

Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Balance Sheet as at 31st March 2023
(All amounts in Indian Rupees)

Particulars	Notes	As at 31 Mar 2023	As at 31 Mar 2022
FUNDS AND LIABILITIES			
Society's Fund	3	-	1,00,22,500
Corpus Fund		1,94,10,325	1,36,67,725
Interest Free Maintenance Security (IFMS)		11,05,500	9,68,000
Membership fees		8,60,000	6,10,000
Property Transfer Charges		<u>2,13,75,825</u>	<u>2,52,68,225</u>
Income & Expenditure Account		6,59,74,430	3,39,58,528
Balance as per last balance sheet		8,02,826	3,20,15,902
Add: Surplus as per Income & expenditure Account		<u>6,67,77,256</u>	<u>6,59,74,430</u>
Liabilities and Provisions		70,97,013	78,37,160
Account payables	4	82,83,691	1,46,26,985
Advances	5	2,33,46,795	17,34,533
Other liabilities	6	22,75,000	23,75,000
Provisions	7	<u>4,10,02,499</u>	<u>2,65,73,678</u>
		<u>12,91,55,580</u>	<u>11,78,16,333</u>
TOTAL			
ASSETS			
Fixed assets		18,26,378	18,91,440
Tangible fixed assets	8	<u>18,26,378</u>	<u>18,91,440</u>
Current assets		96,40,959	1,72,64,028
Account Receivables	9	11,31,81,671	8,16,90,270
Cash and Bank Balances	10	33,08,338	1,61,03,264
Loans and advances	11	11,98,234	8,67,331
Other assets	12	<u>12,73,29,202</u>	<u>11,59,24,893</u>
		<u>12,91,55,580</u>	<u>11,78,16,333</u>
Total			

See accompanying notes forming part of financial statements.

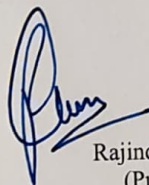
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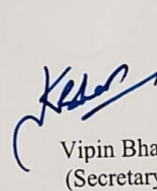
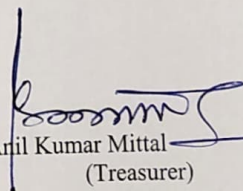
For VJSJ & CO LLP
Chartered Accountants
FRN-1500112

Vinay Jain
Partner
Membership No.: 500345



For Orchid Island Residents Welfare Association


Rajinder Kumar
(President)

 
Vipin Bhat Anil Kumar Mittal
(Secretary) (Treasurer)

Place: Gurugram
Date: 24-09-2023



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Income and Expenditure Account for the year ended 31st March 2023
(All amounts in Indian Rupees)

Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Contributions received from members	13	8,18,61,730	9,08,48,402
Income from non-members	14	15,76,871	10,37,977
Other income	15	57,69,515	38,95,594
Total Income		8,92,08,116	9,57,81,973
Expenses:			
Society maintenance expenses	16	3,28,68,816	3,19,28,272
Employee benefits expense	17	54,57,820	52,23,064
Depreciation	8	3,10,948	3,30,411
Other expenses	18	4,75,60,269	2,50,46,323
Total expenses		8,61,97,853	6,25,28,070
Surplus/ (Defecit) before taxation		30,10,263	3,32,53,903
Tax expenses:			
Current tax		22,75,000	13,50,000
Tax adjustment of prior year		(67,563)	(1,11,999)
Total tax expense		22,07,437	12,38,001
Surplus/ (Deficit) after taxation		8,02,826	3,20,15,902

See accompanying notes forming part of financial statements.

As per our report of even date

For VJSJ & CO LLP
Chartered Accountants
FRN-N500112

Vinay Jain
Partner

Membership No.: 500345

Place: Gurugram

Date: 24-09-2023



For Orchid Island Residents Welfare Association

Rajinder Kumar
(President)

Vipin Bhatia
(Secretary)

Anil Kumar Mittal
(Treasurer)



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

1. Overview of the Society

Orchid Island Residents Welfare Association, Sector-51, Gurugram, Haryana -122018 (“the Society” or “the Association”) is a society registered under the Haryana Registration and Regulation of Society Act, 2012 with registration No. HR/018/2015/02407. The purpose of Society is to maintain and upkeep of the Society Complex (or “the Orchid Island”) for the mutual benefits of its members.

The Orchid Island was developed by M/s Orchid Infrastructure Developers Private Limited (“the Developer”), and it was responsible for the maintenance and operational activities of the Orchid Island till 31 March 2018. In June 2018, the Society entered into a Memorandum of Understanding (“MOU”) with the Developer that with effect from 01 April 2018, operations of maintenance and facility services of the Orchid Island would be managed by the Society itself and that the Society shall have full control on the finances and expenses incurred towards operation of maintenance and facility services of the Orchid Island.

With effect from April 2018 onwards, the Society has assumed the responsibilities of operations of ‘maintenance and facility services of the Society Complex’. Consequently, the Society started receiving monthly maintenance fees from the members into its account for the mutual cause.

In pursuance of the aforesaid MOU, the Developer is also supposed to transfer the maintenance and facility services of the assets, which were constructed or purchased by the Developer out of the maintenance charges received from the then members for the proper maintenance of the Society. These assets include Post cabin for guards, Water management system, Electrical supply system (including DG). These assets have not been recognized in the books of accounts of the Society, pending handover of ownership from the Developer.

2. Significant Accounting Policies

2.1. Basis of preparation of Financial Statements

The Balance Sheet and Income and Expenditure Account are prepared to comply with Generally Accepted Accounting Principles in India to the extent applicable to the Society. These financial statements are prepared under the historical cost convention on accrual basis. These statements have been prepared in accordance with the significant accounting policies as described below.

The financial statements are presented in Indian rupees rounded off to the nearest rupee.



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

2.2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price including taxes and duties and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific assets to which it relates.

2.4. Capital work-in-progress

Expenditure incurred on asset, which is not ready for their intended use, is carried at cost under Capital work-in-progress. The cost includes the purchase cost including non-refundable taxes, if any, and attributable costs.

2.5. Depreciation

Depreciation on fixed assets is provided on the written down value method at the rates prescribed under the Income Tax Act, 1961.

2.6. Capital Fund

Amount received towards corpus fund are credited to the Capital Fund appearing in the balance sheet of the Society.

Interest Free Maintenance Security, Membership Fees and Property transfer charges form part of the Capital Fund and have been accounted for accordingly.



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Notes to the financial statements for the year ended 31 March 2023
(All Amounts in Indian Rupees)

2.7. Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Society and the revenue can be reliably measured. Revenue is recognized as when services are rendered.

- Maintenance charges are recognized on an accrual basis for the period for which the charges are received.
- Electricity charges are billed on the actual usage of units by the members and recognized in the period to which they pertain.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.
- Grant received for the maintenance and welfare of the Society is recognized in the Income and Expenditure Account as and when the same is received.
- Revenue from other receipts is recognized when the Society's obligation is performed and the right to receive money is established.

2.8. Employee benefits

Employee benefits include provident fund. The Society make contributions to the fund administered and managed by the Government of India. The Society's contributions to the provident fund are expensed to Income and Expenditure Account. The Society has no further obligations beyond its monthly contributions. Other employee costs are accounted as and when services are rendered by the employees.

2.9. Tax Expenses

The Society functions on the "Principle of mutual benefit" and the contribution made by the members are not taxable in the hands of the Association. However, the amount received from non-members is subject to tax, and the tax expenses on the same is measured at the amount expected to be paid to the tax authorities in accordance with provisions with the Income Tax Act, 1961.



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

2.10. Provisions & Contingencies

A provision is recognized when the Society has a present obligation as a result of past event, it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Association, or is a present obligation that arises from past event but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are disclosed and not recognized.

Contingent assets are neither recognized nor disclosed.



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Notes to the financial statements for the year ended 31 March 2023
(All Amounts in Indian Rupees)

3. Society's fund

	As at 31.03.2023	As at 31.03.2022
Corpus Fund	1,00,22,500	99,90,000
Balance as per last balance sheet	-	40,000
Add: Amount received during the year	1,00,22,500	7,500
Less: Amount refunded/ adjusted during the year (Refer Note 21)	-	1,00,22,500
Closing balance		
Interest Free Maintenance Security (IFMS)	1,36,67,725	55,69,425
Balance as per last balance sheet	57,42,600	82,44,550
Add: Amount received during the year	-	1,46,250
Less: Amount refunded/ adjusted during the year	1,94,10,325	1,36,67,725
Closing balance		
Membership fees	9,68,000	9,22,900
Balance as per last balance sheet	1,37,500	45,100
Add: Amount received during the year	-	-
Less: Amount refunded/ adjusted during the year	11,05,500	9,68,000
Closing balance		
Property Transfer Charges	6,10,000	4,55,000
Balance as per last balance sheet	2,50,000	1,60,000
Add: Amount received during the year	-	5,000
Less: Amount refunded/ adjusted during the year	8,60,000	6,10,000
Closing balance		

4. Account Payables

	As at 31.03.2023	As at 31.03.2022
Trade payables	45,41,953	47,27,711
Expense accruals	25,55,060	31,09,449
	70,97,013	78,37,160



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Notes to the financial statements for the year ended 31 March 2023
(All Amounts in Indian Rupees)

5. Advances

	As at 31.03.2023	As at 31.03.2022
Advance received from members	82,83,691	76,21,931
Superfluous receipts (Refer Note 22)	-	70,05,054
	<u>82,83,691</u>	<u>1,46,26,985</u>

6. Other liabilities

	As at 31.03.2023	As at 31.03.2022
Statutory liabilities	1,38,072	9,84,538
Retention money (vendors)	5,70,439	3,19,505
Payable to employees	1,36,435	1,36,485
Refundable to members	39,82,500	-
- Against Corpus Fund (Refer Note No. 21)	1,81,50,344	-
- Against Electricity rate difference (Refer Note 22)	69,005	69,005
- Against others	2,25,000	2,25,000
Security deposits received	75,000	-
Advances Received	<u>2,33,46,795</u>	<u>17,34,533</u>

7. Provisions

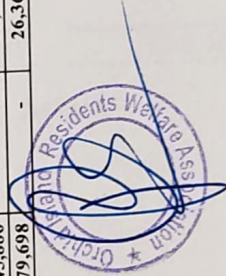
	As at 31.03.2023	As at 31.03.2022
Provision for Income Tax	22,75,000	23,75,000
	<u>22,75,000</u>	<u>23,75,000</u>



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018
Notes to the financial statements for the year ended 31 March 2023
(All Amounts in Indian Rupees)

8. Tangible Fixed Assets

Particulars	Rate %	Gross Block			Accumulated Depreciation			Net Block	
		As at 01.04.2022	Additions during the year	Deletions during the year	As at 31.03.2023	As at 01.04.2022	Depreciation for the year	As at 31.03.2023	As at 31.03.2022
PLANT & MACHINERY									
Rickshaw	15%	42,264	-	-	42,264	18,256	3,601	21,857	24,008
Dry Leave Crusher	15%	19,000	-	-	19,000	9,082	1,488	10,570	9,918
Office equipment	15%	2,21,310	8,720	-	2,30,030	78,750	22,692	1,01,442	1,42,560
Shredder	15%	58,240	-	-	58,240	22,474	5,365	27,839	35,766
CCTV	15%	16,64,735	-	-	16,64,735	3,55,840	1,96,334	5,52,174	13,08,895
LED TV	15%	20,499	-	-	20,499	5,689	2,222	7,911	14,810
Air conditioner	15%	32,200	34,858	-	67,058	2,415	7,082	9,497	29,785
Gym Equipments	15%	-	60,510	-	60,510	-	9,077	51,433	-
Table Tennis	15%	-	67,498	-	67,498	-	5,062	62,436	-
FURNITURE & FIXTURE									
Furniture & Fixture	10%	3,61,446	50,300	-	4,11,746	87,830	32,392	2,91,524	2,73,616
COMPUTER & PRINTER									
Computer	40%	1,79,100	24,000	-	2,03,100	1,40,887	20,085	1,60,972	38,213
Printer	40%	37,641	-	-	37,641	23,772	5,548	29,320	13,869
Total		26,36,435	2,45,886	-	28,82,321	7,44,995	3,10,948	10,55,943	18,91,440
Previous year		24,56,737	1,79,698	-	26,36,435	4,14,584	3,30,411	7,44,995	18,91,440



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

9. Account Receivables

	As at 31.03.2023	As at 31.03.2022
Receivable from Members	22,97,707	53,57,703
Receivable from Developer	70,01,155	1,15,58,640
Other receivables	3,42,097	3,47,685
	<u>96,40,959</u>	<u>1,72,64,028</u>

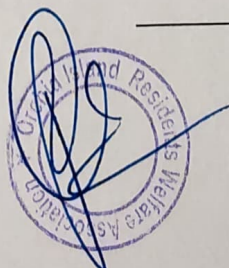
10. Cash and Bank Balances

	As at 31.03.2023	As at 31.03.2022
Cash on hand	9,011	45,875
Balances with banks in saving accounts*	83,69,207	79,02,344
Balances with banks in fixed deposits	10,48,03,453	7,37,42,051
	<u>11,31,81,671</u>	<u>8,16,90,270</u>

*Includes an amount of Rs 20,275 (previous Year Rs 20,275) marked as lien by the bank

11. Loans and advances

	As at 31.03.2023	As at 31.03.2022
Imprest to employees	27,695	32,589
Amount due from DHBVN (Refer Note 22)	-	1,21,00,266
Advances to vendors	3,74,908	9,05,861
Advance Tax	22,51,992	25,52,646
Prepaid expenses	91,027	72,410
GST input credit receivable (net)	1,25,655	-
Salary Advance to employees	17,061	19,492
Advances against court deposits (Refer Note 23)	4,20,000	4,20,000
	<u>33,08,338</u>	<u>1,61,03,264</u>



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

12. Other assets

	As at 31.03.2023	As at 31.03.2022
Interest accrued on fixed deposits	10,62,512	5,63,413
Accrued revenue	22,523	1,77,468
Other receivables	1,13,199	1,26,450
	<u>11,98,234</u>	<u>8,67,331</u>

13. Contributions received from members

	Year ended 31.03.2023	Year ended 31.03.2022
Maintenance charges	5,23,07,613	5,34,28,401
Electricity charges (Refer note 22)	2,50,07,776	3,26,17,671
Electricity Meter replacement charges	4,82,709	4,49,742
Late fees and fines	30,37,223	35,35,893
New Meter Connection charges	2,00,000	1,20,000
Others miscellaneous charges	8,26,409	6,96,695
	<u>8,18,61,730</u>	<u>9,08,48,402</u>

14. Income from non-members

	Year ended 31.03.2023	Year ended 31.03.2022
Income from stall/ banners/ Hoardings	8,64,763	3,98,314
Electricity charges	3,28,258	3,43,474
Rental Income	3,43,830	2,47,729
Scrap sale	40,020	48,460
	<u>15,76,871</u>	<u>10,37,977</u>



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

15. Other Incomes

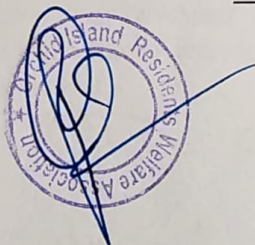
	Year ended 31.03.2023	Year ended 31.03.2022
Interest on fixed deposits	51,13,557	31,80,000
Interest on saving bank	4,44,977	5,02,748
Interest on electricity deposits	2,04,000	2,11,716
Interest on income tax	6,981	1,130.00
	<u>57,69,515</u>	<u>38,95,594</u>

16. Society maintenance expenses

	Year ended 31.03.2023	Year ended 31.03.2022
Security expenses	1,32,04,865	1,25,07,004
Horticulture expenses	40,03,318	32,58,859
House keeping expenses	61,97,246	55,65,672
Administrative expenses	2,03,080	2,20,525
Society Repair (FACADE)	78,56,878	89,89,396
Other repair and maintenance expenses	14,03,429	13,86,816
	<u>3,28,68,816</u>	<u>3,19,28,272</u>

17. Employees benefit expenses

	Year ended 31.03.2023	Year ended 31.03.2022
Salaries and wages	46,76,709	44,60,691
Staff welfare expenses	4,64,781	4,61,041
Employer's contribution to PF	3,16,330	3,01,332
	<u>54,57,820</u>	<u>52,23,064</u>



Orchid Island Residents Welfare Association
Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023
(All Amounts in Indian Rupees)

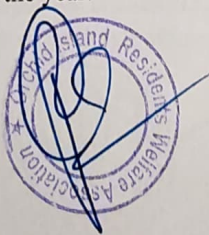
18. Other expenses

	Year ended 31.03.2023	Year ended 31.03.2022
Electricity charges (Refer Note 22)	3,28,80,870	1,36,70,568
Professional and consultancy Fees	12,64,231	25,11,631
Water and sewerage charges	8,80,409	4,89,004
Legal expenses	5,10,000	1,68,000
Audit fee (Statutory)	45,000	45,000
Rates and taxes	45,05,222	44,62,394
Insurance Expenses	1,17,370	29,790
Repair & Maintenance -DG		
- Diesel charges	29,93,928	4,20,348
- Other maintenance charges	18,92,234	9,66,881
Repair and Maintenance - Electrical fixtures	4,83,920	12,07,470
Repair & Maintenance - Others	11,16,020	5,21,007
Travelling and conveyance	68,005	69,853
Society cultural expenses	4,36,490	1,38,663
Meeting expenses	38,015	34,915
Printing and Stationary expenses	93,816	93,675
CoVID-19 expenses	6,151	72,052
Other expenses	2,28,588	1,45,072
	4,75,60,269	2,50,46,323

19. In terms of the MOU, the Developer is supposed to transfer the maintenance and facility services of the assets, which were constructed or purchased by the Developer out of the maintenance charges received from the then members for the proper maintenance of the Society. These assets include Post cabin for guards, Water management system, Electrical supply system (including DG). These assets have not been recognized in the books of accounts of the Society, pending handover of ownership from the Developer.

20. Unsold units lying with the developer

As explained and details provided to us, there are 32 (Previous year 62) unsold units, which are still lying with the Developer. The Society has been raising monthly invoices for maintenance and other applicable charges for these units on the Developer, which are lying unpaid in the books of accounts and shown under the head 'Receivable from Developer' in Note -9. Contributions received from members, as shown in the Income and Expenditure Account, include the amount billed to the Developer in respect of such unsold units during the year.



Orchid Island Residents Welfare Association

Sector-51, Gurugram, Haryana, 122018

Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

21. In the Annual General Meeting held on 21-Aug-2022, it was decided to refund the amount of corpus funds to respective members. Accordingly, the amount of Corpus fund has been reclassified to other liabilities under the head 'Refundable to members against Corpus fund' in Note No. 6.

22. a) The Society had filed a case against DHBVN for claiming 4% rebates on account of transmission loss since the date of meter incorporation. During the previous year, the matter was decided in favour of the Society. Accordingly, DHBVN provided the credit towards 4% rebate and excess payment amounting to Rs 1.93 Crs in the bill dated 02-Feb-2022, which has since been adjusted/set-off against subsequent billings. As of March 31, 2022, the outstanding balance due from DHBVN (pending for adjustment) was Rs 1.21 Crs, which was shown as 'Amount due from DHBVN' in Note – 11. Further, the electricity charges of Rs 1.37 crores as shown in Note 18, was after netting-off of the above credit of Rs 1.93 crores in the previous financial year.

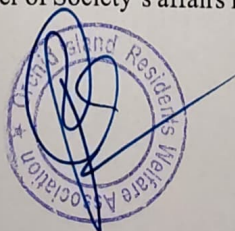
b) Superfluous receipts (Electricity):

This matter pertained to DHBVN for the period Nov'2019 to Jan'2021, when the Society was not getting correct invoices at revised (reduced) rates from DHBVN. In this regard, the Society had put many reminders to DHBVN, but it continued to bill the electricity charges at old rates only. The billing could be stabilized in the later part of the previous year only and DHBVN also passed on the benefits to the Society from Nov-19 by way of adjustment in the previous year's billings. However, till the time DHBVN corrected monthly invoices and in the absence of any confirmation, the Society continued to bill its members at old rates only. The Society had calculated the impact of Rs 70 Lacs towards billing done to members at higher rates, which was shown as Advances under the head 'Superfluous receipts' in Note 5 in the previous financial year, pending decision on utilization of funds for society maintenance/ welfare expenses or for refunding to members.

c) During the current year, pursuant to the resolution of above matters, it was under discussion to refund to members against DHBVN credit and superfluous receipts. Based on the calculations done, the Management Committee has decided to refund the amount of Rs 1.82 crs to members, which includes Rs 70 Lacs towards superfluous receipts and balance of Rs 1.12 Crs against DHBVN credit and passed the resolution to this effect in the subsequent year. Accordingly, the amount of refund of Rs 1.12 crs towards DHBVN credit has been netted off from electricity charges received from members in Note No 13.

The total amount refundable to members towards DHBVN credit and Superfluous receipts has been shown as other liabilities under the head 'Refundable to members against electricity rate difference' in Note 6.

23. Advances against court deposits represent the security amount deposited with the court for members against a legal case filed by the Developer for unauthorized possession of the Society's office by the Management at the time of handing over of Society's affairs in 2018, as mentioned in Note No. 1 above.



Orchid Island Residents Welfare Association

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Notes to the financial statements for the year ended 31 March 2023

(All Amounts in Indian Rupees)

24. All balances due from/ to the parties, including the Developers and members, are subject to reconciliation and balance confirmations.

25. Comparative Information

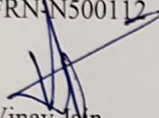
Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For VJSJ & CO LLP

Chartered Accountants

FRN: IN500112


Vinay Jain

Partner

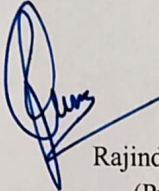
Membership No.: 500345

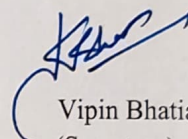


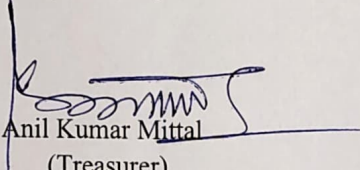
Place: Gurugram

Date: 24-09-2023

For Orchid Island Residents Welfare Association


Rajinder Kumar
(President)


Vipin Bhatia
(Secretary)


Anil Kumar Mittal
(Treasurer)

