

**FORM No. 28**  
**Audit Memo (Co-operative Housing Societies)**  
**Part - II**

***1. Borrowings :-***

( i ) State the loans obtained by the Society for various purposes from Government and other agencies

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Agency Sanctioning the loan 1	Purpose for which the loan is sanctioned 2	Amount of loan sanctioned 3	Maximum amount drawn 4	Repayments made 5	Out-standings 6	Amount overdues, if any 7	Remarks 8
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NIL

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- (ii) Are repayments of loans punctual ? :
- (iii) Are all conditions laid down for grant of various loans and credits observed ? Note breaches, if any. :
- (iv) Are necessary documents executed in favour of the authority sanctioning the loan? :

***2. Government Financial Assistance :-***

- (i) What is the amount of Government subsidy sanctioned and received by the society ? :
- (ii) Has Government sanctioned any amount for land development ? If so, state the amount Have development expenses exceeded the said amount ? :

**3. Membership :-**

- (i) State whether in case of backward class co-operative housing societies, certificates from the social welfare officers are obtained for their eligibility to membership and obtaining of financial assistance ? :
- (ii) State whether certificates are obtained from officers of the concerned industry in case of the subsidised industrial housing scheme. :
- (iii) Have declarations been obtained from members that they and their family members do not own lands or houses in the area of operation of the society as per provisions in the bye-laws ? :

**4. Lands and their developments :-**

- (i) State whether lands for constructions of houses have been secured, purchased or obtained on lease. Give details of the lands, stating total area, survey Nos. and **C.R.S.** nos. if any, price for which purchased, lease rent etc.
- (ii) See the title deeds and ascertain whether they are properly executed in favour of the society ? :
- (iii) State how the lands have been utilised for :- :
  - (a) Construction of houses.
  - (b) Construction of roads
  - (c) Open spaces.
  - (d) Other purposes. (give details)
- (iv) Have the layouts and plans for development been approved by the Municipal authorities before actual commencement of the work ? :
- (v) Have completion certificates been obtained from appropriate authorities for drainage, water supply, roads, etc. before construction work of buildings is commenced ? :

### 5. Construction of Buildings :-

- (i) (a) Have building constructions commenced? :
- (b) State the No. of houses or flats constructed and under construction :
- (c) Have the completed houses and flats allotted to members ? :
- (ii) Are building constructed on contract basis? See the terms and conditions of contracts and state whether they have been properly observed. Note breaches, if any. :
- (iii) Are these contracts properly sanctioned by the competent authority as per bye-laws of the society ? :
- (iv) Have tenders or quotations been called after giving due advertisements in local newspapers ? If the work are not given to the contractors quoting the lowest figures, see whether reasons for the same are recorded. :
- (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? :
- (vi) See the terms on which the architects are employed. Are there any breaches? :
- (vii) See whether completion certificates have been obtained from the qualified engineers and architects, stating that the constructions have been completed according to approved plans, specifications and other terms of contracts. :
- (viii) Is a property register kept in proper form ? Is it written up-to-date ? :
- (ix) When buildings are built departmentally, state whether the following books are kept and written up-to-date :
  - (a) Job registers & measurement books.
  - (b) Stock registers.
  - (c) Are valuation certificates from qualified engineers and / or architects obtained ?
  - (d) Is expenditure allocated properly between items of capital and revenue nature ? :

- (x) State whether buildings have been constructed according to the original plans and estimates submitted with the loan applications and which are approved by the competent authority. Are there any deviations ? If so, are they got approved from the competent authority ? :
- (xi) In case of flat-owners societies, see whether titles to the land have been transferred in the name of the society. :
- (xii) Are buildings & other constructions got insured ? :
- (xiii) In case of flat-owners societies, have the promoters fulfilled their obligations as per agreements entered with them by the members prior to the registration of the society ? :
- (xiv) Examine the agreements entered into with the promoters and see whether they are in the interest of the society. :
- (xv) Has the society executed lease deeds in favour of members for giving plots and / or buildings on lease to them ? :
- (xvi) Has the society created sinking fund as per Provisions of the bye-laws ? :
- (xvii) Examine the basis on which monthly rents or contributions are fixed in case of tenant co-partnership societies or flat owners societies and see that the following items are adequately covered -
- (i) Amounts required for re-payment of loan Instalments. :
  - (ii) Municipal and other taxes. :
  - (iii) Lease rent. :
  - (iv) Service charges and common expenses. :
  - (v) Contribution to the sinking fund. :

**6. Loans to Members :-**

(i) Are recoveries of loans punctual ? :

(ii) State the amounts of overdues. :

(iii) State what steps are being taken to recover  
overdues. :

**7. Expenditure :-**

Has the expenditure been approved by the  
Managing Committee from time to time? :

For  
Chartered Accountants  
FRN:

Date: 16.05.2015  
Place: Mumbai

CA.  
Partner  
M. No. -  
Panel No-