rs. 21,969/- is Received from Members at the rate of 0.10% who avails Loan facility. A sum of Rs. 35,000/- has been transferred from allocation of Excess of Income over Expenditure for the year 2021-2022.



XIII. Welfare Fund

: The balance in this head as on 31.03.2023 was Rs.7,77,777/- During the year Rs. 43,938/- is Received from Members at the rate of 0.20% who avails Loan facility and Rs.8,366/- has been transferred from allocation of Excess of Income over Expenditure for the year 2021-2022.

XIV. Secured Loan

1. The Delhi State Co-Operative Bank Ltd.- Rs.87,57,995/- (Cr.)
2. Indraprastha Shekari Bank Ltd. - Rs.57,33,478/- (Cr.)

ASSETS

I Loans/FD Loans

: The balance under this head was Rs.144,284,233/- as on 31.03.2023 as compared to Rs. 143,414,854/- as on 31.03.2022 During the year a sum of Rs.47,955,483/- has been given to the member as loan while Rs.47,086,104/- has been refunded by the members.

II Bank Account/Balance

: Following are the reconciled balance of Bank Accounts as on 31.03.2023.

1. Kotak Mahindra Bank Ltd. (CA A/c) - Rs. 17,77,703/- (Dr.)
2. Union Bank (Saving A/c) - -Rs.9048/-(Dr.)
3. Kotak Mahindra Bank Ltd (SB A/c) - Rs.67,467/- (Dr.)

The reconciliation statement of above-mentioned Bank a/c is enclosed.

III Cash in Hand/ Cheque in Hand

: The balance under this head cash in hand was Rs.1,05,392/- as on 31.03.23 as compared to Rs.3,09,662/- as on 31.03.2022.

IV Interest Recoverable on loan

: The balance under this head was Rs.12,755,799/- as on 31.03.2023 as compared to Rs.10,163,603/- as on 31.03.2022.

V. Fixed Asset

: The balance under this head was Rs. 5,209,054/- as on 31.03.2023 as compared to Rs.57,96,614/- as on 31.03.2022. Details is provided at Annexure "A" with Balance Sheet.



INCOME

- I. Interest on Loan : The society has earned interest income of Rs.15,714,579/- during the year ended on 31.03.2023 on loan granted to the members.
- II. Interest on Fixed Deposit (with bank) : The society has earned interest income Rs. 15,97,862/- on Fixed Deposit with the bank during the year ended on 31.03.2023.


EXPENDITURE

- I. Printing & Stationery : The Society has paid Rs.37,033/- to the supplier for supply of stationery items & printing of Membership application form, Loan application form & bonds, Envelope, Vouchers, Fixed Deposit Receipts, Registers, Pass Book etc.
- II. Conveyance : The Society has paid Rs. 42.161/- as Conveyance charges towards the verification enrollment of new members and other official works.
- III. Honorarium Expenses : The Society has paid Rs.4,57,000/- as honorarium to different persons for their services rendered to society.
- IV Salary Paid to Staff : The Society has paid Rs. 6,66,000/- as Salary to staff.
- V. Bank Charges & Interest paid on Overdraft : The Society has paid Rs.10,50,171/- as bank charges and Interest on against the overdraft facility utilized.

PART-D

Current Audit Objection-NIL

For D. NAGPAL & CO.
(CHARTERED ACCOUNTANTS)



(S.K.Migliani)
(Partner)

M.No- 087564

PIACE: NEW DELHI
Date:28.08.2023