



DADAR CLUB
92nd Annual General Meeting
2020-2021
Sunday, 23rd July 2023, 9:30 AM
Venue: Banquet Hall, Gr. Floor

Lokmanya Tilak Colony, Lane No. 3, Dadar (East), Mumbai – 400014.

Telephone: +91-22-24154282 | Email: admin@dadarclub.com

Website: www.dadarclub.com

Honorary Board Of Trustees

Mr. Vivek Gadgil

Honorary Managing Committee

Mr. Shantanu Lajmi

President

Mr. Jitendra Joshi

Hon. Jt. Secretary

Mr. Bhaskar Aras

Hon. Jt. Treasurer

Mr. Sudhir Ajgaonkar

Hon. Member

Mr. Mandar Ghosalkar

Hon. Jt. Secretary

Mr. Rajesh Agashe

Hon. Jt. Treasurer

Adv. Aditya Shirke

Hon. Member

CLUB MANAGEMENT	
HONARARY BOARD OF TRUSTEES	
 <p>Mr. Vivek Gadgil</p>	

HONARARY MANAGING COMMITTEE		
 <p>Mr. Shantanu Lajmi President</p>		
 <p>Mr. Jitendra Joshi Joint Secretary</p>	 <p>Mr. Mandar Ghosalkar Joint Secretary</p>	 <p>Mr. Bhaskar Aras Joint Treasurer</p>
 <p>Mr. Rajesh Agashe Joint Treasurer</p>	 <p>Mr. Sudhir Ajgaonkar Hon. Member</p>	 <p>Adv. Mr. Aditya Shirke Hon. Member</p>

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<u>STATUTORY AUDITORS</u>	➤	<u>BANKERS</u>
VINAY D. MULYE	➤	Bank of Maharashtra
Chartered Accountant	➤	(Dr. B. A. Road Branch)
(Reg/Mem No. 044756)	➤	State Bank of India
MUMBAI	➤	(Dadar Branch)
	➤	Kotak Mahindra Bank
<u>INTERNAL AUDITORS</u>	➤	(Dadar Branch)
SAMIR BHAGAT & CO.	➤	HDFC Bank
(Firm Regn. No. 136669W)	➤	(Dadar TT Branch)

Note: Hard copies can be collected during office hours from 5th July 2023 onwards.



DADAR CLUB

Date: 1st July 2023

Notice is hereby given that a General Meeting of AGM has been scheduled on 23rd July 2023 at 9:30 AM at Banquet Hall, Dadar Club (extended on tennis court), Lokmanya Tilak Colony, Lane No. 3, Dadar (E), and Mumbai - 400014 to transact the following business:

AGENDA:

1. Obituary
2. To read and confirm the minutes of the previous AGM DT. 26.06.2022.
3. To receive, consider and adopt Audited Income & Expenditure Account for the year 2020-21 and the balance Sheet as on 31st March 2021 with Auditor's report thereon.
4. Appointment of Statutory auditor for the FY 2021-22.
5. To discuss and adopt the IDC Report for the year F.Y. 2020-21.
6. To hold elections for vacant Trustee posts (2 Nos.) in the Board of Trustees for the period 24.07.2023 to 31.10.2026 & Scrutiny Committee for the period 24.07.2023 to 31.10.2023 on 23.07.2023 from 12 PM to 7 PM.
7. To consider, and if thought fit, to pass, with or without modification(s) the resolutions as published in the 92nd Annual Report 2020-2021
8. To transact any other business, notice for which has been given under Rule 21 of the Constitution of the Club.

NOTE:

1. All the necessary documents regarding the agenda are part of the Annual Accounts for F.Y.2020-2021.
2. Any member desirous of seeking any information about any of the items above, will intimate in **writing or by email** to admin@dadarclub.com, **7 days** before the meeting i.e., latest by **15th July, 2023** during office hours (Mon-Sat between 11.30 AM to 7.30 PM).
3. Should there be no requisite quorum present, pursuant to clause 14 of the constitution of the Club, the Chairman shall adjourn the meeting and reconvene the same 30 minutes after the adjournment and shall transact the business on the agenda irrespective of the quorum.
4. Members desirous of obtaining **the hard copy** of Annual report should email admin@dadarclub.com by **5th July 2023**, requesting the same and collect the hardcopy during office hours after **10th July 2023**.
5. Members are requested to carry their digital/ hardcopy of Annual Report while attending the Annual General Body Meeting.
6. Only **Primary members** can attend the meeting.
7. Membership subscription dues to the club should not outstanding for a period of more than **3 months** on the date of the AGM.
8. Members will not be permitted to ask any question and /or speak on any matter, if prior intimation is not received by the Managing Committee as indicated in point no. 2 above.

sd/-
Mr. Shantanu Lajmi
(President)

sd/-
Mr. Mandar Ghosalkar
(Hon. Jt. Secretary)

sd/-
Mr. Jitendra Joshi
(Hon. Jt. Secretary)

sd/-
Mr. Bhaskar Aras
(Hon. Jt. Treasurer)

sd/-
Mr. Rajesh Agashe
(Hon. Jt. Treasurer)

sd/-
Mr. Sudhir Ajgaonkar
(Hon. Member)

sd/-
Adv. Aditya Shirke
(Hon. Member)

ELECTIONS TO VACANT POSTS IN BOARD OF TRUSTEES & SCRUTINY COMMITTEE, DADAR CLUB.

1. Only Primary Members can contest elections.
2. Election form must be collected by contesting candidate only.
3. Only ONE election form per member will be issued.
4. No dues of the Club must be outstanding for more than 3-months on the date of submission of election form, applicable to Candidate, proposer and seconder signing the form.
5. Election forms will be available 11:30 AM- 7:00 PM from 3rd July 2023.
6. Last date of submission of election form: 14th July 2023 (11:30 AM- 7 PM).
7. Last date of withdrawal of election form: 17th July 2023 (11:30 AM- 7 PM).
8. All the rights of scrutiny / approval / rejection of Candidates shall be with the Election officers appointed by the Managing Committee.
9. Elections for vacant Trustee posts (2 Nos.) in the Board of Trustees for the period 24.07.2023 to 31.10.2026 & Scrutiny Committee for the period 24.07.2023 to 31.10.2023 on 23.07.2023 from 12 PM to 7 PM.
10. Contesting candidates will be deemed to be conforming to the Club's Constitutional requirements and strictly follow and adhere to all the guidelines as laid down by the Election Officers.

sd/-
Mr. Shantanu Lajmi
(President)

sd/-
Mr. Mandar Ghosalkar
(Hon. Jt. Secretary)

sd/-
Mr. Jitendra Joshi
(Hon. Jt. Secretary)

sd/-
Mr. Bhaskar Aras
(Hon. Jt. Treasurer)

sd/-
Mr. Rajesh Agashe
(Hon. Jt. Treasurer)

sd/-
Mr. Sudhir Ajgaonkar
(Hon. Member)

sd/-
Adv. Aditya Shirke
(Hon. Member)

**Minutes of the 91st Annual General Meeting
of the members of DADAR CLUB held on
Sunday, 26th Oct 2021 at 9:30 AM at Dadar Club, Banquet Hall.**

LIST OF PRESENT MEMBERS, MANAGEMENT & AUDITORS

Total of 81 members including the Board of Trustees, Managing Committee and the Auditors (Statutory & Internal) of Dadar Club.

<p>HONORARY BOARD OF TRUSTEES Mr. Vinay Karve Mr. Vivek Gadgil</p> <p>HONORARY MANAGING COMMITTEE Mr. Shantanu Lajmi President</p> <p>Mr. Shreerang Aras Mr. Mandar Ghosalkar Hon. Jt. Secretaries</p> <p>Mr. Bhaskar Aras Mr. Aditya Shirke Hon. Jt. Treasurers</p> <p>Mr. Harish Pawar Mr. Sujit Vartak Hon. Members</p> <p>Honorary Scrutiny Committee Mr. Sudhir Ajgaonkar Mr. Jitendra Joshi</p>	<p>The below were specially invited for the Annual General Meeting:</p> <p>STATUTORY AUDITORS JAIDEEP BARVE & ASSOCIATES Chartered Accountants (Firm Regn. No. 129759W)</p> <p>INTERNAL AUDITORS SAMIR BHAGAT & CO. (Firm Regn. No. 136669W)</p>
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CHAIRMAN

Mr. Shantanu Lajmi (Mem No. L-1067), President of the Managing Committee of Dadar Club, chaired the Meeting.

QUORUM

At 10:00 AM, the requisite quorum was not present. The meeting was therefore, adjourned for 30 minutes. At 10:30 AM, the Chairman welcomed all the Members participating at the AGM and announced that the requisite quorum was present and called the Meeting to order

Thereafter the following agenda as per notice dated 9th October 2021, convening the 90th Annual General Meeting was taken up for consideration.

BUSINESS TRANSACTED:

1. To read and confirm the minutes of the previous meetings for MOM of AGM DT. 31.10.2021 and MOM of EOGM DT. 31.10.2021:

The Chairman took up the second item i.e to read and confirm the minutes of the previous meetings for AGM held on 31.10.2021 and EOGM held on 31.10.2021. The Chairman, after a brief discussion put the resolution to vote:

“Resolved that the minutes of meeting AGM and EOGM held on 31.10.2021, be and are hereby confirmed.”

The Resolution was Proposed by Mr. Pankaj Naik (L-1742), and it was Seconded by Mr. Deepal Dass (L-1800). The above resolution was put to vote and the same was passed unanimously.

2. To receive, consider and adopt the Audited Income & Expenditure Account for the F.Y. 2019-20 and the balance Sheet as on 31st March 2020 with the Auditors Report thereon.

The Chairman took up the third item on agenda relating to adoption of annual accounts as above. After the members had a long and thorough discussion on the same, the Chairman put the resolution to vote:

“Resolved that the Audited balance Sheet as on 31st March 2020, Audited Income & Expenditure Account for the year 2019-20, and the report of the Managing Committee and Auditors thereon be and hereby considered and adopted”.

The Resolution was Proposed by Mr. Vilas Soman (L-0611) and seconded by Mr. Deepal Dass (L-1800). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed with 95 in favour and 5 against.

3. Appointment of Statutory auditor Mr. Jaideep Barve for the F.Y. 2019-20 at the remuneration of Rs. 65,000 /- (Rs Sixty-five thousand) per annum plus tax.

The Chairman took up the fourth point on agenda and informed the Members that since Mr. Jaideep Barve did not wish to continue, the Club would need to appoint someone else as a Statutory auditor. After a prolonged discussion, the General Body suggested that the Managing Committee took up the second item relating to appointment of Statutory auditor. After some discussion, the resolution was modified and amended, and the Chairman put it to vote:

“Resolved that Managing Committee is hereby authorized to appoint a competent statutory auditor by the managing committee for the financial year 20-21 at the remuneration not exceeding Rs. 1 lakh plus tax plus reasonable out of pocket expenses.”.

The Resolution was Proposed by Mr. Sandeep Pradhan (N-0214), Seconded by Mr. Ganes Tawde (L-1489). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed unanimously.

The Chairman then took up Resolutions as mentioned on Page #56 in the AGM report.

Resolution #1. Son / Daughter / Grand-son / Grand-daughter Membership Scheme.

The Chairman took up the resolution # 1 for discussion and after a prolonged discussion, put the resolution to vote:

Resolved that the scheme for admittance of Son / Daughter / Grand-son / Grand-daughter aged 18 years to 30 years as a New Ordinary Member of a Life Member or Ordinary Member or New Ordinary Member, who has been a member of the Club for a continuous period of 10 years, be and it is hereby approved against payment of admission fees of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only), plus taxes by such Son / Daughter / Grand-son / Grand-daughter to the funds of the Club on or before 30/10/2023.

The Resolution was Proposed by Mr. Pankaj Naik (L-1742), seconded by Mr. Chaitanya Ozha (L-1523). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed with 30 in favour and 4 against.

Resolution #2. Conversion of Membership from New Ordinary Member to Life Member.

The Chairman took up the resolution # 2 for discussion and after a prolonged discussion, put the resolution to vote:

Resolved that conversion of membership of New Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs.1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) plus taxes, by such member to the funds of the Club on or before 31/03/2023. Further resolved that only such New Ordinary Member who have been admitted on or before 31st March 2016 shall be eligible to apply for conversion of membership to Life Membership under the scheme.

Further resolved that a New Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of a New Ordinary Member.

The Resolution was Proposed by Mr. Deepal Dass (L-1800), seconded by Mr. Roshan Thakur (L-1565). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed unanimously.

Resolution #3. Conversion of Membership from Ordinary Member to Life Member.

The Chairman took up the resolution # 3 for discussion and after a brief discussion, put the resolution to vote:

Resolved that conversion of membership of Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs. 55,000 plus taxes by such member to the funds of the Club on or before 31/03/2023. Further resolved that an Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of an Ordinary Member.

The Resolution was Proposed by Mr. Samir Karia (O-0508), seconded by Mr. Amit Chaudhary (N-428). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed unanimously.

Resolution #4. Transfer of Membership.

The Chairman took up the resolution # 4 for discussion and after a brief discussion, put the resolution to vote:

Resolved that a member who is either Life Member or Ordinary Member or New Ordinary Member and who has attained the age of 65 (Sixty Five) years or more or who has been a member of the Club for a minimum period of 20 year can during his / her lifetime transfer his / her membership, of the same category, in favour of his son / daughter or grandson or granddaughter (Paternal and Maternal) who is eligible to become a member of the Club as per this Constitution, provided has obtained prior permission of the Managing Committee, shall be eligible to transfer his membership.

Such a membership is transferable upon payment of 40% of the prevailing membership fees of Life Member or Ordinary Member or New Ordinary Member as the case may be or more as may be fixed by the General Body from time to time.

Further resolved that a member who is either Life Member or Ordinary Member or New Ordinary Member and who has attained the age of 65 (Sixty Five) years or more or who has been a member of the Club for a minimum period of 20 year can during his / her lifetime transfer his / her membership, of the same category, in favour of any person who is eligible to become a member of the Club as per this Constitution, provided has obtained prior permission of the Managing Committee, shall be eligible to transfer his membership. Such a membership is transferable upon payment of 60% of the prevailing membership fees of Life Member or Ordinary Member or New Ordinary Member as the case may be or more as may be fixed by the General Body from time to time.

Such a transferred member shall be called as Life Member / Ordinary Member / New Ordinary Member as the case may be and shall have all the rights of a Life Member / Ordinary Member / New Ordinary Member.

The Resolution was Proposed by Mr. Roshan Thakur (L-1565), seconded by Mr. Kaustubh Tambe (L-1411). The above resolution was put to vote. Chairman asked the votes to be counted and after counting it was declared that the resolution was passed unanimously.

Chairman informed the General Body that resolutions #5 and #6, being constitutional amendments would be taken up during the special meeting convened for the Club's Constitutional amendment.

The meeting concluded with a unanimous vote of thanks to the Chair.
sd/-

Chairman (Mr. Shantanu Lajmi)

Click below to download the Transcript of verbatim proceedings of the 91st Annual General Meeting held on Sunday, 22nd June 2023: <https://www.dadarclub.com/docs/Transcript-Dadar-Club-AGM-26June2022.pdf>

1st July 2023

PRESIDENT'S REPORT

Dear Members,

It gives me great pleasure to welcome you all to the Annual General Meeting (AGM) of Dadar Club on Sunday, 23rd July 2023. As always, this AGM too is an important affirmation of our club being run by members for our members, and offers an opportunity for all to listen, ask questions and voice their opinions on club matters that are important to them. I request all Members to make time and attend the same.

Due notice for the same is displayed on the Club Notice board and is also being communicated to all Members via the Club's official WhatsApp broadcast medium.

The past two years have been challenging for your MC, especially taking into account the onslaught of maintenance issues plaguing the Club infrastructure, and parallelly ensuring we do not lose focus from strengthening the Club's administrative system, accounting processes, and framework as these were key to take our Club forward into 2023-24 and years beyond. The honest effort by your MC was to manage the above in a financially sustainable way to the maximum possible.

These efforts have borne fruit - It gives me great pleasure to share a significant milestone moment for all of us, wherein since assuming office in November 2021, for the first time since more than a decade or more, your MC has managed to run the Club Operations and generate a **surplus out of the Club's operative income in F.Y.2022-23**. This surplus liquid fund will be invested as per Clause 42 (vi) of the Club's constitution, also allowing your MC flexibility to invest in creating more efficiencies for our Club and members.

A big thank you to all our members, since this would not have been possible without your strong and resilient support, despite the MC having to take some tough decisions along the way to plug leakages and tightening administration.

I would like to thank the Hon. Board of Trustees for their support and guidance, my co-Managing Committee Members, DC Office Staff, and all our Hon. Sub-Committee Members for devoting their time, attention, and efforts.

I had sent periodic updates (performance/progress reports) to Members with regards to the affairs of our Club in the form of communication as below:

- 1) **President's Communication dated 10th March 2022**
(Download here: <http://www.dadarclub.com/docs/DC-PC-10Mar2022.pdf>)
- 2) **MC Progress report dated 5th June 2022**
(Download here: <http://www.dadarclub.com/docs/DC-PC-05Jun2022.pdf>)
- 3) **President's Communication dated 17th November 2022**
(Download here: <http://www.dadarclub.com/docs/DC-PC-17Nov2022.pdf>)

Before I share and highlight some of the team's accomplishments, I would like to mention some important pending and miscellaneous issues.

PENDING ISSUES:

A) CHARITY COMMISSION – PT ISSUE

As discussed in the last Dadar Club AGM held on 26th June 2022, your Managing Committee was surprised to learn about a **long pending issue** pertaining to our Club's registration status with the Charity Commission. Dadar Club was registered as a Public Trust on 20/01/1979, post which there was a Notice received from the office of the Charity Commissioner on 25/05/2010 for submission of documents viz. Minutes book, Cash book, Ledger book etc.

Your Managing Committee believed this issue was extremely critical and therefore had to be communicated to all Dadar Club members, especially since the issue pertaining to the Club being registered as a Public Trust was under discussion for decades/years together and the same was done on 5th June 2022 via the President's report.

Some Club members post receipt of the Annual report, requested for an inspection of minutes of meetings and club records available with the Club's office pertaining to the Charity Commission issue. Thereafter, the Managing Committee received member resolutions under #21 of the Club's Constitution to be moved. On the 24th June 2022, Mr. Ashwin Deshmukh who had approached the Hon. Bombay City Civil Court, was granted an ad-interim injunction.

Duly abiding by the above order, in the Annual General Meeting (AGM) held on 26th June 2022, the Chairman Mr. Shantanu Lajmi, did not allow any resolution to be moved under Clause 21 of the Club's constitution.

But facts as available on record on 26th June 2022, pertaining to this important matter had to be brought to the Club members attention, and once these were presented, Club members present in the AGM were surprised and taken aback and demanded to know why this information was suppressed from them and concealed from them for all these years?

Many of the members were aghast that such an important issue was concealed and not brought up since 2010 in any AGM/EOGM or any communication from the office bearers.

The members went on to question the Chairman whether there would be any monetary penalty levied on the Club due to non-compliance over these years? As the Chairman answered in the affirmative, members questioned who would be held responsible and accountable for this huge penalty now due?

One of the members of the Club went on to question the Chairman on what remedy or redressal mechanism was available to Members if the office bearers who should be held accountable and responsible for their actions against the interest of the Club are to remain absent at General Body meetings or go on to file suits in honourable courts to evade any action against them?

To this, the Chairman stated it was every Citizens fundamental right to seek and approach the Honourable Court's intervention.

After a prolonged discussion, the members of the General body were unanimous in demanding answers and more importantly accountability on part of the office bearers present in the 2 meetings held in 2010 (4th June 2010 & 31st July 2010).

The General body in the Annual General Meeting (AGM) held on 26th June 2022, then asked the Managing Committee to promptly act against all the responsible erstwhile office bearers under rule 9(e) of the Club's constitution and hold them accountable for their actions both, independently and collectively.

The Managing Committee (MC) thereafter, in its meeting duly convened and held on 28th June 2022, passed a resolution unanimously to issue a notice of hearing under rule 9(e) to all the erstwhile office bearers who were present in the 2 meetings held in 2010 (4th June 2010 and 31st July 2010), to appear in-person before the MC and explain their actions, independently and/or collectively.

The in-person hearings under rule 9(e) were conducted to enable the erstwhile office-bearers to appear before the Managing Committee and explain their actions, independently and/or collectively with regards to:

1. RTI responses received on PT registration status-
 - a) Dadar Club is a registered trust bearing reg. no. PTR-7043 (Mumbai)
 - b) Dadar Club has not filed any returns (financial or change returns) with the Charity Commission since inception, i.e., 1979 till date.
2. Private Application filed by Mr. Ashwin Deshmukh (Applicant) without making Dadar Club a party thereof, praying to quash Dadar Club's registration as a Public Trust dated 29th January 1979 and reject and revoke Dadar Club's registration application no. 5316 of 1978.
3. As per the certified copy of the roznama, Mr. Ashwin Deshmukh (applicant) along with his advocate Mr. Amol Inamdar had appeared for this matter listed on the 20th Dec 2016, while he was the Hon. President of Dadar Club.
4. Mr. Ashwin Deshmukh was co-opted to the Managing Committee of Dadar Club and appointed as the Hon. President of Dadar Club on 5th January 2016. Subsequently, Mr. Ashwin Deshmukh then held the post of Hon. Jt. Secretary from 20th January 2020 till 31st October 2021. Since 2nd November 2021, Mr. Ashwin Deshmukh holds office as the Hon. Trustee of Dadar Club.
5. Apart from the vague and ambiguous reference made to the Charity Commission issue and letter received in the 2 meetings held in 2010 (4th June 2010 and 31st July 2010), there are no additional records, documents or officially recorded minutes of meetings pertaining to the said issue.

Post conducting the hearings, the Managing Committee, convened a meeting on 6th May 2023 to discuss and decide on the 9(e) hearings held as per Club's Constitution, for their actions pertaining to the Club's PTR issue, both, independently and collectively.

Please click below for link to MC Decision on 9(e) proceedings:

<https://drive.google.com/drive/folders/1n79GwBi-QBbBhEQ0S5uEMyKtBFJ8ikow?usp=sharing>

Mr. Ashwin Deshmukh has approached Hon'ble City Civil & sessions court for interim relief, which has been denied and the matter is listed in court.



Current Status:

Your MC has engaged a consultant to liaise with the Charity Commissioner's office to verify documents available on records with their office. But the response received is that the file pertaining to Dadar Club's PT registration is missing as on date. We have requested the Consultant to persist with this exercise and meanwhile will soon call an Extra-Ordinary General Meeting (EOGM) for Members to discuss and take an informed decision on this critical issue which has long term ramifications.

B) CONSTITUTIONAL AMENDMENT

Your MC after incorporating the various suggestions, comments and representations for the draft constitution received from Members will circulate the final draft and as per Clause 66, convene an Extra-Ordinary General Meeting (EOGM) for Constitution Amendment. Members should receive the due notice for this EOGM soon.

C) IDC ENQUIRY- ACCOUNTS (F.Y. 2020-21)

The IDC panel has submitted their report for the F.Y. 2020-21. The report will be tabled for discussion during the AGM held on 23rd July 2023.

D) FORENSIC AUDIT REPORT

(Download IFAR report: <https://www.dadarclub.com/docs/DC-Forensic-Audit.pdf>)

Your MC as per General Body's directives had displayed an EOI for completion of the Forensic Audit. But during this process, we found the erstwhile MC had displayed an EOI in 2018 as well for completion of the forensic audit but never acted on it.

A letter dated 27th Nov 2018 from M/s. Chetan Dalal Investigation & Management Services (CDIMS), which was never communicated to Members, stated that Dadar Club issuing a "fresh" EOI although CDIMS had "completed the work", needed appropriate redressal failing which CDIMS reserved their legal rights to safeguard against the same.

Your MC then contacted CDIMS for a meeting to ascertain facts on this issue and based on the meeting (held on 29th June 2023), CDIMS informed that they had indeed completed the work and due to the fact that none of the erstwhile MC Members and/or Sub-Committee members who were called for providing clarifications and explanations, in the interest of natural justice, appeared before CDIMS, and hence their findings were subject to these limitations and therefore a 'draft' report. Further, aside of this, the non-payment of pending balance dues of CDIMS was also discussed. Finally, it was agreed that CDIMS would submit a **final completed** report, subject to payment of pending dues and MC would provide the necessary administrative and logistical support to complete the interviews as per due process.

The MC in its meeting held on 1st July 2023, have unanimously resolved to pay the balance dues of M/s. Chetan Dalal Investigation & Management Services (CDIMS) and ask them to complete the interview process and submit the final report at the earliest.

If any member of Dadar Club has any objection whatsoever to the completion of the forensic audit, should please email mc@dadarclub.com stating their objections and the MC will take it up for discussion in the AGM held on 23rd July 2023.

Also, your MC will be appointing a registered valuer to appraise the Club's redevelopment project in detail and submit a certified valuation report to serve as a baseline report when read along with the forensic audit report.

MISCELLANEOUS ISSUES:

PREPARATION OF ACCOUNTS F.Y.2020-21

Although your MC had in the AGM held on 26th June 2022 stated that the accounts for F.Y.2020-21 would be completed at the earliest, it has not been easy, given the absolute chaos and mismanagement prevalent in F&A. The Hon. Jt. Treasurers and C.A. Mr. Vinit Phalnikar, along with the DC Accounts staff have toiled hard to ensure the same was done, albeit delayed.

To state that it was a complete mess, will be a gross understatement. It does beg questions as to why and how such a mess was allowed to be created in the first place. Whether it was tally entries, voucher entries, vendor payments, liquor stock, member subscription, collections etc., there was a complete state of disorder. This even though the erstwhile MC, going against the General Body directive of 24th Nov 2019, co-opted a person of their choice.

But the minutes of meetings and emails etc. on record, showcasing the business transacted post this period indicates, if the erstwhile MC had honoured the Nov 2019 directive of the General Body, this situation could have been averted. Surprisingly, no concrete steps were taken to correct this despite the situation worsening.

M/s. ATHIYA HOSPITALITY

M/s. Athiya Hospitality was the Catering Contractor providing services to Dadar Club. Despite adjusting the Security Deposit & Caution money of Rs. 38 lakhs, there was a total outstanding amount (Rs. 14.87 Lakhs) receivable from M/s. Athiya Hospitality.

Rather, M/s. Athiya Hospitality wrote a letter to the club claiming an amount of Rs. 1.21 Crores as 'incremental' charges claimed under Clause 5 of the agreement and Rs. 1.20 crores as Debit Note dated 19th November 2019 towards salary of POS Supervisors employed by Athiya Hospitality quoting Clause 9.1 (a) of the agreement. Both, the claim of Rs. 1.21 crores and the debit note of Rs. 1.2 crores were rejected unanimously in the Joint Meeting (11th Jan 2021) held between the erstwhile Managing Committee (MC) and Board of Trustees (BOT).

Post this Joint meeting of 11th Jan 2021, erstwhile BOT had requested the erstwhile Hon. Jt. Secretaries to communicate this decision (of unanimous rejection of their claims and debit note) to M/s Athiya Hospitality. However, both the erstwhile Jt. Hon. Secretaries (Mr. Shreerang Aras and Mr. Ashwin Deshmukh) raised certain reservations stating that the claims from M/s. Athiya Hospitality need to be looked into for 'merits'. The erstwhile BOT led by Advocate Mr. Raju Pai, Trustee opined that after perusing the agreement and the clauses 5 & 9.1 (a) respectively, Dadar Club owed nothing to M/s Athiya Hospitality.

Despite this, both the erstwhile Jt. Hon. Secretaries (Mr. Shreerang Aras and Mr. Ashwin Deshmukh) did not communicate the unanimous decision as per Joint Meeting held on 11th Jan 2021. The erstwhile BOT then had to communicate the same to M/s. Athiya Hospitality themselves rejecting both their claims. A letter to that effect dated 20th Jan 2021 was communicated to Athiya Hospitality by erstwhile BOT. Further, the erstwhile BOT expressed to the erstwhile MC (email dtd 7th Feb 2021), that such an important matter should be communicated to the Dadar Club Members forthwith.

But erstwhile Jt. Hon. Secretary (Mr. Shreerang Aras) responded to the erstwhile BOT that the erstwhile MC had taken the decision of not to display the same on the notice board, neither send any email or link to Members with the details of the matter.

BCCC Suit No. 175 of 2021 (filed by M/s. Athiya Hospitality against Dadar Club)

The erstwhile BOT had disallowed any extension to M/s. Athiya Hospitality since they had defaulted on the payments due to Dadar Club. M/s. Athiya Hospitality, thereafter, approached the City Civil Court for ad interim relief for the same. This being Suit No BCCC Suit No. 175 of 2021 filed on 29th January 2021.

In the meanwhile, the erstwhile MC communicated to erstwhile BOT their resolution passed in the meeting held on 31st January 2021 authorizing BOT to deal with the suit matter.

The said matter came up for hearing and the same was adjourned as it was mentioned in the court that a meeting had been convened by the erstwhile MC with M/s. Athiya Hospitality to resolve the issue. Therefore, a fresh date was given by the Hon'ble Judge in the matter.

The erstwhile BOT were not aware of this meeting and therefore the agenda as they were not invited for the meeting, despite the erstwhile BOT being authorized to deal with the suit. Subsequently, in the said meeting between the erstwhile MC and Athiya Hospitality (3rd Feb 2021), ignoring the erstwhile BOT's communication to not take any decision since matter was pending sub-judice, the erstwhile MC went ahead and passed a resolution in favour of the catering contractor, Athiya Hospitality.

This resolution passed by the erstwhile MC mentioned that the MC was willing to settle the issue of accounts, contract and reinstate the Catering contractor. Despite the fact that a Joint Meeting had unanimously passed a resolution rejecting the catering contractor's claims, the erstwhile MC had completely ignored the same and also the matter being sub-judice and suit being handled by erstwhile BOT, went ahead with such a resolution which was completely against the interests of the Club. The erstwhile BOT though acted swiftly, and thanks to them, the Hon'ble City Civil court refused any ad-interim relief to Athiya Hospitality in the said suit matter.

The erstwhile **BOT report of October 2021** shares more details on this issue.
(BOT 2021 report: <httpS://www.dadarclub.com/docs/DC-BOT-Report-26-10-2021.pdf>)

TEAM ACCOMPLISHMENTS

a) Residential Rooms (Clocking 90% & above occupancy rates)

Overhaul of the entire process for booking the residential rooms, working within the PMS system framework, and putting a policy framework in place have resulted in our residential rooms clocking 90% or more occupancy rates.

b) Club Management Software (Shawman-IDSNext)

We are happy to share the below software modules are in use and our DC office staff trained and equipped to operate the same.

- i. Point of Sale (POS) Management System - Operational
- ii. Club Management System (CMS) - Operational
- iii. Sales & Catering (S&C) - Operational
- iv. Material Management System (MMS) - Operational
- v. Property Management System (PMS) – Operational

c) Revenue augmentation (3rd floor, Residential Rooms, Advt & Branding)

Concrete steps taken to identify revenue opportunities have resulted in the net increase of the Club's operating revenue.

d) Inventory/Stock-taking for Bar/Permit room

Beginning April 2023, your MC has put a stop to all manual stock-taking and introduced systems to ensure data-driven decisions with controls in place.

Some of the features of the new system include:

- ✓ Inventory & Sales Dashboard
- ✓ Consolidated category-wise sale data
- ✓ Manage multiple brand sales
- ✓ Summarized brand report
- ✓ MIS Report on Brand-wise Sales, Purchase, etc.
- ✓ Suppliers/vendor management
- ✓ Auto-records mapped brands during transactions
- ✓ Pre-Printed FLR3, FLR3-A, FLR-B, Chatai Excise Reports etc.
- ✓ Excise Compliance Reports
- ✓ Pre-calculated values saving hours of manual work

The introduction of the new system has not only ensured accurate stock metrics, but also plugged possible process leakages and in turn increasing net Bar sale figures.

e) Accounting

Streamlined the accounting with a complete overhaul of the past process framework. Results have taken some time, but the work and TEAM effort put in by everyone (Staff & Jt. Treasurers, Sub-committee) to make this happen is indeed commendable.

A special shout out to **C.A. Mr. Vineet Phalnikar (L-1387)**, our Finance & Accounting Hon. Sub-committee member, who with his steadfast commitment, mentoring, support and guidance, played a pivotal role in revamping the Club's Finance & Accounting Dept.

f) Preventive Maintenance

Your MC was facing a huge challenge of having to attend to the list of maintenance issues piled up over the years. Many of these were tackled on priority and we concede some areas still need attention and will strive to complete them at the earliest, notwithstanding the fiscal constraints which are key to execution. We have recently also decided to carry out a structural audit of the Club building since on multiple occasions the building façade has given away, with parts/tiles falling from the 5th floor, and which could have caused serious life-threatening injury to someone.

Fortunately, nobody was hurt, and we have currently cordoned off the area. Since monsoons have arrived, we are on an urgent and immediate basis putting a mesh/net to avoid any unfortunate incident.

g) Sports Activities

Billiards & Snooker:

The DC Billiards & Snooker Dept. Sub-committee led by Hon. Members **Mr. Samir Karia & Mr. Vimal Thakkar** were instrumental in establishing the **BSAM-DADAR CLUB CUE SPORTS SCHOOL** - a Coaching academy for honing Cue sports talent on 4th March 2023!

The Coaching academy which opened on **4th March 2023**, consists of renowned champions & stalwarts of cue sports as Mentors/Coaches: **Mr. Devendra Joshi, Mr. Ashok Shandilya, Mr. Shubhash Agarwal and Mr. Arun Agrawal**. Apart from providing a platform for young talent, this has also reinvigorated the DC Billiards & Snooker department providing a degree of self-sustainability. Over the years, we sincerely hope, these efforts sowed in today will shape this into a vibrant, value-driven, and profitable department.

Lawn Tennis:

Apart from the work done on the tennis courts (LED light replacement, new net and net poles), your MC along with the help and support of the BOT had taken up the repair and fixing of water seepage/leakage at the Lawn Tennis courts. Unfortunately, despite engaging a reputed firm with over 35+ years of industry experience and known for detection and fixing such issues, the firm despite trying various methods of treatment, whilst partially solving the problem, the current issue of leakage though, remains unresolved. Your MC has had meetings with the contractor and will ensure this issue is permanently resolved at the earliest on priority. Post the leakage fixing, both the lawn tennis courts will be resurfaced.

h) New Memberships:

Our Club since your MC assumed office in Nov 2021, has acquired a total of **41 NEW Members**. (32-New Ordinary, 8-Life, 1-Child).

Way forward...

The team has achieved commendable progress and we hope to continue doing the same.

Finally, my fellow committee members have been critical to our success, and setting the club up for future successes. As always, the club relies heavily on the time, selfless commitment and effort of some key staff and volunteers.

This is not (always) an easy combination of MC members to achieve, but I think we are getting better. I hope you agree.

Thank you for your continued support and co-operation.

We would appreciate your feedback/comments and suggestions which can be sent to admin@dadarclub.com or directly to the Managing Committee mc@dadarclub.com.

Thank you.

Warm Regards,

On behalf of the Managing Committee



Shantanu Lajmi
Hon. President, Dadar Club

ANNEXURE – ‘A’

MANAGING COMMITTEE 2020-2021			
OFFICE BEARERS		Date (From)	Date (To)
HON. PRESIDENT	MR. VINAY KARVE	1st April 2020	31st March 2021
HON. JT. SECRETARY	MR. SHREERANG ARAS	1st April 2020	31st March 2021
HON. JT. SECRETARY	MR. ASHWIN DESHMUKH	1st April 2020	31st March 2021
HON. JT. TREASURER	MR. VILAS SOMAN	1st April 2020	31st October 2020
	MR. KARAN SABOO	5th November 2020	31st March 2021
	MR. RAJAN BAGWE	1st April 2020	31st March 2021
HON. MEMBER	MR. VIVEK GADGIL	1st April 2020	31st March 2021
HON. MEMBER	MR. MANDAR GHOSALKAR	1st April 2020	31st March 2021

VINAY D. MULYE

CHARTERED ACCOUNTANT

3/A, Shreepooja, Opp. Ravindra Natya Mandir, Off Sayani Road, Prabhadevi, Mumbai – 400 025.

Tel.(Ofc): 022-79615499, 022-24212291, 91-8080312291, (Personal): 91-9820140710

INDEPENDENT AUDITOR'S REPORT

The Members of Dadar Club

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dadar Club ("Club"), which comprise the Balance sheet as at **31-March-2021** and the Income and Expenditure Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the desired information 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 Club as at **31-Mar-2021**, and its income and expenditure for the year ended on that date, subject to some observations as separately mentioned in Annexure "A" and Notes, that form an integral part of this Audit Report.

Basis for Opinion

The Club is not registered as a "Company" under the Companies Act, 2013 ("the Act"), however, as per the requirements of the members of the Club, these financial statements of the Club have been prepared considering the overall presentation and disclosures in accordance with the Act.

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. 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 Club in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the point no. 7 of the Annexure "A" hereto which relates to the stock & relevant records.



Information other than the Financial Statements

The Club's Management is responsible for the information other than the financial statements. These include Report of the Board of Trustees, Report of the Managing Committee etc., but do not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. As at the date of this audit report, we have not been given a chance to review the other information and hence we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of the Club is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Club and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, the Club's Management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, and, unless the Club's Management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

The Management of the Club is charged with governance and is also responsible for overseeing the Club's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

1. 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.

2. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.



Report on Other Regulatory requirements

We report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account per accounting principles generally accepted in India have been kept by the Club so far as it appears from our examination of those books;
- c) the financial statements dealt with by this report are in agreement with the books account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards of ICAI.



For VINAY D. MULYE
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to be "Vinay Mulye".

(Vinay Mulye)

Proprietor

Mem.No: 044756

UDIN: 23044756 BGWQXF6072

23 JUN 2023

ANNEXURE A

TO THE AUDITOR'S REPORT REFERRED TO IN PARA OF OUR REPORT OF EVEN DATE

Further to our Audit Report, we wish to bring to your notice the following matters to be addressed:

1. Dadar Club has terminated its contract with Supreme Hospitality in year 2017. We have been given to understand that the Club has taken steps for recovery of Rs.20,77,921/- on account of various claims receivable from Supreme Hospitality. Corresponding to that - per Club's books of accounts - there is a security deposit of Rs.20,00,000/- received from Supreme Hospitality.

2. The contract with Towin Health Management, Gymnasium Service Provider, was terminated in July,2019 owing to breach in contract and he is no longer providing services since July,2019. The Managing Committee of Dadar Club, vide its resolution dated 30-Dec-2019, had entrusted the Trustees of Dadar Club, to investigate into the financial matters related to Towin Health Management.

Subsequently, the Managing Committee of the Club has determined the financial impact and has accounted for this in the financial statements for the earlier year ended 31-Mar-2020. As of 31-Mar-**2021**, the balance recoverable from Towin Health Management - per Club's books of accounts - is Rs.28,46,416/-. Corresponding to this - per Club's books of accounts - there is a security deposit of Rs.20,00,000/- received from Towin Health Management. We have been given to understand that the Managing Committee of the Club has initiated legal proceedings against Towin Health Management for recoveries of the amounts due.

3. The contract with Athiya Hospitality has been terminated. As per Club's books of accounts - there is a receivable amount of Rs.52,88,000/- as on 31-Mar-**2021**. Corresponding to this - per Club's books of accounts - there is a security deposit of Rs.31,00,000/- and a caution money deposit of Rs.7,00,000/- taken from Athiya Hospitality. In December,2020, Athiya Hospitality has sent correspondences regarding a potential recoverable from Dadar Club in two instances, details of which are as follows:

- i) Impact due to rate revision-approximately Rs.1.15. crores
- ii) Point of Sale (POS) operators- Rs.1.2 crores

Managing Committee of the Club has deemed the above mentioned demands as untenable, and as the matter is in court and subjudice, the Management has not accounted any liability on account of the same.

4. The Club has delayed in paying relevant statutory payments like ESIC, TDS on contracts, TDS on legal and professional fees and GST in time on a few occasions, which has resulted in payment of interest. Further, the Club needs to comply with ProfessionTax formalities. There have been certain delays in the deposit of GST, TDS on legal and professional fees, TDS on contracts and ESIC.



5. Management has not initiated steps to take details from suppliers or service providers who are registered under Micro, Small and Medium Enterprises Development (MSMED), Act 2006. As such, the interest on delayed payments has not been calculated and provided.

6. An internal control structure needs to be designed and implemented for transactions and balances related to the following as there are weak controls noted:

a) Inventory:- E.g., Review of ledger balances with supporting documentation and aging, valuation of inventory, physical verification on a regular and random basis and reconciliation with the books of accounts, controls over sale of used cards and used tennis balls etc.

b) Cash and Cash Equivalents:- E.g., Review of ledger balances, quantum and nature of expenditure with respect to limits of Income Tax act and rules, physical verification on a regular and random basis and reconciliation with the books of accounts, bank reconciliation statements on a monthly basis, maintaining schedules of fixed deposits with entries in ledgers etc.

c) Fixed Assets:- E.g., compiling of fixed assets registers in details manner with asset numbers, location, physical verification and reconciliation with books of accounts.

d) Revenue:- Revenue is accounted (in some instances – based on information received from external agencies, from office from Desk) as received by the accounts department. All such information shall be cross-checked/ reconciled with independent records – such as – income from guest rooms with room booking & occupation records, income from banquet hall with hall booking & use records, etc. Further, royalty income – whenever applicable – shall be strictly controlled and accounted as per agreed terms.

7. Inventory quantities of liquor stock as of 31-Mar-2020 have been arrived on the basis of physical verification done:

(a) on 03-Oct-2020 for the liquor stock on the fourth floor and

(b) on 27-Jan-2021 for the liquor stock on the second floor, however there's sale of Rs.1,57,709/- recorded for period during 11-Jan-2021 to 27-Jan-2021 (for the 02nd floor).

The inventory verification sheets relating to the second floor stock have not been signed-off either by the persons counting or in charge of the physical count. The quantities verified by the concerned teams (including members of the erstwhile Managing Committee), as mentioned in the physical verification papers, have been considered for stock valuation and rates taken from the invoices of the concerned suppliers, which are lower than the net realizable value.

(c) Stock as on 31-Mar-2021 is taken - in the financial statement dealt-with this report - as per relevant book records maintained, however physical stock wasn't taken.

Effects of all this is reflected in the negative figure at 'cost of material consumed' - seen in the Income & Expenditure Account dealt-with this report. In absence of appropriate stock records & proper valuation thereof, a true impact is not determinable.



8. Balances of Trade Receivables and Trade Payables are subject to confirmations from respective parties.

9. Original substantive documentation was not available for deposits that the Club has placed with some entities/ authorities. Out of the deposits (assets) of Rs.52,77,420/- as of 31-Mar-2021, there are photocopies of certain deposit amounting to Rs.32,60,000/- towards the basement only were available for verification.

10. The Club should reconcile outstanding dues from members. In case of default, due process as per clause 9(d) & (e) of the Constitution may be followed.

11. The constitution of the Club has been in force with effect from 11-Jul-1999. Given the changed working scenarios and economic conditions, the Managing Committee and the Trustees should ensure relevance and updating the clauses stated in the Constitution vis-à-vis the current financial, legal and operational working terms and conditions.

For VINAY D. MULYE
CHARTERED ACCOUNTANTS



(CA.Vinay Mulye)
Proprietor
Mem.No: 044756

UDIN: 23044756 BGWQXF6072

23 JUN 2023

DADAR CLUB
Balance Sheet as at 31 March, 2021

Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
		INR	INR
EQUITY AND LIABILITIES			
(I) Shareholders' funds			
(a) Share capital			
(b) Reserves and Surplus	3	342,794,945	362,474,559
(II) Share application money pending allotment		0	0
(III) Non-current liabilities		0	0
(IV) Current liabilities			
(a) Trade payables		5,032,012	6,483,848
(b) Other Current Liabilities	4	21,896,198	14,783,800
TOTAL		369,723,155	383,742,207
ASSETS			
(V) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	5	267,790,935	276,091,294
(ii) Intangible assets	5	2	2
(b) Long-term Loans and Advances	6	10,714,001	10,817,334
(VI) Current assets			
(a) Inventories	7	1,610,572	366,809
(b) Trade Receivables	8	10,306,991	10,292,134
(c) Cash and cash equivalents	9	78,331,945	84,929,169
(d) Other current assets	10	968,708	1,245,465
TOTAL		369,723,155	383,742,207

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For Vinay D Mulye
Chartered Accountants

(Vinay Mulye)
Proprietor
M.No.044756

Date: 23 JUN 2023
Place: Mumbai



3/A, Shreepooja CHS.,
Off. Sayani Road, Prabhadevi,
Mumbai - 400025.

UDIN: 23044756

BGWQXF6072

For DADAR CLUB

Shantanu Lajmi
President
Date
Place: Mumbai

Bhaskar Aras
Jt. Treasurer
Date
Place: Mumbai

Adv. Aditya Shirke
Hon Committee member
Date
Place: Mumbai

Mandar Ghosalkar
Jt. Hon. Secretary
Date
Place: Mumbai

R. D. Agashe
Jt. Treasurer
Date
Place: Mumbai

Sudhir Algaonkar
Hon Committee member
Date
Place: Mumbai

Jitendra Joshi
Jt. Hon. Secretary
Date
Place: Mumbai

23 JUN 2023

DADAR CLUB

Statement of Income and Expenditure for the year ended 31 March, 2021

Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
		INR	INR
CONTINUING OPERATIONS			
Revenue from operations	11	6,710,387	17,597,225
Other income	12	544,322	5,498,380
Total Revenue		7,254,709	23,095,605
Expenses			
(a) Cost of Materials Consumed	13	-219,204	230,607
(b) Employee benefit expenses	14	5,323,823	6,257,498
(c) Depreciation and amortization expense	5	8,300,358	8,568,598
(d) Other Operating and General Expenses	15	14,280,967	17,331,604
Total expenses		27,685,944	32,388,307
Surplus/(Deficit) before Tax and Exceptional Items		(20,431,235)	(9,292,703)
Net Prior Period Adjustments		(2,069,738)	2,562,435
Surplus/(Deficit) before Tax and Appropriation		(22,500,973)	(6,730,268)
Tax expense:			
Current tax expense for current year		1,241,629	1,893,856
Surplus/(Deficit) before Appropriation		(23,742,602)	(8,624,124)
Appropriations:			
Transfer to Sinking Fund		0	0
Transfer to Repairs & Maintenance Fund		0	0
Surplus/(Deficit) for the Year		(23,742,602)	(8,624,124)
The accompanying notes form an integral part of the financial statements.			

As per our Report of even date

For Vinay D Mulye
Chartered Accountants

(Vinay Mulye)
Proprietor
M.No.044756

Date **23 JUN 2023**
Place : Mumbai

3/A, Shreepooja CHS.,
Off. Sayani Road, Prabhadevi,
Mumbai - 400025.

UDIN: 23044756

B G W Q X F 6072



For DADAR CLUB

Shantanu Lajmi
President
Date
Place : Mumbai

Bhaskar Aras
Jt. Treasurer
Date
Place : Mumbai

Adv. Aditya Shirke
Hon Committee member
Date
Place : Mumbai

Mandar Ghosalkar
Jt. Hon.Secretary
Date
Place : Mumbai

R. D. Agashe
Jt. Treasurer
Date
Place : Mumbai

Sudhir Ajgaonkar
Hon Committee member
Date
Place : Mumbai

Jitendra Joshi
Jt. Hon.Secretary
Date
Place : Mumbai

23 JUN 2023

DADAR CLUB
Notes forming part of the financial statements

Particulars	As at 31 March, 2021	As at 31 March, 2020
	INR	INR
Note 3 Reserves and Surplus		
(a) Surplus/Deficit as per Income and Expenditure Account		
Opening balance	71,334,951	54,425,548
Add: Interest on FDR (as per the Club's constitution)	3,662,988	3,645,816
Add: Life Membership Fees	125,000	21,875,000
Add: Scrutiny fees	0	12,712
	75,122,939	79,959,076
Less : Deficit for the Year	-23,742,602	-8,624,124
Closing balance	51,380,337	71,334,951
(b) Club Development Fund		
Opening balance	286,675,365	268,218,261
Add : Additions during the year	275,000	18,457,104
Closing balance	286,950,365	286,675,365
(c) Sinking Fund		
Opening balance	3,739,125	3,739,125
Add : Additions during the year	0	0
Closing balance	3,739,125	3,739,125
(d) Sports Activities Fund		
Opening balance	21,581	21,581
Add : Additions during the year	0	0
Closing balance	21,581	21,581
(d) Repairs & Maintenance Fund		
Opening balance	703,537	703,537
Add : Additions during the year	0	
Closing balance	703,537	703,537
Total	342,794,945	362,474,559

Particulars	As at 31 March, 2021	As at 31 March, 2020
	INR	INR
Note 4 Other Current liabilities		
(i) Statutory		
Duties & Taxes Payable	230,272	127,534
Provision for Income Tax	4,115,080	4,808,289
(ii) Others		
Security Deposit Refundable	8,315,195	8,328,195
Fees Received in advance	82,516	734,251
Provision for expenses	6,721,667	65,000
Provision for gratuity & Leave encashment	1,811,807	260,579
Bonus Payable	228,733	183,445
Salary payable	349,500	0
Refundable Employee Cont. of PF	41,428	276,506
Total	21,896,198	14,783,800



DADAR CLUB
Notes forming part of the financial statements

Note 5 : Fixed assets

(Amounts in INR)

	Gross Block (At Cost)			Depreciation/Amortization			Net block	
Tangible Assets	As at 4/1/2020	Additions	Deletions	As at 3/31/2021	Upto 3/31/2020	For the year Upto 3/31/2021	As at 3/31/2021	As at 3/31/2020
Owned								
Tangible Assets								
(a) Plant and Equipment	50,024,667	0	0	50,024,667	23,062,340	2,865,845	24,096,482	26,962,327
(b) Furniture and Fixtures	11,403,048	0	0	11,403,048	7,692,225	972,355	2,738,468	3,710,823
(c) Computer equipment	3,101,374	0	0	3,101,374	2,884,416	50,563	166,395	216,958
(d) Club Building	281,803,423	0	0	281,803,423	36,866,491	4,339,110	240,597,822	244,936,932
(e) Office Equipment	447,517	0	0	447,517	183,264	72,485	191,768	264,253
Total (A)	346,780,029	0	0	346,780,029	70,688,736	8,300,358	267,790,935	276,091,294
Intangible Assets								
	1,718,378	0	0	1,718,378	1,718,376	0	2	2
Total (B)	1,718,378	0	0	1,718,378	1,718,376	0	2	2
Total (A+ B)	348,498,407	0	0	348,498,407	72,407,112	8,300,358	267,790,937	276,091,296

B. Depreciation and amortization relating to continuing operations:

	For the year ended 31st March, 2021
Depreciation for the year on Tangible assets	8,300,358
Amortization for the year on Intangible assets	0
Total	8,300,358








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DADAR CLUB
Notes forming part of the financial statements

Particulars	As at 31 March, 2021	As at 31 March, 2020
	INR	INR
Note 6 Long-term loans and advances		
(a) Prepaid Expenses (Unsecured, Considered good)		
A.M.C.	599,860	216,524
Licence Fees	693,050	585,480
	1,292,910	802,004
(b) Advance Tax and TDS of Earlier Years	4,020,671	4,596,060
(c) Balances with Government authorities		
Unsecured, considered good		
(i) Deposits with BEST	988,919	988,919
(ii) Deposit with BMC	768,045	768,045
(iii) VAT Receivable		0
(iv) Other Deposits- Pepsico- Crates	5,000	5,000
	1,761,964	1,761,964
(d) Other Loans & Advances		
Advances to staff etc.	123,000	141,850
Mahanagar Gas Deposit	74,937	74,937
Project related Deposits with BMC		
Basement Deposit	3,260,000	3,260,000
Cost of License - Deposit	8,000	8,000
Road Deposit	28,777	28,777
Water Deposit	143,742	143,742
Interest Accrued on Deposits with BMC	0	0
	3,638,456	3,657,306
Total	10,714,001	10,817,334
Note 7 Inventories		
(At lower of cost and net realizable values)		
Cards	16,800	16,800
Tennis Balls	13,005	13,005
Permit Room	1,580,767	337,004
Total	1,610,572	366,809





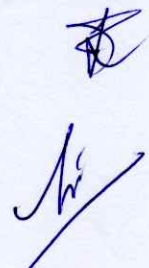


DADAR CLUB
Notes forming part of the financial statements

Particulars	As at 31 March, 2021	As at 31 March, 2020
	INR	INR
Note 8 Trade receivables		
(Unsecured & Considered Good)		
Over six months	10,211,706	4,927,290
Others	95,286	5,364,844
	10,306,991	10,292,134
Total	10,306,991	10,292,134
Note 9 Cash & Cash equivalents		
(a) Cash on hand	77,693	43,504
(b) Balances with banks		
(i) In Current Account		
Bank of India 002720110000499	34,915	267,365
Bank of Maharashtra- Project Account-6000198402	17,151	16,731
Bank of Maharashtra- Regular Account-60124793025	22,552	22,002
State Bank of India- Tennis - 56103	131,262	127,751
Bank of Maharashtra - 729	37,523	31,821
HDFC Bank - 50200007051611	273,562	152,064
Kotak Mahindra Bank 0413084321 Trustee	102,696	101,954
The Trustees Dadar Club Employees GGCA Scheme	0	261,092
(c) Fixed Deposits with banks	77,634,591	83,904,885
Total	78,331,945	84,929,169
Note 10 Other Current Assets		
Members fees receivable	968,708	493,728
GST related receivable	0	717,563
Profession Tax Receivable FY 2018-19	0	34,175
Total	968,708	1,245,465



DADAR CLUB
Notes forming part of the financial statements

Particulars	As at 31 March, 2021	As at 31 March, 2020
	INR	INR
Note 11 Revenue from operations		
(a) Sale of Services (refer note i below) :	3,493,458	12,047,618
(b) Other Operating Revenues (refer note ii below) :	3,216,929	5,549,607
Total	6,710,387	17,597,225
Note (i)		
Sale of services comprises :		
Card Department	14,614	278,178
Billiard Department	9,900	183,414
Table Tennis Dept.	902	14,417
Permit Room	1,410,297	191,318
Banquet Hall	134,040	1,275,561
Multipurpose Room	8,250	319,607
Guest Rooms	137,286	4,765,384
Conference	0	128,000
Income From Tennis, Swimming & Gym Coaching (Net of Expenses)	666,401	2,101,546
Tennis Department, Gym and Health Club Department, Swimming Pool Department	1,111,768	2,790,194
Tennis Department	179,385	288,339
Gym and Health Club Department	931,248	1,214,222
Swimming Pool Department	1,135	1,287,633
Total	3,493,458	12,047,618
Note (ii)		
Other Operating Revenues		
New Ordinary /Ordinary/Guest Entrance Fees		
Gross Subscription Fees from Members	3,112,125	2,954,829
Less: Discount to Senior members	0	0
Less: Bad Debts Written off	0	0
Net Subscription Fees From Members	3,112,125	2,954,829
Guest Entrance Fees	104,804	2,594,778
	3,216,929	5,549,607
Note 12 Other income		
(i) Interest Income (Refer Note i below) :	413,446	535,530
(ii) Other Non Operating income comprises (Refer Note ii below) :	130,876	4,962,850
Total	544,322	5,498,380
Note (i)		
Interest income comprises:		
Interest from banks on Savings Account	14,100	85,365
Interest on Deposits HDFC BANK	377,519	403,225
Interest on deposit with BEST	21,827	46,940
Total - Interest income	413,446	535,530
Note (ii)		
Non operating income comprises :		
Sale of Scrap	2,100	12,712
Form Fees Received	1,017	7,034
Royalty Received	15,897	704,357
Car parking Fees	1,398	11,605
Other Income	16,497	226,812
Retention written back	0	0
Khiladi Scheme- general	0	644,489
Write back of expenses	0	73,479
Festivals & Functions	0	302,362
Service Income	93,967	2,980,000
Total - Non Operating income	130,876	4,962,850



DADAR CLUB
Notes forming part of the financial statements

Particulars	INR	As at 31 March, 2021	As at 31 March, 2020
		INR	INR
Note 13 Cost of Materials Consumed			
Lawn Tennis Department			
Opening Stock	13,005		
Add: Purchases	40,179		
Less: Closing Stock	13,005	40,179	117,434
Card Department			
Opening Stock	16,800		
Add: Purchases	0		
Less: Closing Stock	16,800	0	65,873
Permit Room			
Opening Stock	337,004		
Add: Purchases	984,380		
Less: Closing Stock	1,580,767	-259,383	47,300
Total		-219,204	230,607

Particulars	INR	As at 31 March, 2021	As at 31 March, 2020
		INR	INR
Note 14 Employee benefit expenses			
Salaries and wages	5125644		
Less: Reimbursed by Catering contractors		5,125,644.00	5,713,615
Staff welfare expenses		-	209,194
Contribution to Provident Fund & ESIC		198,179.00	334,689
Total		5,323,823	6,257,498










DADAR CLUB
Notes forming part of the financial statements

Particulars	INR	As at 31 March, 2021	As at 31 March, 2020
		INR	INR
Note 15 Other Operating and General expenses :			
a) Operational Expenses			
Property Tax	4955952		
Less: Reimbursed by Athiya Hospitality		4955952	3,035,388
Electricity Charges	1,621,123		
Less: Reimbursed by Healthy Birds Taste LLP	-		
Less- Reimbursement by Members	-		
Less: Reimbursed by Athiya Hospitality		1,621,123	1,860,109
House Keeping Expenses		1,057,041	3,672,245
Laundry Expenses		27,608	117,000
Billiards League and tournament Expenses		-	-
Tennis coaching Expenses		-	-
Gym Expenses		260,958	1,404,878
Gym - Khiladi Scheme		-	-
Member Benefit Expenses - Festivals and Functions		8,751	328,470
Licence Fees	1,589,971		
Less: Reimbursed by Catering Contractors		1,589,971	(81,015)
Repairs & Maintenance		426,547	808,731
Swimming Pool expenses		-	-
Lifeguard Charges		-	264,000
Gas Expenses		86,224	
Water Charges	1,516,170		
Less: Reimbursed by Catering Contractors		1,516,170	280,046
Less: Reimbursed by Towin Health Management			
Total		11,550,345	11,689,851
b) Other Expenses			
Annual General & Other Meeting Expenses			444,901
Security Charges		374,392	772,119
Printing & Stationery		45,218	115,611
Subscription & Periodicals		-	3,500
Courier, Postage & Telegram		6,571	9,322
Travelling & Conveyance Expenses		6,124	16,808
Telephone Expenses		57,576	87,315
Professional Charges :			
Audit Fees		170,000	160,360
Others-		418,142	926,284
Cleaning & Pest Control Charges		147,000	-
Office Expenses		1,379,419	2,142,351
Smart card Expenses		480	28,761
Insurance		199,809	
Miscellaneous Expenses		7,494	123,521
Bank Charges		30,341	20,281
GST audit fees and payment		-	254,486
Donation			4,000
Lease Rent		421,438	411,518
Sundry Balances written off		(541,946)	4,275
Interest on Delays in Statutory Payments		8,565	116,341
Total		2,730,623	5,641,753
Note:			
(i) Professional fees of auditors (net of input tax credit):			
As auditors -			
Statutory Audit		80,000	70,360
Internal Audit		90,000	90,000
Total		170,000	160,360
Total Other Operating & General Expenses		14,280,967	17,331,604



DADAR CLUB SEGMENTAL ANALYSIS FOR FINANCIAL YEAR 2020-21 (Amounts in INR)															
Sr. no.	Particulars	Banquets	Billiards dept	Cards Dept	Restaurants (Veg, Permit Room and Multicuisine)	Conference Room	Guest Room	Gym & Health Club	Lawn Tennis	Library	Bridge / Multipurpose Room	Swimming Dept	Table Tennis Dept	General	Total
(A)	Income														
a	Sale of Goods			7,328.70					9,950.68						17,279.38
b	Fees Received (Members)		9,900.00	3,175.00				325,178.39	124,937.02			(2,084.74)	652.46	3,112,125.00	3,573,883.13
c	Fees Received (Casual)			4,110.04				535,333.33	35,000.00			3,220.00	250.00		577,913.37
d	Activity Income (Facilitator)							63,111.00	666,400.82						729,511.82
e	Service Income				14,568.00										14,568.00
f	Misc. Receipts							7,625.13	9,497.75					3,837.30	20,960.18
g	Booking Fees	134,040.00					137,286.00				8,250.00				279,576.00
h	Guest Fees - Restaurant, Permit Room, Bar And Restaurant Income				1,507,667.09									7,433.52	1,515,100.61
i	Royalty	15,897.46													15,897.46
j	Income from other activities including festivals and functions, car parking etc.													1,398.30	1,398.30
k	Reimbursement of expenses				79,398.75										79,398.75
l	Interest Income													413,446.20	413,446.20
m	Khiladi Scheme														
n	Other Income													15,776.42	15,776.42
o	Net prior period Income (adj. with prior period exps.)													(2,069,738.37)	(2,069,738.37)
	Subtotal (A)	149,937.46	9,900.00	14,613.74	1,601,633.84	-	137,286.00	931,247.85	845,786.27	-	8,250.00	1,135.26	902.46	1,484,278.37	5,184,971.25
(B)	Expenditure														
a	Cost of Material Consumed				(259,383.00)				40,178.58						(219,204.42)
b	Electricity	64,734.00	57,541.00	57,541.00	759,347.00	3,452.00	187,008.00	298,170.00	20,139.00	3,452.00	10,357.00	14,385.00	5,756.00	139,241.00	1,621,123.00
c	Personnel cost - Salary and bonus		219,792.00	337,048.00	653,557.00			56,566.00	25,600.00					3,833,081.00	5,125,644.00
d	Housekeeping and Laundry expenses	55,634.00	111,269.00	111,269.00	166,902.00		138,877.00	222,538.00	55,634.00	27,820.00	16,690.00	111,269.00	11,125.00	55,622.00	1,084,649.00
e	Licence Fees				1,537,148.59		37,266.19							15,556.02	1,589,970.80
f	Property Tax	475,771.40	256,718.30	258,700.70	986,729.25	35,682.85	341,465.10	574,890.00	102,588.20	39,647.60	72,852.00	494,604.00	67,401.00	1,248,901.60	4,955,952.00
g	Lease Rent													421,438.00	421,438.00
h	Water Charges				310,898.00		107,309.00	321,088.00				107,309.00		669,566.00	1,516,170.00
i	Activity charges (Facilitator)							153,787.60							153,787.60
	Repairs & maintenance		745.59		240.00				16,780.00				530.56	355,076.33	426,547.48
j	Others				128,654.86		41,194.00	107,170.05	250.00				-	2,432,239.38	2,709,508.29
	Subtotal (B)	596,139.40	646,065.89	764,558.70	4,284,093.70	39,134.85	853,119.29	1,734,209.65	261,169.78	70,919.60	99,899.00	780,742.00	84,812.56	9,170,721.33	19,385,585.75
(C)	Net Deficit before Depreciation and Appropriations (A - B)	(446,201.94)	(636,165.89)	(749,944.96)	(2,682,459.86)	(39,134.85)	(715,833.29)	(802,961.80)	584,616.49	(70,919.60)	(91,649.00)	(779,606.74)	(83,910.10)	(7,686,442.96)	(14,200,614.50)
(D)	Less : Depreciation	268,973.00	282,686.00	415,626.00	1,622,594.00	75,655.00	415,275.00	971,614.40	633,310.00	76,274.00	117,370.00	182,778.00	143,786.00	3,094,417.00	8,300,358.40
(E)	Provision for Tax													1,241,629.04	1,241,629.04
(F)	Net Surplus / (Deficit)	(715,174.94)	(918,851.89)	(1,165,570.96)	(4,305,053.86)	(114,789.85)	(1,131,108.29)	(1,774,576.20)	(48,693.51)	(147,193.60)	(209,019.00)	(962,384.74)	(227,696.10)	(12,022,489.00)	(23,742,601.94)
(G)	Net Surplus / (Deficit) for FY 2019-20	580,928.00	(1,515,007.00)	(1,536,696.00)	3,213,099.00	(8,651.00)	2,602,301.00	(1,877,559.00)	1,388,337.00	(226,582.00)	(13,103.00)	(691,280.00)	(275,168.00)	(10,264,743.00)	(8,624,124.00)



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Cash Flow Statement for the year ended 31 March 2021

PARTICULARS	INR	INR
CASH FLOW ARISING FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) as per Profit & Loss Account		-23,742,602
Add/(Deduct)		
Depreciation	8,300,358	8,300,358
Operating cash profit before Working Capital Changes		-15,442,244
Add/(Deduct)		
Increase in Trade Receivables	-14,856	
Increase in Trade Payables	-1,451,836	
Decrease in Stock	-1,243,763	
Increase in other current assets	276,757	
Increase in Loans and Advances	103,333	
Increase in non-current liabilities	0	
Increase in Other Current Liabilities	7,112,397	4,782,032
Cash Flow From Operations		-10,660,211
Net Cash Outflow In The Course Of Operating Activities (A)		-10,660,211
CASH FLOW ARISING FROM INVESTING ACTIVITIES:		
Outflow		
Purchase of Fixed Assets	0	-
Net Cash Outflow In the Course Of Investing Activities (B)		-
CASH FLOW ARISING FROM FINANCING ACTIVITIES:		
Inflow :		
New Membership Fees Received	125,000	
Capitalization on interest	3,662,988	
Capitalization on scrutiny fees	0	
Club Development Fund on New Membership	275,000	4,062,988
Net Cash generated from Financing Activities (C)		4,062,988
NET INCREASE IN CASH (A + B + C)		-6,597,224
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		84,929,169
CASH AND CASH EQUIVALENTS AT END OF PERIOD		78,331,945



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**NOTES AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-MAR-2021**

1. OVERVIEW

Dadar Club ("The Club") is an Association of Persons (AOP) operating out of Dadar East, Mumbai. The primary objective of the Club is to provide facilities for recreation to its members, by means of indoor and outdoor games, sports, holding tournaments, musical and cultural programs, carnival functions and to provide residential and dining facilities.

The Club is not registered as a "Company" under the Companies Act, 2013 ("the Act"), however, as per the specific requirements of the members of the Club, the financial statements and its schedules have been prepared in accordance with the Act.

2. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The Financial Statements are prepared and presented in accordance with the generally accepted accounting principles ('GAAP') in India under historical cost conventions on an accrual basis. The Financial Statements are prepared to comply in all material respects with the accounting standards issued by The Institute of Chartered Accountants of India ('ICAI') and other recognized accounting practices and policies generally accepted in India.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances etc. Actual results could differ from those estimates. Difference, if any, between the actual results and estimates is recognized prospectively in the period in which the results are known.

3. REVENUE RECOGNITION

Income/ expenditure are generally accounted on an accrual basis as they are earned or incurred.

A. Revenue from operations

Revenues from sale of services and other operating revenue are recognized in the statement of Income & Expenditure as and when it arises.

B. Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

4. EMPLOYEES BENEFITS

Contributions made to defined contribution schemes are charged to the income and expenditure account as and when it incurs. The club also provide for the retirement/ post-retirement benefits in the form of gratuity, leave encashment and medical.



5. TANGIBLE AND INTANGIBLE ASSETS AND DEPRECIATION

- a) Tangible Assets are stated at cost of acquisition less accumulated depreciation. Cost of an item of fixed asset comprises of purchase price and other non-refundable taxes or levies and any directly attributable costs of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditures related to an item of tangible asset are added to the book value only if there exists an increase in future economic benefit from the existing asset beyond its previously assessed standard of performance.
- c) An item of fixed asset is eliminated from the financial statements on disposal/retirement from active use and losses if any are recognized in the Income & Expenditure Account.
- d) Insignificant values of items costing less than Rs.10,000/- per unit are charged to the Income & Expenditure Statement.
- e) Acquired intangible assets are capitalized at the acquisition price. Intangible Assets have been duly accounted for as per Accounting Standard - 26 "Intangible Assets". As per AS-26, Intangible Assets such as computer software, website development is written off equally during the period of 5 years on the basis of presumption that the useful life of software and website development will be not more than 5 years.
- f) Depreciation under Straight Line Method has been provided on tangible assets considering useful life of assets. Depreciation on additions and disposals during the year is provided on a pro-rata basis.
- g) During the instant year, the physical verification of tangible assets has not been carried out by the Accounts team or the Management. Detailed fixed assets register providing asset numbers, location etc. is not in existence. Managing Committee shall take efforts to see that the detailed fixed assets register will be prepared and reconciled with the books of accounts and also will be conducting physical verification and reconciliation at regular intervals

6. TAXES ON INCOME

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Club.

As per Accounting Standard - 22 "Accounting for Taxes on Income", Deferred Tax is recognized on timing difference between income accounted in financial statements and the taxable income for the year and quantified using the rates of tax rates and laws enacted or substantially enacted as on the balance sheet date.

The Club has not made any provision for deferred tax as per AS-22 as there are no transactions affecting the calculation of Deferred Tax.

7. INVESTMENTS

As per Accounting Standard - 13 "Accounting for investment", Current Investments are carried at lower of Cost and Fair Value. Long Term Investments are stated at cost any decline in the value of investment is recognized, if any other than temporary.

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[Circular stamp: VINAY D. MULYAN MUMBAI CHARTERED ACCOUNTANTS]

8. PROVISIONS

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- The entity has a present obligation as a result of a past event,
- A probable outflow of resources is expected to settle the obligation and
- The amount of the obligation can be reliably estimated.

9. STATUTORY LIABILITIES

There have been certain delays in the deposit of GST, TDS on legal and professional fees, TDS on contracts and ESIC. This has resulted in payments of interest.

10. ACCOUNTS PAYABLE

Accounts Payable balances are subject to confirmation from the respective parties.

11. CASH AND CASH EQUIVALENTS

Cash and bank balances have been substantiated by confirmations by the Managing Committee.

Review of balances, physical verification of cash balances on a regular and random basis and its reconciliation with the books of accounts could not been done by Management during the year. Going forward, Management shall have stringent controls over cash and cash equivalents, not limited to periodic verification, reconciliation and review of the nature of transactions.

Managing Committee represents that all the fixed deposits with the bank are current in nature and are correctly stated. Also going forward, all fixed deposits will have accurate narrations in the ledger accounts.

12. DEPOSITS (ASSETS)

There is no documentary evidence to substantiate the balance of Rs.52,77,420/-, which represents the deposits kept with different entities/ authorities. Managing Committee is in the process of compiling the documentation for the same.

13. DEPOSITS (LIABILITIES)

Included in the liabilities, are certain refundable Security Deposits amounting to Rs.4,58,195 (Banquets-Rs.4,17,440, Multipurpose Room-Rs.20,755, Restaurant-Rs.20,000). Managing Committee shall take efforts to identify the entities and the needful action shall be taken.

14. INVENTORIES

During the instant year proper records and control related to the inventory were not in place. Managing Committee shall bring in more robust controls over inventory.

Inventory quantities of liquor stock as of 31-Mar-2020 have been arrived on the basis of physical verification done: (a) on 03-Oct-2020 for the liquor stock on the fourth floor and (b) on 27-Jan-2021 for the liquor stock on the second floor, however there's sale of Rs.1,57,709/- recorded for period during 11-Jan-2021 to 27-Jan-2021 (for the 02nd floor).

The quantities verified by the concerned teams (including members of the erstwhile Managing Committee), as mentioned in the physical verification papers, have been considered for stock valuation and rates taken from the invoices of the concerned suppliers, which are lower than the net realizable value.

(c) Stock as on 31-Mar-2021 is taken as per relevant book records maintained, however physical stock as on the date couldn't be taken.

Effects of all this is reflected in the negative figure at 'cost of material consumed' - shown in the Income & Expenditure Account for the year.

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15. ACCOUNTS RECEIVABLE

Included in Accounts Receivable are certain parties, which have disputed relations with the Club. The status of outstanding amounts and the security deposit with the Club is provided below:

Sr. No	Particulars	O/s amount as at the YearEnd (Rs.)	Security Deposit with Dadar Club (Rs.)
1	Supreme Hospitality	20,77,291	20,00,000
2	Athiya Hospitality	52,88,000	38,00,000
3	Towin Health Management	28,46,416	20,00,000

- a) The Club has terminated its contract with Supreme Hospitality in year 2017 and has taken steps for recovery of Rs.20,77,921/- on account of various claims receivable from Supreme Hospitality. Corresponding to that there is a security deposit of Rs.20,00,000/- received from Supreme Hospitality.
- b) The contract with Towin Health Management, Gymnasium Service Provider, was terminated in July,2019 owing to breach in contract and he is no longer providing services since July,2019. The Managing Committee, vide its resolution dated 30-Dec-2019, had entrusted the Trustees, to investigate into the financial matters related to Towin Health Management. Subsequently, the Managing Committee has determined the financial impact and has accounted for this in the financial statements for the earlier year ended 31-Mar-2020. As of 31-Mar-**2021**, the balance recoverable from Towin Health Management is Rs.28,46,416/-. Corresponding to this there is a security deposit of Rs.20,00,000/- received from Towin Health Management. The Club has initiated legal proceedings against Towin Health Management for recoveries of the amounts due.
- c) The contract with Athiya Hospitality has been terminated. There is a receivable amount of Rs.52,88,000/- as on 31-Mar-**2021**. Corresponding to this there is a security deposit of Rs.31,00,000/- and a caution money deposit of Rs.7,00,000/- taken from Athiya Hospitality. In December,2020, Athiya Hospitality has sent correspondences regarding a potential recoverable from Dadar Club in two instances, details of which are as follows:
- i) Impact due to rate revision-approximately Rs.1.15. crores
 - ii) Point of Sale (POS) operators- Rs.1.2 crores
- Managing Committee has deemed the above mentioned demands as untenable, and as the matter is in court and subjudice has not accounted any liability on account of the same.
- d) Accounts Receivable balances are subject to confirmation from the respective parties.

16. APPORTIONMENT IN CURRENT YEAR

In current year apportionment of expenses have been done in the manner as stated below:

- a) Property Tax for current year has been apportioned on the basis of area given by Municipal Corporation
- b) Electricity Expenses have been apportioned on the basis of estimates made by the management to individual cost center. Electricity, license fees and water charges reimbursed by contractors, are at actuals, as per representation of Managing Committee.
- c) House Keeping charges have been provided on the basis of estimates provided by management.
- d) Depreciation is charged on the basis of assets located in each department.

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17. SEGMENT REPORTING

In Accordance with Accounting Standard - 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India; each department of the Club is treated as individual segment. Accordingly, segments have been identified i.e., Lawn Tennis, Gym & Health Club, Swimming Pool, Billiards, Cards, Restaurant, Banquet, Bridge and Multi-Purpose Room, Guest Rooms, Conference Room, Table Tennis, Library and General. General as a segment includes areas such as office, reception, and other common areas. Segment wise performance is also attached herewith.

Following accounting policies have been followed for segment reporting:

- Allocation of Cost & Revenue-The cost & revenue identifiable to each individual segment are directly charged to the segment for determining the segment results.
- Unallocated Cost & Revenue- The cost & revenue as a whole and which is not identifiable to individual segment are directly charged to General Cost Centre.
- Segment Policies-The Club prepares its segment information with the accounting policies adopted for preparing and presenting the financial statements of the Club as a whole.

In the Segmental reports, segmental columns of each departmental revenue are recorded at gross values of income and expenditure, unless specifically stated.

Going forward, with better controls over accounting and reporting, the Managing Committee will provide details for revenues of Veg Restaurant, Permit Room and Multi-Cuisine Restaurant.

18. SINKING FUND, REPAIRS AND MAINTENANCE FUND, SPORTS ACTIVITIES FUND

For the instant, there is no provision made for sinking fund, repairs and maintenance fund and sports activities fund due to deficit in the year. The Club is considering creation of a separate fixed deposit earmarked to the Sinking Fund and the Repairs & Maintenance Fund. As of 31-Mar-2021, the balance in the Sinking Fund is Rs.37,39,125/- and the balance in the Repairs & Maintenance Fund is Rs.7,03,537/-.

19. NEW MEMBERSHIP DURING THE YEAR

Category	No of Members	Corpus Fund Rs.	Development Fund Rs.	Total Rs.
New Ordinary Membership	1	1,25,000	2,75,000	4,00,000

Treatment of Life Members, New Ordinary Members and Limited Members is as per the Constitution and in line with previous years.

20. BALANCES W/OFF – W/BACK

During the instant year under report:

Balances written-off – Rs. 1,68,726

Balances written-back – Rs. 7,10,670

netCredit – Rs.5,41,946

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21. CONTINGENT LIABILITIES

A Contingent liability is a possible obligation which arises from past events whose existence will be confirmed by the occurrence or non - occurrence of one or more uncertain future events beyond the control of the Club or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The club does not recognize contingent liability but discloses its existence in the financial statements.

Details of contingent liabilities:

INCOME TAX for ASST YEAR	NATURE OF DUES	AMOUNT (RS.)	PENDING BEFORE	REMARK
2005-06	Assessment Dues u/s 143(3)	1,69,066	CIT(A)	ITAT has set aside the matter to CIT(A) for fresh Assessment and Hearing is awaited
2018-19	Assessment Dues u/s 143(1a)	6,30,590	CIT(A)	Appeal is filed before CIT(A) and hearing is awaited

Managing Committee is in the process of legal proceedings with Athiya Hospitality, Towin Health Management and Supreme Hospitality. These can be considered as Contingent liabilities. The balances, amounts in dispute and the stand taken by Management has been described in the earlier notes.

22. OTHER MATTERS

- Interest on Fixed Deposits - An amount of Rs.36,62,988/- was earned as interest and capitalized as per the Club's Constitution.
- Management shall initiate steps to take details from suppliers or service providers who are registered under Micro, Small and Medium Enterprises Development (MSMED), Act 2006. As such, the interest on delayed payments has not been calculated and provided.
- Related Party Transactions - Related party transactions have been entered with the following providers during the instant financial year:

Sr. No.	Service Provider	Related Party
1	Acharne Sports For Tennis Coaching.	Coach Navdeep Singh, son of New Ordinary member, Deependra Singh.
2	Siddhesh Choudhary Athiya Hospitality	Son of Life member, Ajay Choudhary

- The Constitution of the Club has been in force with effect from 11-Jul-1999. Given the changed working scenarios and economic conditions, the Managing Committee and the Trustees shall ensure relevance and updating the clauses stated in the Constitution vis-a-vis the current financial, legal and operational working terms and conditions.

23. PREVIOUS YEAR FIGURES GROUPING AND CLASSIFICATION

Previous year figures have been regrouped, reclassified and rearranged, wherever necessary to make them comparable with the current year figures.

24. ROUNDING OFF

Rounding off of monetary amounts to the nearest Rupee value has been done in certain instances.



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Investigation and Disciplinary Sub-committee (IDC) Report for F. Y. 2020-21

IDC Panel Members:

- 1) CA Mr. Vivek Kajarekar (N-0542)**
 - 2) CA Mr. Vinit Phalnikar (L-1387)**
 - 3) CA Mr. Dhanesh Udayavar (L-0706)**
-

Date of submission: 1st July 2023

To,

**Managing Committee
Dadar Club**

Respected Managing Committee members,

We sincerely thank you for appointing us as members of Investigation and Disciplinary Committee (IDC). As per the directives of the Managing Committee who defined the scope of the work for IDC, we have carried out investigations into various administrative, operational, and accounting issues of Dadar Club.

We hereby submit our report related to the detailed investigation carried out by IDC members.

We would like to appreciate the cooperation extended by MC members and the entire staff of Dadar Club during this investigation process.

IDC Finding #1

IDC was constantly enquiring about the report of the Internal Auditor for FY 2020-21, and MC was unable to provide it in time, because the Internal auditor had not provided its final report. MC could obtain the final Internal Audit report only on 24 May, 2023. Thus, there was an inordinate delay on the part of Internal auditor in submitting this report. In view of this, MC did not have sufficient time to provide its response on the Internal auditor's observation, and consequently IDC is unable to comment upon compliance by MC on Internal auditor's observations.

Recommendation:

MC should prepare a detailed response to the Internal Auditor's observations

IDC Finding #2

The control on liquor stock was found to be very weak and a lot of improvement needs to be introduced in respect of periodic physical verification, integration of purchases and sales with financial accounts and maintaining appropriate levels of liquor stock.

Our detailed observations and recommendations are given in **Annexure-1**.

IDC Finding #3

The internal control systems around various income streams of the club appear to be absent or very weak. There is no assurance that all charges that were needed to be raised on the members, or their guests are being raised and accounted for.

Recommendation:

Proper controls need to be introduced for every income stream to ensure that all the legitimate charges are charged to the members/ guests and properly accounted for on day-to-day basis. The introduction of registers (digitally/manually) at every department for recording the attendance and it's cross checking with the financial accounts will go a long way in ensuring that there are no revenue leakages.

IDC Finding #4

The controls around proper charging and reversals of GST appear to be weak. IDC observed many instances of GST payments where GST was charged to members while booking the income and was paid to the government, whereas no GST reversal has taken place when the credit notes were issued to members. **This has resulted in financial loss to the club.**

A detailed investigation by the accounts department will need to be conducted if MC wants to quantify this loss. It is surprising to note that such GST lapses resulting in loss of revenue have not been brought to the notice of the management by the Internal Auditor.

Recommendation:

As per the constitution, the invoices on members for their dues are required to be raised monthly and GST must be charged and paid to the Government. But if the member does not pay the dues within 3 months, as per the procedure mentioned in the constitution, appropriate steps should be taken by the MC for recovery of dues and , in case of non-recovery, for cancellation/suspension of membership If credit notes for dues not recoverable from members are issued in time prescribed under GST Laws, we can claim a set-off of such GST and avoid resulting loss of revenue.

IDC Finding #5

Control on POS Cash: When IDC enquired about the control on POS cash (to ensure that all POS collections are properly accounted for and the cash has been deposited in bank accounts on timely basis), we were informed that no such control existed in FY 20-21.

A dump of POS Data from one POS was obtained from IT Department for FY 20-21 and the accounts department was asked to prove on sample basis for the dates randomly selected by IDC. None of the entries for the selected dates could be matched with the POS cash entries in Tally.

Recommendation:

Data from all POS points (by way of data export) should be reported to accounts department and accounts department should ensure that the collections are properly accounted, and the cash should be deposited in-tact in the bank account the very next day.

IDC Finding #6

Members' Dues: It was noted that no control on the correctness of the monthly membership fees charging, and collection was there during FY 20-21 (and probably the earlier years too, as lots of correction entries were passed in 20-21 pertaining to prior years).

At the instruction and under the guidance of the IDC, a detailed reconciliation of the membership fees income was conducted and required correction entries were passed in the accounts. During this reconciliation, following facts were noted.

The data regarding the date of birth of each active member was not readily available. This is crucial information in deciding when a particular member becomes a senior citizen and needs to be charged at concessional rates. Even the exact date of joining of the member was not traceable in some instances being investigated.

There is no certainty about the correctness of the members' outstanding balances. The very fact that multiple corrections needed to be made in members' account related to the prior period establishes that the control is weak.

Entries worth Rs. 2.84 lakhs were passed during the year 2020-21 giving credits to the members due to excess amounts charged to them in prior years.

As mentioned above, the club ends up paying the GST on membership fees without seeing the recovery of it from the defaulting members.

No action appears to have been taken against the defaulters.

Recommendation:

The Club's constitution currently has no mechanism of charging interest on delayed payments from members. A constitutional amendment should be made to penalize members (via interest levy, suspension) who do not settle the dues in time.

Club should consider deploying a system for sending automatic reminders and deactivating members' entry cards and terminating them after the default continues for months together.

IDC Finding #7

Sundry Balances Written off: The account Sundry balances written off shows a credit balance of Rs. 5.42 Lakhs. This account is a combination of several entries of write offs and write backs without management approval and any reference in the minute books.

Our detailed observations and recommendations are given in **Annexure-2**.

IDC Finding #8

Fixed Asset Register is not maintained. In the absence of any such register, no control can be exercised (especially over those assets which are moveable).

There is a list of fixed assets with Admin Department, however, there is no integration of this list with financial accounts as this list lacks important information regarding date of acquisition, name of the vendor, cost price, depreciation provided etc.

Recommendation:

A Fixed asset register should be created to the extent the data is available based on historical financial accounts and periodic physical verification (at least once in a year) should be conducted by the management.

IDC Finding #9

Following funds appear in the Balance Sheet:

Type of Fund	Balance as at 31 March, 2021
Club Development Fund	28,69,50,365
Sinking Fund	37,39,125
Sports Activities Fund	21,581
Repairs & Maintenance Fund	7,03,537
Total	29,14,14,608

As per the information provided to IDC, the Club Development Fund represents the life membership fees collected mainly for financing the redevelopment activities of the Club. Rs. 28.18 Crores were spent on the Building cost.

Till 31.3.2021, the accumulated depreciation provided on the Building cost is Rs. 4.12 Crores.

It is a good thing to note that against the accumulated depreciation of Rs. 4.12 Crores and the other funds of Rs. 44.64 Lakhs (excluding Club Development fund) summing up to Rs. 4.57 Crores, the Club has fixed deposits of Rs. 7.76 Crores. But the practice of earmarking fixed deposits against the respective funds should be implemented. Else the very purpose of having separate funds in books will be defeated. The funds may be used for the other objectives.

IDC did not find any documentation about the constitution and purpose of various funds appearing under “Reserves and Surplus)

Recommendation :

IDC recommends that the constitution of each specific fund (like Club Development fund, Sinking Fund, Sports activities fund) specifying the purpose of the fund, what amounts need to be credited to these funds and on what objectives these funds can be used needs to be clearly documented. The amount of specific funds should be invested in earmarked fixed deposits and interest on these fixed deposits should be credited to respective funds accounts. Currently, the constitution provides that any interest earned on the investments should be credited to general reserve, but MC can consider the constitutional amendment to credit interest on earmarked funds to each respective fund, as a prudent accounting and financial management principle.

IDC Finding #10

An amount of Rs. 2,33,989 is shown as accrued interest on deposit with MCGB. Total interest of Rs. 2,59,988 had been accrued in the FY2020-21). This entry was passed based on the basis of Form 26AS. MCGB has deducted TDS of Rs. 25,999 on this interest and reported the same in 26AS under Dadar Club's PAN number.

The accounts manager explained that when enquiries were conducted with MCGB for recover of accrued interest, they could not offer any explanation and they mentioned that the entry in 26AS itself could be wrong. As a result, in the current financial year 2022-23, an amount of Rs 2,59,988, representing interest accrued, has been reversed.

This income, which was never received by DC and is considered to be accrued in the absence of any information (without knowing whether it really belongs to Dadar Club or not) has been offered as Income from Interest in the Club's Income Tax return.

This has resulted in the additional tax liability of Rs.66,792 against which TDS credit of Rs.25,999 was sought. The club has lost Rs.40,793 on account of this, which could have been avoided if proper enquiries were conducted about this suspicious entry, prior to filing the Income Tax return.

Club's Income Tax Consultant, who has acted in this capacity for past several years and who is also Club's Internal auditor should have detected this and avoided this loss of revenue.

IDC Finding #11

The Club has shown following deposits with various authorities:
(as per Balance sheet as at 31.3.2021)

Particulars	Balance as at 31.3.2021 (Rs.)
Deposit with BEST	9,88,919
Deposit with BMC	7,68,045
Crates Deposit with PEPSICO	5,000
Mahanagar Gas Deposit	74,937
Basement Deposit with BMC	32,60,000
License Deposit	8,000
Road Deposit	28,777
Water Deposit	1,43,742

Of the above deposits, confirmation was available only for Basement Deposit of Rs.32.60 Lakhs.

The deposit amounts are normally shown in the periodical expense invoices from the respective Government authorities. Upon verifying the electricity bills, following two deposits had been mentioned in the electricity bills:

Customer Number 596-270-001*7 Rs. 3,190 (As per bill for March 21)

Customer Number 202-000-136*4 Rs. 4,69,400 (As per bill for April 21)

The above two sum up to Rs. 4,72,590 only, as against the deposit of Rs. 9,88,919 shown in the books. (Difference of Rs.5,16,329)

Recommendation:

Management should obtain fresh confirmation of deposits, conduct investigation for differences, if any, and adjust the book balances of deposits to their actual current amounts.

IDC Finding #12

Income Tax related accounts were appearing on both liabilities side and the assets side of the balance sheet and IDC found that these accounts were not reviewed at all to ensure their correctness and to set off the assets against the liabilities where the assessments were completed. After a lot of clean up in the accounting, the status in the audited accounts appear as follows:

Assessment Year	Provisions (Liabilities)	Tax Payments (Assets)	Recoverable/ (Payable)
18-19 (FY 17-18)	16,07,045	16,07,045	Nil
19-20 (FY 18-19)	15,32,950	12,79,241	2,53,709
20-21 (FY 19-20)	Nil	Nil	Nil
21-22 (FY 20-21)	8,80,677	12,28,794	(3,48,117)
Total as per Balance Sheet (31.3.2021)	40,20,672	41,15,080	94,408

For Assessment year 19-20, though the books show a recoverable amount of Rs.2,53,709, the latest status report from Club's income tax consultant shows a refund due of Rs. 3,51,740. This refund has not been received by the Club till today as the return filed was treated as defective, which the consultant feels that it was a wrongful action on the part of the Income Tax department. Club should follow up with Income Tax consultant to chase this matter and keep the management informed about the progress.

Regarding Assessment Year 2021-22, the club may get exposed to interest and penalties as the taxes paid are less by Rs. 3.48 lakhs as compared to the estimated tax liabilities. Efforts should be made to file the revised returns immediately and stop the running meter of the interest and penalties, if any.

IDC Finding #13

The Balance sheet as at 31.3.2021 shows a liability of Rs. 4,17,440 towards banquet hall deposits. These deposits should normally be refunded immediately after the function is over.

However, there appear to be no payments against the opening liability of Rs. 3,59,800.

The liability has further gone up in March 31 by another Rs.57,640. Similar is the case with Multipurpose room deposit balance of Rs. 20,755

Recommendation:

Management needs to have breakup of these deposits and it should also investigate why these liabilities have not been settled and the action going forward.

Data for subsequent financial year needs to be reviewed to verify refunds that have taken place after 31.3.2021

IDC Finding #14

M/s. Excaliber Securities was a security service provider/vendor to Dadar Club.

It is pertinent to note that there is NO AGREEMENT/CONTRACT signed with this service provider available in the Club's records. Nevertheless, the payments were done to this vendor and invoices were booked from March, 2018 till May 2021.

This was done despite the minutes as recorded by erstwhile MC state that Excaliber was not providing security services since August 2020. (The total security charges booked in the accounts for the period August 2020 to May 2021 were Rs.2,87,020). The unpaid balance as of the date of this report as per the financial accounts is Rs.1,53,877.

Subsequently, a fresh EOI was put up for security services and the vendor finalized was M/s. Sharp Security Services (as recorded in MC in minutes of the meeting held on 19th Feb 2021).

But despite the EOI finalization process was complete and a different vendor/service provider finalized thereafter, invoices for for M/s. Excaliber Security were booked in the Club's accounting system.

The breakdown of the outstanding amount is tabulated below:

Particulars	Amount
Short payment against Apr 19 invoice (Debit note not booked)	5,787
Excess paid against Mar 20 Invoice (Inv. Amount revised but paid as per original higher amount)	(11,294)
Jan 21 Invoice	31,909
Feb 21 Invoice	31,909
Mar 21 Invoice	31,909
Apr 21 Invoice	31,829
May 21 Invoice	31,829
Outstanding balance as of today	1,53,877

Recommendation:

It appears that payment for the period from Sep-Dec-2020 has been made to the Excaliber Securities without provision of service. After detailed investigation, MC should reverse the outstanding invoices for the period from Jan-May-2021 and recover the excess payment ,if any, from the person responsible.

IDC Finding #15

Other Sundry observations: These sundry observations indicating weak, or no control have been listed in **Annexure-3**.

The investigations carried out are based on the documents, records available in the Club office. All the observations and recommendations are purely shared from a perspective of enabling the Club to function with appropriate fiscal discipline, which would benefit the institution and Club members.

We sincerely hope the incumbent Managing Committee will gain from the efforts we undertook.

For IDC Panel

Date: 30th June 2023

sd/-

**CA Mr. Vivek Kajarekar
(N-0542)**

sd/-

**CA Mr. Vinit Phalnikar
(L-1387)**

sd/-

**CA Mr. Dhanesh
Udayavar (L-0706)**

Annexure-1 to IDC Report for FY 2020-21

(Finding#2) Observations regarding Liquor Stock

1. Periodic physical verifications of liquor stock have not happened during FY 2020-21.

Recommendation:

The physical verification of liquor stock needs to be done at least once in a quarter and differences with the quantitative records as per Excise regulations (if any) need to be reconciled.

2. In spite of Tally accounting software being capable of maintaining the quantitative data of Purchase, Sales and Closing stock, the feature was not used.

Recommendation:

The features of Tally regarding capturing brandwise quantitative details of liquor stock, purchases and sales should be exploited and accounts department should reconcile these details with Excise Chatai register on monthly basis and provide the report to Management alongwith monthly financial accounts.

3. IDC observed that the cost of goods sold (in respect of liquor) for FY 2020-21 is negative, which is not acceptable. The details are as follows

Liquor stock value as at 31.3.2020	Rs. 3,37,004
Add: Purchases during the year	Rs. 9,84,380
Less: Closing stock value as at 31.3.2021	Rs.15,80,767
Net Liquor Cost of Sales	(Rs.2,59,383)

Looking at the circumstantial evidence, IDC is of the opinion that there is a likelihood of stock as at 31.3.2020 being reported at a much lower figure than it actually was. IDC asked the accounts department to carry out the comparison of stock quantities mentioned in the valuation report as at 31.3.20 and 31.3.21 with the quantities mentioned in the Excise Chatai Register.

IDC instructed the accounts department to prepare a reconciliation of stock quantities as per Excise Register and stock valuation reports. The findings are tabulated below. The figures indicate more quantity in Chatai register as compared to Stock valuation report.

Stock reconciliation with Excise Chatai Register (31 March, 2020)

Type of Liquor	2nd Floor Diff. in Qty	4 th Floor Diff in Qty	Total Excess Qty. in the Excise Register
Spirits	216	109	325
Breezer	73	94	167
Wines	86	57	147
Beers	369	411	780
Total	744	671	1415

Stock reconciliation with Excise Chatai Register (31 March, 2021)

Type of Liquor	2nd Floor Diff. in Qty	4th Floor Diff in Qty	Total Excess Qty. in the Excise Register
Indian	13	0	13
Wines	0	5	5
Total	13	5	18

The above table indicates that the differences between Stock valuation report and the Excise Chatai register are marginal for 31.3.21, but the differences as at 31.3.20 are material.

4. Liquor Sales reconciliation: It is presumed that we markup the sales price by 65% of the purchase cost, which effectively means that when the cost of sales is 60, the sales have to be around 100. The liquor sales during the year 20-21 are Rs. 9,41,277 for the permit room and Rs. 4,74,020 for multicuisine restaurant, making the total liquor sales of Rs. 14,15,297. Based on the usual markup, the cost of goods sold should have been around Rs.8,49,178. This shows a gap of Rs. 10,78,756 (considering the negative cost of sales of Rs.2.29 lakhs as calculated in point 3 above.) Therefore, there appears to be a strong possibility that the valuation of stock as at 31.3.20 was too less. This observation is further supported by the material differences between the Chatai register and the Stock Valuation report as at 31.3.2020

This has resulted into overstatement of Income & Expenditure Deficit in FY 19-20, which is compensated by the understatement of Income & Expenditure Deficit in FY 20-21

Annexure-2 to IDC Report for FY 2020-21

(Finding#7) Observations regarding Sundry Balances Written Off

Breakdown of the account

Sr.No	Particulars	Amount
1	Prior difference in HDFC Bank reconciliation written off	32,693.97
2	Prior difference in Bank of India Bank reconciliation written off	4,900.10
3	Profession Tax & TDS recoverable written off	46,632.40
4	Creditors / Suppliers balances written back as not payable	(6,73,397.14)
5	Members' balances written off / Written back (Net)	47,225.09
	Total of Sundry Balances written off account	(5,41,945.58)

Entries at Sr. No. 1 & 2 were directly affecting the bank accounts of HDFC and Bank of India and the narration mentioned that these represented adjustment of the difference in the opening balance. Though the amounts were relatively small (Rs. 32,693.97 for HDFC bank and Rs. 4,900.10 for Bank of India, such differences could arise because of non-accounting of multiple debits and credits). This also indicates that proper bank reconciliation for earlier year for HDFC and Bank of India was not carried out. Adjusting any differences in bank balance as per accounts and bank statement to Income & Expenditure account is an unacceptable practice.

Writing off or adjustment entries related to Statutory liabilities like Profession Tax and TDS (Sr. No. 2) should be done with MC approval which does not appear to have been done. Passing off entries directly in accounts without authorized voucher explaining the circumstances without proper management approval should be avoided.

IDC Recommendation:

Writing off / writing back of any balances needs to be done with management approval which should be recorded in MC minutes with proper explanation of the circumstances

Annexure-3 to IDC Report for FY 2020-21

(Finding#15) Sundry Observations indicating weak or no accounting control.

1. An amount of Rs. 4,982 was charged to Miscellaneous expense and the corresponding credit was given to PNB fixed deposit. Upon questioning, it was mentioned as rectification of the mistake in prior years. This indicates that there was no balance confirmation of an important account like PNB Fixed deposit.
2. A random verification of certain transactions in office expenses revealed that a voucher of Rs. 3,875 was authorized and paid for, where the supporting attached were only for Rs. 2,020. There are other such instances reported by the Internal auditor in his report.
3. Rs. 6,300 were debited to office expenses by crediting the advance to staff. Apparently, it could be a write off. But the voucher could not be traced. There was no narration written in Tally to trace the details of this entry.
4. There was no explanation available for Professional charges paid to Sudhakar Desai for Rs. 9,000. The narration written in the Tally is “expenses booked as per auditors”. Cheque of 18,000 was paid in July 20 against opening balance of 9,000 and rest of the amount was charged to Professional fees during the year 2020-21.
5. The entire debit of Rs.1.80 lakhs in professional fees (debited to “prior period income”) represent fees payable to Mr. Samir Bhagat. This entire expenditure does not pertain to F.Y. 20-21 (rather, is for prior years). Apparently, no provision for outstanding expenses was made in the previous years.
6. Membership No. N0112- Sunil Chunilal Shah.
During F.Y. 20-21, three credit notes of Rs.4,500 each were issued for the excess charges in the years 2017-18, 2018-19 & 2019-20. Upon questioning the start of the membership period, it was revealed that the membership form was submitted on 26.3.2019. Hence, there was no need to issue these credit notes.
7. As per the member history report provided to us, 18 spouse members were admitted. IDC examined if the fees have been charged to all the spouse members at the time of admitting them, however only 3 entries of 2,000 + GST were found in Tally.
8. Mr. Vilas Soman, ex-Hon. Jt. Treasurer is shown as being present for the MC meeting (dated 10th Nov 2020), while he had already resigned earlier, and Mr. Karan Saboo was co-opted in his place on 31st Oct 2020.
9. In the MC MOM dated 2/12/2020, decision of not charging interest to Athiya Hospitality from 1/4/2020. There is no explanation recorded in the minutes of the meeting as to why this concession was granted.
10. There are two POS Cash accounts in Tally and both of them had a negative opening balance
11. There is a Petty Cash- Admin account which has only two debit entries of Rs.10,000 each on 13 March 2021 and 31 March 2021. This apparently is an imprest account. If so, then the 31 March 2021 entry could be a replenishment of the balance, but no expenses have been booked against the entry dated 13.03.2021.

**ELECTIONS TO VACANT POSTS IN
BOARD OF TRUSTEES & SCRUTINY COMMITTEE, DADAR CLUB.**

Due to the vacancies arising in both the Board of Trustees (BOT) and Scrutiny Committee, elections are necessitated to fill these vacancies.

1. Only Primary Members can contest elections.
2. Election form must be collected by contesting candidate only.
3. Only ONE election form per member will be issued.
4. No dues of the Club must be outstanding for more than 3-months on the date of submission of election form, applicable to Candidate, proposer and seconder signing the form.
5. Election forms will be available 11:30 AM- 7:00 PM from 3rd July 2023.
6. Last date of submission of election form: 14th July 2023 (11:30 AM- 7 PM).
7. Last date of withdrawal of election form: 17th July 2023 (11:30 AM- 7 PM).
8. All the rights of scrutiny / approval / rejection of Candidates shall be with the Election officers appointed by the Managing Committee.
9. Elections for vacant Trustee posts (2 Nos.) in the Board of Trustees for the period 24.07.2023 to 31.10.2026 & Scrutiny Committee for the period 24.07.2023 to 31.10.2023 on 23.07.2023 from 12 PM to 7 PM.
10. Contesting candidates will be deemed to be conforming to the Club's Constitutional requirements and strictly follow and adhere to all the guidelines as laid down by the Election Officers.

**RESOLUTIONS FOR APPROVAL AND ADOPTION BY THE
MEMBERS WITH OR WITHOUT MODIFICATION AT THE
DADAR CLUB AGM HELD ON SUNDAY, 23RD JULY 2023.**

RESOLUTION #1 -AMENDMENT

Son / Daughter / Grand-son / Grand-daughter Membership Scheme.

Resolved that the scheme for admittance of Son / Daughter / Grand-son / Grand-daughter aged 18 years to 30 years as a New Ordinary Member of a Life Member or Ordinary Member or New Ordinary Member, who has been a member of the Club for a continuous period of 10 years, be and it is hereby approved against payment of admission fees of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only), plus taxes by such Son / Daughter / Grand-son / Grand-daughter to the funds of the Club on or before 30/10/2023.

The above resolution #1 passed and approved in the AGM dated 26.06.2022 be hereby amended and approved as below:

Son / Daughter / Grand-son / Grand-daughter Membership Scheme.

RESOLVED THAT the scheme for admittance of Son / Daughter / Grand-son / Grand-daughter aged 18 years to 35 years, capped to a maximum of 2 per primary member, as a New Ordinary Membership of an Ordinary Member or New Ordinary Member and Life Membership of a Life Member, who has been a member of the Club for a continuous period of 10 years, be and it is hereby approved against payment of admission fees of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only), plus taxes for New Ordinary Membership, and Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only), plus taxes for Life Membership by such Son / Daughter / Grand-son / Grand-daughter to the funds of the Club on or before 30/10/2023.

RESOLUTION #2 -AMENDMENT

Conversion of Membership from New Ordinary Member to Life Member.

Resolved that conversion of membership of New Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs.1,75,000/- (Rupees One Lakh Seventy-Five Thousand Only) plus taxes, by such member to the funds of the Club on or before 31/03/2023.

Further resolved that only such New Ordinary Member who have been admitted on or before 31st March 2016 shall be eligible to apply for conversion of membership to Life Membership under the scheme.

Further resolved that a New Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of a New Ordinary Member.

The above resolution #2 passed and approved in the AGM dated 26.06.2022 be hereby amended and approved as below:

RESOLVED THAT conversion of membership of New Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs.1,75,000/- (Rupees One Lakh Seventy-Five Thousand Only) plus taxes, by such member to the funds of the Club on or before 31/10/2023.

FURTHER RESOLVED THAT only such New Ordinary Member who have been admitted on or before 31st March 2016 shall be eligible to apply for conversion of membership to Life Membership under the scheme.

FURTHER RESOLVED THAT a New Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of a New Ordinary Member.

RESOLUTION #3 -AMENDMENT

Conversion of Membership from Ordinary Member to Life Member.

Resolved that conversion of membership of Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs. 55,000 plus taxes by such member to the funds of the Club on or before 31/03/2023.

Further resolved that an Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of an Ordinary Member.

The above resolution #3 passed and approved in the AGM dated 26.06.2022 be hereby amended and approved as below:

RESOLVED THAT conversion of membership of Ordinary Member to Life member be and is hereby approved against payment of onetime fee of Rs. 55,000 plus taxes by such member to the funds of the Club on or before 31/10/2023.

FURTHER RESOLVED THAT an Ordinary Member shall continue to be liable for the payment of Monthly Subscription Fees of the entire month of such month or part of month during which his / her membership classification continues to be that of an Ordinary Member.

RESOLUTION #4 -AMENDMENT

Transfer of Membership.

Resolved that a member who is either Life Member or Ordinary Member or New Ordinary Member and who has attained the age of 65 (Sixty Five) years or more or who has been a member of the Club for a minimum period of 20 year can during his / her lifetime transfer his / her membership, of the same category, in favour of his son / daughter or grandson or granddaughter (Paternal and Maternal) who is eligible to become a member of the Club as per this Constitution, provided has obtained prior permission of the Managing Committee, shall be eligible to transfer his membership.

Such a membership is transferable upon payment of 40% of the prevailing membership fees of Life Member or Ordinary Member or New Ordinary Member as the case may be or more as may be fixed by the General Body from time to time.

The above resolution #4 passed and approved in the AGM dated 26.06.2022 be hereby amended and approved as below:

RESOLVED THAT that a member who is either Life Member or Ordinary Member or New Ordinary Member and who has attained the age of 65 (Sixty Five) years or more or who has been a member of the Club for a minimum period of 20 years can during his / her lifetime transfer his / her membership, of the same category, in favour of his son / daughter or grandson or granddaughter (Paternal and Maternal) who is eligible to become a member of the Club as per this Constitution, provided has obtained prior permission of the Managing Committee, shall be eligible to transfer his membership on or before 31/10/2023.

FURTHER RESOLVED THAT Life Members will have an option to choose between the category i.e., Life Membership or New Ordinary Membership.

Such a membership is transferable upon payment of 40% of the prevailing membership fees of Life Member or Ordinary Member or New Ordinary Member as the case may be or more as may be fixed by the General Body from time to time.

FURTHER RESOLVED THAT a member who is either Life Member or Ordinary Member or New Ordinary Member and who has attained the age of 65 (Sixty Five) years or more or who has been a member of the Club for a minimum period of 20 year can during his / her lifetime transfer his / her membership, of the same category, in favour of any person who is eligible to become a member of the Club as per this Constitution, provided has obtained prior permission of the Managing Committee, shall be eligible to transfer his membership on or before 31/10/2023. Such a membership is transferable upon payment of 60% of the prevailing membership fees of Life Member or Ordinary Member or New Ordinary Member as the case may be or more as may be fixed by the General Body from time to time.

Such a transferred member shall be called as Life Member / Ordinary Member / New Ordinary Member as the case may be and shall have all the rights of a Life Member / Ordinary Member / New Ordinary Member.