

MINUTES OF SPECIAL GENERAL MEETING (SGBM) OF APARTMENT OWNERS' ASSOCIATION (AOA), KV-II HELD ON 24.12.2023

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Special General Body Meeting of the Kendriya Vihar-II, Apartment Owners' Association was convened on 24.12.2023(Sunday) at 10.00AM in the Ground Floor Community Centre -1, Kendriya Vihar-II, Sector 82, Noida. Total 157 members were present in the meeting.

At the outset Shri Mohan Lal Sharma, Vice-President, BOM, AOA KV-2 welcomed all members of KV-II to the meeting. He informed the honorable members present that Special General Body Meeting was initially scheduled on 17.12.2023 but only sixty six(66) members were present in the meeting which was much less than 30% of the total strength. As the required quorum as per new Bye-Laws was not complete on that day, this meeting is being reconvened today i.e. 24.12.2023, as per the notice sent earlier. Thereafter he invited Dr. Lokesh Kumar Sinha, Secretary Apartment Owners' Association to start the proceedings of the meeting on already circulated agenda mentioned below:

SGBM 2023.1 To consider and dispose of the points of Special Audit Report for the period from Financial Year 2014-2015 to 2018-2019.

SGBM 2023.2 To finalize the work order for Lifts along with decision for replacement of remaining 24 lifts.

SGBM 2023.3 To finalize the election schedule and appointment of Returning Officer.

SGBM 2023.4 To reconsider the process of automatic enhancement of Subscription Charges from April every year.

SGBM 2023.5 To constitute a committee for monitoring of Infrastructure fund utilization and work related with this fund.

SGBM 2023.6 To propose the action on members working against the interest of Apartment Owners' Association.

Agenda Item Number 1: To consider and dispose of the points of Special Audit Report for the period from Financial Year 2014-2015 to 2018-2019.

Secretary briefed members that special audit report was collected from the office of Dy Registrar Chit, Fund and Societies, Meerut on 24th November. Covering letter states that minutes of General Body Meeting should be submitted within 30 days from receipt of report. Today, being the 30th day, secretary requested members to take item wise observations and remarks of AOA should be finalized for sending the report immediately after meeting.

SGBM unanimously agreed for finalizing the minutes in the meeting itself.

i. A.Y. 2016-17, Order dated 29-03-2018 CRN- CPC/1617/A7/1763145673, Demand Created Rs.1,46,42,490. The demand was challenged by the society and the same was reduced to Rs.36,58,539+100% penalty wide order dated 12.7.2021. The society has gone for appeal against this order. The order has been challenged in CESTAT Allahabad.

SGBM directed that case should be rigorously pursued with CETSTAT

ii F.Y 2017-18, A demand of Rs.296887 was paid wide AOA/Income- Tax/2021-22 dated 16-04-2021 resolution noting that the committee did not have the supporting documents i.e. certified copies of Balance Sheet and final accounts by the concerned CA who had filed wrong/defective ITR and also did not communicate a suitable reply from the AOA office

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during the period of accounts 2017-18. The issue relates to Financial Year 2017-18, Assessment Year 2018-19. The defective ITR was filed by M/s Sonika Aggarwal and Company.

SGBM observed that there is no adverse remark from the Auditor and hence no action from General Body is required. Further the services of M/s Sonika Agarwal & Co, was terminated by respective BOM. It was further pointed out that this observation pertains to F.Y. 2016-2017 and not F.Y. 2017-2018, as per information furnished by members of respective BOM in the meeting.

- iii. The AOA did not comply with the provisions of ESIC & EPF. Later on a payment was made for the demand from the year 2013-14 onward which was settled in June 2018 by PF officer by debiting Account of AOA, KV-II. An amount of Rs.7,98,446/- was recovered by PF office from AOA, KV-II. Copy of bank statement reflecting debit entry of Rs. Rs.7,99,446/.

SGBM observed that it is only a statement of fact and there is no adverse remark from the Auditor, hence no action from General Body is required.

- iv. Several bills and vouchers were not found in record including bills for Rs.31,78,052 for the month of November 2014. Also Air conditioner bills of Rs.72000 dated 04-06-2014 was not found in records as well as Furniture & Fitting Bill dated 27-04-2014 Rs.99540 was not held on record. Hence it is found that relevant documentary evidence such as bills for expenses are missing.

SGBM noted that proper entry of air conditioner and furniture expenses were found in the audit report for the Financial Year 2014-2015 and were passed by respective GBM. It was also noted that the amount of Rs 31,78,052 is not for a single item and appears to be a combination of multiple items and hence cannot be verified unless details are highlighted. Further, General Body directed to maintain proper record by digitizing in future.

- v. There are 120 lifts in KV-2; most of them are in bad condition. The lifts are old and are being maintained with the help of AMC with the manufacturer company. As per AOA, Up-gradation/replacement would be taken up as per availability of funds.

SGBM observed that direction of replacement/up-gradation of lifts has already been given in 10th GBM held on 02nd July 2023.

- vi. Fire-fighting pipes/nozzles were dismantled and disposed off, without proper order of management and all nozzles of brass are missing. The President has been fined for Rs. 100000/- by court of Surajpur. The BOM has filed FIR with the local police station for missing components etc. The police enquiry is in process.

Secretary briefed members that incumbent BOM has already informed police in writing regarding missing items as per the directives of 10th AGM and the matter would be pursued further with police. Special General Body appreciated and endorsed the decision of BOM and suggested to maintain the asset register properly in future.

- vii. For the audit period 2014-15 to 2018-19, No sale of scrap records with inventory was produced before us.

Secretary briefed that there is no record of inventory for scrap in office. However, the money received through selling of scrap is reflected in balance sheets which were presented and passed in respective GBMs. Special General Body directed to maintain proper record in future.

viii. In conclusion, the Auditor has stated that "after the several reminders the management agreed for the audit/investigation as ordered by Deputy Registrar of Firms, Societies & Chits, Meerut on 28th, February, 2023 by passing a resolution in the GBM. They submitted a reply with submitting Audit report & Balance sheet for financial year 2014-15, 2017-2018 & 2018-19. However, they could not hand over the books of Accounts relevant documentary evidence such as bills for expenses & details."

Secretary briefed members along with chronological dates regarding this special audit and reiterated that appointment of Auditor, Shri Ashok Kumar Agrawal, CA was completed on 19th May 2023 which is much before the GBM. Further, he stated that all books of accounts, relevant documentary evidence such as bills for expenses & details were handed over to Auditor except the missing files. Special General Body appreciated the efforts of incumbent BOM

ix. Further, Auditor has stated that "after considering the allegations, viewing available documents, investigation, interviews and research, we are of the opinion that either old management was involved in some activities or they were ignorant about the prevalent laws of land and allegations on them are widely correct. It appears that they want to hide their misappropriation/unlawful actions and therefore, some records are missing. No particulars of action taken against the defaulting members of BOM were provided."

Members deliberated this point in detail and found that no pinpointed and specific report on allegation has been made by the auditor on misappropriation / unlawful action; hence no action can be taken on incumbent BOM members of that period.

All these decisions taken by SGBM mentioned above were finalized and presented to SGBM for the approval. SGBM unanimously approved the remarks mentioned against each observation.

✓ **Agenda Item Number 2: To finalize the work order for Lifts along with decision for replacement of remaining 24 lifts.**

Secretary briefed the august gathering that 10th AGBM held on 02.07.2023 has approved the proposal was for replacement of 96 lifts and up-gradation of remaining 24 lifts with an estimated cost of Rs.10.5 crores. During the period of finalization of minutes, representation from residents of Phase V staying in these 24 blocks have been officially received for replacement of these 24 lifts in place of up-gradation. The matter was discussed in 15th meeting of BOM held on 06.12.2023 as per agenda item number 2(a) and is of the opinion that remaining 24 lifts which were earlier proposed to be upgraded should also be replaced after taking permission from SGBM.

Members during SGBM endorsed the recommendations of BOM and unanimously agreed for replacement of these 24 remaining lifts instead of up-gradation.

Further he explained that Lift Committee has recommended that ECE make is optimally suited for replacement of existing 120 lifts of Kendriya Vihar – II based on their technical specifications, infrastructure facilities, work completion time and added advantage over other available options despite of being L2. BOM in its 16th meeting held on 16.12.2023 as per agenda item number 1(c) endorsed the recommendations of BOM.

SGBM decided in favor of placing the order as per the recommendations of Committee and BOM with majority. Further SGBM directed BOM to negotiate with the firm for three years comprehensive warranty without additional cost and installation of camera. The AMC cost after the warranty period should also be taken from the company.

Agenda Item Number 3: To finalize the election schedule and appointment of Returning Officer.

Secretary briefed that BOM in its 15th meeting held on 05.12.2023 unanimously decided that election should be conducted on 25th February 2024 (Sunday) and authorized President for nomination of returning officer. President in 16th BOM meeting held on 16.12.2023 suggested to appoint Shri Shashi Pal Sharma, as returning officer which was agreed upon by members.

SGBM wholeheartedly welcomed the decision of holding the election within the tenure of incumbent BOM and appreciated the efforts. Few members objected on the name of returning officer and advised to reconsider the name of Returning Officer. They further stated that any other name will be acceptable to them. Finally, it was agreed upon with majority to hold the election on 25.02.2024 (Sunday) with new Returning Officer.

Agenda Item Number 4: To reconsider the process of automatic enhancement of Subscription Charges from April every year.

Secretary briefed that existing arrangement of automatic enhancement of subscription charges from April every year delegates power of enhancement of subscription to BOM without holding AGBM as seen in previous years. He further stated that BOM in its 15th meeting held on 02.12.2023 strongly recommends that this delegation of power to BOM for automatic enhancement may be withdrawn and the decision on enhancement / reduction of subscription charges may be taken in Annual General Body Meeting as per KV-II by-laws.

SGBM unanimously agreed and approved discontinuation of automatic enhancement of subscription charges from 01 April every year.

Agenda Item Number 5: To constitute a committee for monitoring of Infrastructure fund utilization and work related with this fund

Secretary stated that BOM in its 16th meeting held on 15th December 2023 discussed on constitution of a committee for monitoring of infrastructure fund utilization and work related with this fund. Further, it was proposed that at least Five (5) non BOM members should be the part of committee along with office bearers of incumbent BOM (President, Vice President, Secretary, Treasurer). It was agreed upon to take decision of forthcoming SGBM on this aspect.

In the meeting, few members enquired about total number of owners who have paid for Infrastructure Fund till date. Secretary, stated that 325 members have paid full amount amounting Rs 93,34,055/- and 306 members have started giving monthly installments amounting Rs8,91,859/-. Total 631 members out of 2276 members have come forward for payment of Infrastructure Fund.

SGBM considered the aforementioned statements seriously and voted with majority that same penalty clauses as in case of monthly subscription charges should also be imposed on members who are not depositing Infrastructure fund as mentioned in our "Bye-Laws" and the book on "Procedure for conduction of AOA business (P-CAB)".

Further a committee is constituted to look after Infrastructure Fund generation & utilization and prioritize KV-II blocks for replacements of lifts as listed below:

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|--------------------------------------------|-----------|
| a) Mr Prashant Bakshi | A-104/III |
| b) Dr Azim Khan | B-204/I |
| c) Dr Raj Kumar | B-136/II |
| d) Sri Mrityunjay Jha | C-79/VII |
| e) Sri R C Mangla | C-145/VI |
| f) Sri Surender Kumar | B-161/VI |
| g) Dr L K Sinha, Outgoing Secretary | C-183/I |
| h) Sri M L Sharma, Outgoing Vice-President | C-180/VI |

Agenda Item Number 6: to propose the action on members working against the interest of Apartment Owners' Association

Secretary briefed that BOM in its 15th meeting held on 02.12.2023 decided to take action on those members who are not abiding by the decisions of General Body and have taken AOA in court. He further elaborated that AGBM in its 10th meeting held on 02nd July 2023 has passed the resolution and directed BOM to follow the instructions of General Body as under:

- I. To hold the election for constitution of a committee to look after the affairs of unified temple complex.
- II. All the Members of AOA will have the voting rights to elect a 10 members Committee.
- III. The Committee will manage and look into all the affairs of the unified temple complex.

Secretary, Board of Management (BoM) stated that complying with the decision taken in 10th GBM held on 2nd July 2023; BoM has completed the process of election for forming a Committee for managing the temple. Some of the residents and non-residents of the society had unauthorisedly (without approval of the AOA) formed a Samiti in the name of Shiv Radha Krishna Sewa Samiti and this Samiti is claiming exclusive right on the temple built in the common area of the society. The Samiti also tried to interrupt election process of Committee for Management of unified Temple complex citing a court case which had no mention of this election. Secretary, BoM highlighted that complete area of KV-II was handed over to AOA by CGEWHO, which includes the buildings and common areas. The said temple is also built in the common area of society after handing over of the area to AoA. Further, the common area belongs to all 2276 members and as per UP Apartment Laws Chapter III Point 5 "Common area and facilities shall not, in any manner, be transferred and shall remain undivided. Further, no apartment owner, or any other person, shall be eligible to initiate any action for the partition or separate possession, or division of any part thereof."

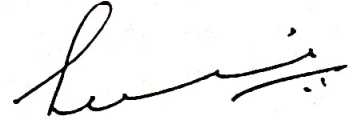
SGBM deliberated the issue at length and condemned the action of those AoA members who are involved in clandestinely and unauthorisedly forming a separate Samiti (without approval or knowledge of AoA) in the name of Shiv Radha Krishna Sewa Samiti. Decision of 10th GBM does not support management of temple by any committee or group of people and directed BoM to form a duly elected committee for proper management of the temple existing on common area of the society.

SGBM also decided to take suitable action against the members for acting against the decision of GBM and the provisions of the UP Apartment Owners' Act. Further, keeping in view their unauthorized action to separately form a Samiti for continuous and unauthorized hold on management of the temple existing on common areas of AoA and not abiding by

the decision taken in 10th GBM, SGBM approved with large majority debarring these AOA members from contesting AOA Election and holding any post in the Board of Management of AOA, as they may misuse the office to unauthorizedly keep hold on management of the common areas like temple and further undertake unauthorized construction therein. Further, SGBM decided to de-bar the so called President, Shiv Radha Krishna Sewa Samiti, Sh. Om Prakash Parmar from contesting election or to hold any post in BoM with immediate effect. As regards other AoA members who are listed and stated to be so called members of the Samiti, SGBM directed to give an opportunity to them to state their position in writing regarding their respective involvement in acting against the decision taken by GBM in its 10th meeting and their stand in the matter before taking suitable action against them.

These decisions taken by SGBM against each agenda points mentioned above were finalized and presented to SGBM for approval. SGBM unanimously/with large majority approved the remarks mentioned against each agenda points.

SGBM of the Association ended with vote of thanks to the Members.



(Dr. Lokesh Kumar Sinha)
Secretary

Copy to:

Dy Registrar firms societies and chits, Meerut

All Notice Boards in KV-II AOA.

Website: noidakv2.org