

FORENSIC AUDIT REPORT

ON

KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION.

(Community Centre-1, Kendriya Vihar-II, Plot No.3, Sector-82,
Noida-201304, Uttar Pradesh)

Forensic Auditors

CA ASHOK KUMAR AGARWAL

ASHOK S. & CO.,

CHARTERED ACCOUNTANTS

108&110, 1ST Floor, Usha Complex,

Near N.A.S. College, Shivaji Road,

MEERUT-250002

**KENDRIYA VIHAR-II APARTMENT OWNERS
ASSOCIATION.**

(Community Centre-1, Kendriya Vihar-II, Plot No.3, Sector-82,
Noida-201304, Uttar Pradesh)

FORENSIC AUDIT REPORT

FOR THE PERIOD MARCH 2015- MARCH 2019

ORDERED BY:

The Deputy Registrar of Firms, Societies & Chits,
Vikas Vihar, Mohanpuri,
Meerut

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1. OVERVIEW

The present assignment was handed over to CA Ashok Kumar Agarwal Partner of Ashok S. & Co. to conduct the forensic audit of Kendriya Vihar-II Apartment Owners' Association, Community Centre-1, Kendriya Vihar-II, Plot No.3, Sector-82, Noida-201304, Uttar Pradesh. The Deputy Registrar of Firms, Societies and Chits had approached Ashok S. and Co. for conducting a forensic audit/investigation of Kendriya Vihar-II Apartment Owners' Association (A Resident Welfare Association Registered under the Societies Registration Act, 1860 with Deputy Registrar of Firms, Societies and Chits, Meerut) as there were various allegations against the former management of the Association for misuse of financial powers, misappropriation and siphoning of funds of the Association. The engagement letter was executed on 10 January 2020 and further follow up letters on 12 October 2022 and 15 February 2023, wherein the scope of forensic audit was intended to be as under:

- a) Analysis of all relevant documents including the secretarial, accounting and administrative documents in respect of the association.
- b) Extracting data and collecting documents from the Association, Complainants and all the concerned third parties including government / statutory authorities and banks.
- c) Interviews and Discussion with Complainant, Office bearers, Staff of the Association, Former Management and other relevant third parties; and
- d) Preparation of Forensic Audit Report.



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2. EXECUTIVE SUMMARY

2.1 Facts in Brief

1. Shri DevAshish Bhattacharya Resident of Flat No. B-5, Pocket-7, Block-54, KendriyaVihar, Sector-82, Noida wide their letter, filed complaint to Deputy Registrar Of Firms, Societies and Chits, Meerut, Uttar Pradesh and other authorities.
2. The Deputy Registrar Firms, Societies and Chits Meerut Circle appointed CA Ashok Kumar Agarwal as Forensic Auditor on 10th Jan, 2020 and the auditor issued a letter of requirements to the association on 10th June, 2020.
3. The Deputy Registrar Firms, Societies and Chits Meerut Circle issued further reminder letters on 12 October 2022 and 15 February 2023 respectively. During the period the auditors contacted the then management and visited the society. Initially the management was reluctant to cooperate for forensic audit/investigation. However, after rigorous persuasion, they became ready for it in 2023.
4. KV-II Apartment Owners Association passed resolution wide there letter no. AOA KV-II/minutes 2023-24 held on 28, February 2023 that BOM unanimously agreed to carry out the audit ordered by the Deputy Registrar of Firms, Societies and Chits, Meerut.

2.2 Methodology in brief

It was decided and agreed by our team to follow a detailed methodology for conducting the investigation for the purposes of forensic audit of the association. The said methodology consisted of the following broad steps:

- i) Procurement of documents from the Association.
- ii) Procurement of documents from necessary third parties and complainants.
- iii) Interviewing and recording the statement of the employees, complainants and Management Committee Members of the Association.
- iv) Detailed analysis of all necessary documents and evidences.
- v) Preparation of Report.

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2.3 Complaints in brief

The complainants have made certain allegations on the past management, which are as follows:

1. In the year 2015 the then BOM was on extension and the Deputy Registrar of Societies had restricted the operation of the bank account of the AOA stating that every high value purchase had to be sanctioned by him. But the then BOM went ahead illegally to effect the purchase of Rs. 45/- lacs worth CCTV cameras. The copy of the said letter of the Deputy Registrar and the bills of the said CCTV purchase should be available in office records.
2. During this period of audit the then BOMs defaulted in depositing various statutory funds in the government account. As they failed to do so and that resulted in the imposition of heavy penalties and litigation charges. The documents should be brought on records and accountability should be fixed.
3. The original stock register of the CGEWHO should be asked to be given to the Auditor for the on the spot verification block wise of the fire-fighting infrastructure. During this period of audit most of the fire-fighting infrastructure was demolished and vanished from the premises of Kendriya Vihar-II. All hose pipes got dismantled and the entire brass components related to the said fire - fighting infrastructure went missing. Entire records and stock registers should be audited and accountability be fixed.
4. During this period of audit the lift wise maintenance sheets should be asked to be provided to the auditor for determining how much money was spent on each lift by the maintenance company. The spending should be matched with the terms and conditions of the maintenance company. It is reliably learnt that the said lift wise maintenance sheets are not available.
5. During the period of this audit the accounts of the contractors of the Housekeeping, Security and Horticulture should be minutely audited. It's learnt that both of these contractors did not submit the details of the PF and ESI to the BOM and even then the BOMs released their payments at the cost of the hardships to the workers. Accountability should be fixed against those BOM members who are responsible for the release of the payments of the contractors during the period of this audit.

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6. A few days ago a fire broke in flat C-226 of Pocket -7 due to window A.C. Blast. How was the fire doused? Were the fire tenders called? Nobody, including the BOM, reported the matter to the residents. The reason is very clear. Now-a-days the reinstallation of the totally collapsed fire-fighting Infrastructure is in the discussion. It was discussed in length in the recently concluded GBM also. Residents are not happy because of the legal pressure under which the collapsed fire-fighting system is going to be revamped. There should be complete restoration of the fire-fighting Infrastructure of Kendriya Vihar-II.

7. Few mistakes have been committed in the proceedings of the recently concluded GBM:

A. The BOM presented the expenditure statement for FY 2020 onwards to the GBM and the GBM passed it. But a big mistake got committed by the BOM. The BOM failed to inform the GBM that Deputy Registrar of Societies had already issued three notices to the President/Secretary of the BOM to provide the list of those expenses which were done in violation of the orders of the Deputy Registrar of Societies.

Since 2020 BOM's bank account was under restrictions and only 4 types of expenses were allowed. But BOM kept spending on other banned items. Upon complaint of Mr. Devashish Bhattacharya, the Deputy Registrar of Societies took cognizance of it and issued a notice to the Chairman/Secretary of BOM to provide the list of those unauthorized expenses. The Chairman/Secretary was supposed to inform the GBM about this development which he failed to do. And the GBM erroneously passed the unauthorized expenses due to the misinformation from the President/Secretary of the AOA. Information about the matter has been given to the Deputy Registrar of Societies.

B. For not implementing the directions of the Fire Department the then President/Secretary of the BOM were issued several mandatory notices. When they failed to act then the Fire Department filed a criminal case against the then President of the AOA Shri Nagendra Singh in the court of the Chief Judicial Magistrate.

The then President Shri Nagendra Singh submitted an unconditional apology and the learned court of the Chief Judicial Magistrate imposed a fine of Rs. 1 lac and punishment of the imprisonment till the rising of the court. Shri Nagendra Singh was supposed to deposit the said fine from



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his pocket because he was held guilty for not following the directions of the Fire Department. But the said Sh. Nagendra Singh deposited the said fine from the account of the AOA.

On the complaint of Mr. Devashish Bhattacharya, the Deputy Registrar of Societies issued show cause notice to the President/Secretary to explain. But the President/Secretary failed to bring this important fact into the knowledge of the GBM and the GBM had erroneously passed this expenditure also which is illegal. Because the matter is still under consideration of the Deputy Registrar of Societies and not yet finalized.

8. So many Residents are allowed to not to pay the maintenance charges causing a deficit of approximately Rs.25 lacs per annum. No action taken against them. Forensic Audit is required on this issue.
9. 5% annual increase in maintenance charges is fixed forever, illegally, which is against all ethics and rules of budget. It needs Forensic Audit to see the root cause.
10. Annual Maintenance Contract documents of lifts are not made public despite the repeated calls. Residents are facing the problems relating to the lifts on daily basis. Lifts have become life risks. No mandatory NOC obtained from the office of the Chief Electrical Inspector w.r.t to the safety features. Forensic audit is required on this issue.
11. No audited accounts of two Temples located in KVII are prepared and submitted on records. This issue was raised by one of the previous office bearers in writing. No accounts are made as on date. It requires Forensic Audit. CGEWHO issued several notices and reminders to the President/Secretary on the temple issue. They didn't respond even to one letter. So, the CGEWHO recommended action to the CEO NOIDA.
12. All the projects involving the money of AOA should have been transparently put on the website of the AOA with all the tender documents. It was not done and Forensic Audit is required for that.
13. Tender Process of various high value projects were violated. Forensic Audit is required for those so that each and every page of the paper is scrutinized.

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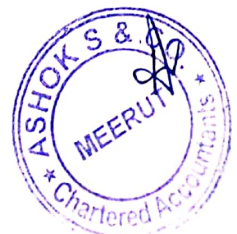


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14. Justification with file noting for each project spending the AOA money is required. Forensic Audit shall expose the shortcomings w.r.t those issues.
15. Illegally constituted Committees without properly inviting the Residents to be part of those committees, from which the desired recommendations are obtained by the BOM, needs Forensically Audited. Irregularities shall be exposed.
16. Orders were placed on the close relatives of BOM members against the established norms of ethics. It attracted the clause of Conflict of Interest. Forensic Audit shall expose the inside story.
17. Rs. 95000/- was fined by the EPF department for late depositing of the EPF contributions despite the bank accounts of AOA having sufficient money. Forensic Audit shall fix the accountability.
18. A very high value project of White Washing is going on in KVII. Tender Documents and specifications are not made public. Forensic Audit shall pin point the irregularities. The AOA members do not know which product the contractor is using for white washing the KVII campus and why the BOM is not uploading the documents on the website.
19. Which expenses are to be borne by the UPPCL and which one are to be borne by the BOM is a matter of Forensic Audit.
20. A resident of KVII Col. Katyar met the present treasurer to get the copies of the AMC of the lifts. He was given a copy which was not signed by any representative of the AOA. Forensic Audit shall expose the reasons for such lapse.
21. Few years ago too an audit was ordered by the Deputy Registrar. The auditor has given in writing then too that the BOM was not providing the documents to the auditor. A letter of warning was issued on that issue to the then BOM. After that the audit was dropped without any conclusion.
22. The Deputy Registrar has issued the directions for Forensic Audit on some grounds. The President/Secretary didn't cooperate with the appointed Auditor, as per the records. Thereafter the restrictions on the Bank operations were imposed.

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3. BACKGROUND

3.1 Kendriya Vihar-II Apartment Owners' Association, Community Centre-1, Kendriya Vihar-II, Plot No.3, Sector-82, Noida-201304, Uttar Pradesh is registered under the Societies Registration Act, 1860 with Deputy Registrar of firms, societies and chits.

3.2 As per the various documents received from the office of Kendriya Vihar-II Apartment Owners Association, the details of Managing Committee for the past-years and Current year are as under:

Old Managing Committee

Period of BoMs and names of BoM members are given below:

Sl. No.	Name	Designation
06-05-2012 to 21-11-14		
1.	Shri Om Prakash Parmar	President
2.	Shri Dinesh Pratap Singh	Secretary
3.	Shri Nagendra Singh	Treasurer
4.	Smt. Krishna Tyagi	Member
5.	Smt. Renuka Rajgopalan	Member
6.	Shri Binod Kumar Mishra	Member
7.	Shri Devesh Kumar	Member
8.	Shri K.K Rao	Member
9.	Shri V. Girdharan	Member
10.	Shri V. Srinasan	Member
11.	Smt. Preeti Verma	Member

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12.	Shri A.S Bisht	Member
13.	Shri S.K Srivastava	Member
14.	Shri S.C Sachdeva	Member
22-11-2014 to 23-09-2017		
1.	Shri Shobhanath Choubey	President
2.	Shri Suresh Kumar Nair	Secretary
3.	Shri V S Chauhan	Treasurer
4.	Smt. Manju Singh	Member
5.	Shri A K Bhatia	Member
6.	Shri B P Sharma	Member
7.	Shri GL Jambhulkar	Member
8.	Shri Krishan Murari Rai	Member
9.	Shri Kapil Madan	Member
10.	Shri Ram Hari Sharma	Member
24-09-2017 to 02-06-2019		
1.	Shri Ramesh Chand Upadhayay	President
2.	Shri Puran Singh Bhandari	Secretary from 24/09/2017 to May 2018
3.	Shri Anil Unniyal	Secretary from May 2018 to 02.06.2019
4.	Shri Ravindra Pal	Treasurer
5.	Shri Anil Kumar Raina	Member

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6.	Shri Narottam Kumar Kaushik	Member
7.	Shri A K Bhatia	Member
8.	Shri Mahendra Singh	Member
9.	Shri Suresh Kumar Nair	Member
10.	Shri Vijay Kumar Rastogi	Member

03-06-2019 to 10-08-2021

1.	Shri Om Prakash Parmar	President
2.	Shri Kashi Nath Ram	Secretary
3.	Shri Nagendra Singh	Treasurer
4.	Shri Ravindra Pal Singh	Member
5.	Shri Gurmit Singh	Member
6.	Shri Brij Mohan Sharma	Member
7.	Smt. Raj Rani	Member
8.	Shri Amrit Kumar	Member
9.	Shri Sunil Kumar	Member
10.	Shri Mahendra Singh	Member

11-08-21 to 26-02-2023

1.	Shri Nagendra Singh	President
2.	Dr.Azeem Khan	Secretary
3.	Shri Kashi Nath Ram	Treasurer

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4.	Dr. Yesentrao	Member
5.	Shri A K Bhatia	Member
6.	Smt. Nimisha Sharma	Member
7.	Shri Vivek Srivastava	Member
8.	Smt. Shipra Srivastava	Member
9.	Shri Gaurav Mallik	Member
10	Smt. Minakshi Bhattacharya	Member

New Managing Committee
27-02-2023 to till date

1.	Smt. Krishna Tyagi	President
2.	Dr. Lokesh Kumar Sinha	Secretary
3.	Dr. Sunkara Devdas	Treasurer
4.	Shri Mohan Lal Sharma	Vice- President
5.	Shri Puran Singh Bhandari	Member
6.	Shri Mahendra Singh	Member
7.	Shri H.M Dhyani	Member
8.	Shri Chinubhai Patel	Member
9.	Shri Ramesh Sharma	Member
10.	Shri Sudip Saha	Member

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3.3 The main objects of the Association are as under:

- i) To constitute an Association of Apartment owners of Kendriya Vihar-II and to act as an Association.
- ii) To spend funds for repair, maintenance, preservation and establishment of common area & common facilities out of fund collected as contribution from apartment owner. If necessary, to take loan for this purpose.
- iii) To arrange and organize social and cultural functions from time to time.
- iv) Other objects as described in memorandum of registration (enclosed as per annexure).

4. ALLEGATIONS

1. Exemption from Income Tax u/s 12AA registration C.No.57 (30)/Regn.12A/CIT-GZB/2008-09/2552 Dated 04-11-2008 w.e.f. 29-08-2008. Entry in register no. 30/2008-09 at CIT-GZB. The society has not provided copy of fresh registration.
2. A.Y. 2016-17, Order dated 29-03-2018 CRN- CPC/1617/A7/1763145673 Demand Created Rs.1,46,42,490. The society needs to provide details of any action taken and also provide copy of challan, if demand paid.
3. City Magistrate GB Nagar Mr. Mahender Kumar Singh issued letter no. 1918/ST-CM/2017 dated 09-08-2017 reporting that no policy decision was to be taken before election as instructed by Deputy Registrar Firms, Societies & Chits, Meerut, order dated 22-06-2016. However till further elections, committee dated 07-11-2015 was allowed to be continued as officiating. Provide details of further elections.
4. Income tax Department ward TDS G.BUDH NAGAR has demanded Rs.44,410 wide CRN-09102018/00328/CD1190. Provide copy of challan.
5. Outstanding demand & interest payable u/s 220(2)

Year	Dated	Amount
2020	24-12-21	17894410
2015	10-03-22	476700

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2015 10-03-22 162078
Provide present status of any action taken.

6. 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 during the period of accounts 2017-18.No action was taken against the erring CA/AOA. Provide data and records of F.Y. 2017-18.
7. A.Y. 20-21, a demand of Rs.17894410 has been raised wide CRN-CPC/2021/A7/164451202. Whether registration u/s 12AA was got afresh as per the income tax act, 1961. Provide details of any action taken in this regard.
8. The AOA got registered under ESIC &EPF w.e.f. F.Y. 2013-14, a provision of ESIC of Rs. 103558 & EPF Rs. 347639 was made but no payment was done. Comment on present status. .
9. EPF & ESIC compliance of contractors for housekeeping, repair & maintenance, security, intercom etc. was not ensured by the AOA. Comment on present status.
- 10.Agreements for security, gardening, housekeeping etc. was not furnished. Comment on present status.
- 11.Salary payment without TDS to Deepak Chaudhary exceeding Rs. 250000 also paid in cash. Comment on present status.
- 12.Bills for Rs.31,78,052 for the month of November 2014 were not found in record.Air conditioner bills of Rs.72000 dated 04-06-2014 was not found in record.Furniture & Fitting Bill dated 27-04-2014 Rs.99540 was not held on record. Comment on present status.
- 13.Non- provisioning for DG set maintenance service for contract with Delhi power service & company agreement dated 10-05-2014 to 09-05-2015. Annual maintenance charges Rs.25000, No provision and No TDS provision was made. Comment on present status.

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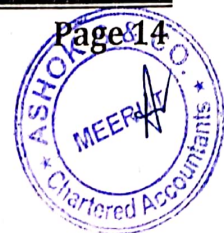


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- 14.TDS on rental income Rs.108168 not appearing in 26AS and therefore this cannot be claimed in ITR. Comment on present status.
- 15.DG Backup charges from mother dairy shop no.3, community centre 2 were not charged and recovered. Comment on present status.
- 16.Copy of Annual Budget passed by AGM for the period under audit. Please provide.
- 17.A.Y. 2022-23, Form 3CA-CD filed. Provide details of Regn. u/s 12AA extended under new regime of Income Tax Act,1961.
- 18.In spite of imposing restriction on payments exceeding Rs.10000 per day by Deputy Registrar Firms, Societies & Chits, Meerut, The AOA invested Rs. 4000000 in CCTV installation. Please provide copy of ledger accounts and bills for perusal.
- 19.The AOA was not regular in depositing service tax / GST and a penalty of Rs.5000000 was imposed. So far, the AOA has incurred expenditure exceeding Rs.9000000 on this account. Please comment and provide status report.
- 20.Few decorative grills were installed near gate no.2 & 3 at exorbitantly high price. Please comment.
- 21.There are 120 lifts in KV-2; most of them are in bad condition. Copy of AMC required with bills raised & verified/paid.
- 22.BOM paid penalty of Rs.95000 for late deposit of PF due though enough cash was available with AOA. Provide challan of actual amount paid.
- 23.In 2018, huge liability of Service Tax was paid. Provide challan of actual amount paid.
- 24.High value tenders are decided whimsically without following proper procedures & no advertisement in newspapers. Please clarify Tenders procedure/ policy.

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25. Purchases were done from shops of family members of AOA. Please comment.
26. Committee members selected whimsically from amongst the close friends/ex BOM members. Please comment.
27. Zero transparency maintained by BOM with respect to their working. Please comment.
28. Few years ago the Deputy Registrar issued orders for audit but nothing done. Please comment.
29. Fire-fighting pipes/nozzles were dismantled and disposed- off without proper order of management and all nozzles of brass are missing. Fire-fighting Expenses & Equipment are to be checked.
30. President has been fined for Rs. 100000/- by court of Surajpur.
31. White washing expenses, tender condition of scraping/Primer/Oil Painting/Cement were not fulfilled but bills passed for Rs. 35 Lakhs.
32. Department related bills were passed and paid by different person/authority.
33. 10/10/2022 bank stopped payment/ restriction on withdrawal of previously issued by Deputy Registrar.
34. Hydel penalty of Rs. 12 Lakh imposed for commercial connection to shops/ kendriya bhandar etc. 2014-2015.
35. Rent of Mother Dairy not recovered from 2018-2021.
36. 2015-2019 No sale of scrap records with inventory.
37. Auto enhancement of maintenance charges without approval of BOM/GM and budget.

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5. DETAILED METHODOLOGY

5.1 The step-wise actions taken by the team for conducting the present audit are as under:

5.1.1 As a first step, all the secretarial, accounting and administrative records of the said Association including the books of accounts and statutory records were requisitioned and inspected to the extent available by the team and photocopies of some of the documents were taken into custody by the team. The Association was specifically requested to provide access to the said documents/records. The team made personal visits to the premises of the Association at their registered office and went through the voluminous records and books of accounts stored therein.

5.1.2 It was also observed during the investigation that the association provided uncollected and unorganized data and considering the limited timeline of the entire assignment, the team could not spend much time and effort on the said document and thus a detailed finding could not be reached as regards the said data. It may be advisable to depute someone to analyze the said data at a minute level. However, the Forensic audit Team obtained sufficient information and data regarding allegations.

5.1.3 Copies of the records available with the Office of Association regarding Income Tax Returns, Cash payment, Cash retention, TDS etc. were also obtained.

5.1.4 Thereafter, the team interviewed the management (present and Ex-management), staffs and office bearers and all other relevant parties associated with the Association. Further, the team also contacted and interviewed third parties associated with the association. The management was initially reluctant to reply to all the questions being asked by the team and most of the replies given by the management could not also be corroborated with the documents made available to the team, since the concerned transactions were old and proper records were not maintained with the present management.

5.1.5 Upon completing a thorough exercise as detailed above, the present report has been prepared by the team in view of the specific allegations. However, due to various constraints as explained above, a lot of transaction which prima facie appeared to be dubious could not be investigated by the team in a proper manner and the team could not reach on proper conclusions in respect of the same.

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6. METHODOLOGY VERIFICATION

6.1 The team initially carried desk-based analyses and reviews of the records and documents available to the team and categorized the details into various broad transactions.

6.2 After the first round of review and analyses, the transactions were also verified on the basis of information obtained from the Complainants and other third parties. Further, to gain a better understanding of various transactions and to validate various assumptions arising out of the initial desk-based review, the team was deputed for actual field visits.

6.3 Various transactions were also corroborated by way of the statements recorded during the interviews.

6.4 Thereafter, when the team found that documentary evidence supporting various transactions was incomplete, the team undertook in- depth analyses of the said transactions. The in-depth analyses included field visits, verification of authenticity of documents / records with records held by third parties and also roles and responsibilities of each managerial persons (including ex-management), staff and office bearers were determined transaction-wise.

6.5 However, wherever the team could not determine the authenticity of documents / record in relation to any transaction and / or the team could not collect necessary documentary evidence; such transactions have been marked as inconclusive.

7. SCOPE RECONCILIATION

7.1. Based on the initial meeting with complainants, the scope of the forensic audit of the Association was to look into the broad allegations, as detailed at point no. 4 herein above.

7.2. For looking into the above said allegations, a detailed analysis of all the Secretarial, accounting and administrative documents of the Association were required.

7.3. In addition to the above, detailed interviews were also required to be conducted to extract relevant information. Several meeting were held with the new management and opportunity to explain allegation was given to old management

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several times. Replies to the allegations were called for. However, in spite of lapse of sufficient time, the audit team could get the information partially.

7.4. Accordingly, as per the tasks performed by the team during the forensic audit, the scope reconciliation of the present assignment is as under:

S. No.	Scope	Status	Remarks
1.	Analyses of all relevant documents including the secretarial, accounting and administrative documents in respect of the Association, available with the association.	Completed	Certain aspects could not be checked as earlier records were not properly maintained by the association. Also, the management was reluctant in giving all details of the association. Later an unorganized data was given which was taking considerably huge amount of time for extracting relevant information for the purposes of the report.
2.	Extracting data and collecting documents from all the concerned third parties, banks etc.	Completed	All asked documents available with the Association were provided.
3.	Interviews of management, staff and office bearers, and other relevant third parties	Completed	Completed and detailed report also prepared.

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<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

8. MAIN REPORT

8.1. Brief of the Association

Kendriya Vihar – II Apartment Owners Association registered under The Societies Registration Act, 1860 with Deputy Registrar of firms, Societies and Chits is a Resident Welfare Association having its office at Community Centre-1, Kendriya Vihar - II, Plot No.3, Sector-82, Noida - 201304, Uttar Pradesh.

8.2. Main objects of the Association

The main objects of the Association are as under:

- i) To constitute an Association of Apartment owners of Kendriya Vihar – II and to act as an Association.
- ii) To spend funds for repair maintenance, preservation and establishment of common area & common facilities out of fund collected as contribution from apartment owners, if necessary, to take loan for this purpose.
- iii) To arrange and organize social and cultural functions from time to time.
- iv) Other objects as described in memorandum of Registration (enclosed as per annexure).

8.3. Allegations in brief

Following are the Allegations by the Complainants and their Replies by The Kendriya Vihar – II Apartment Owner Association:

POINTS OF INVESTIGATION

S.No.	Points Of Investigation	Remarks	Replies by AOA/Findings
1.	Exemption from Income Tax u/s 12AA registration C.No.57(30)/Regn.12A/CIT-GZB/2008-09/2552 Dated 04-11-2008 w.e.f. 29-08-2008. Entry in register no. 30/2008-09 at CIT-GZB.	Provide copy of fresh registration.	No fresh registration due to non - applicability of section 12A & 80G on AOA KV-II being a residence society.

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2.	A.Y. 2016-17, Order dated 29-03-2018 CRN-CPC/1617/A7/1763145673 Demand Created Rs.1,46,42,490.	Provide details of any action taken. Provide copy of challan, if demand paid.	The demand was challenged by the society and the same was reduced to Rs.36,58,539+100% penaltywide order dated 12.7.2021. Copy of order enclosed (Annex-I). The order has been challenged in CESTAT Allahabad. Copy of papers filed with CESTAT Allahabad is attached (Annexure- II). Latest Status: Due to non - availability of judges, the bench is not sitting in Allahabad. Therefore matter has not been listed yet. Copy of E-mail received from AK Batra and Associates attached (Annexure-III).
3.	City Magistrate GB Nagar Mr.Mahender Kumar Singh issued letter no. 1918/ST-CM/2017 dated 09-08-2017 reporting that no policy decision was to be taken before election as instructed by Deputy Registrar Firms, Societies & Chits, Meerut, order dated 22-06-2016. However till further elections, committee dated 07-11-2015 was allowed to be continued as officiating.	Provide details of further elections.	As evident from the letter of Shri G L Jambhulkar dated 18 th July 2016 (Annexure IV) the then BoM requested District Magistrate Gautam Buddha Nagar for appointment of Election Officer in July 2016 itself. However the election was held on 24 th September 2017. Period of BoMs and names of BoM members are given below: 22-11-2014 to 23-09-17 Shri Shobhanath Choubey (President) Shri Puran Singh Bhandari (Secretary)

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FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

		<p>24-09-2017 to May 2018 Shri Suresh Kumar Nair (Secretary)</p> <p>May 2018 to 02-06-2019 Shri V S Chauhan (Treasurer) Smt. Manju Singh Shri A K Bhatia Shri B P Sharma Shri GL Jambhulkar Shri krishanMurariRai Shri KapilMadan Shri Ram Hari Sharma</p> <p>24-09-2017 to 02-06-2019 Shri Ramesh Chand Upadhyay (President) Shri Puran Singh Bhandari Secretary from 24/09/2017 to May 2018 Shri Anil Unniyal (Secretary) Shri Ravindra Pal (Treasurer) Shri Anil Kumar Raina Shri Narottam Kumar Kaushik Shri A K Bhatia Shri Mahendra Singh Shri Suresh Kumar Nair Shri Vijay Kumar Rastogi</p> <p>03-06-2019 to 10-08-2021 Shri Om Prakash Parmar (President) Shri Kashi Nath Ram (Secretary) Shri Nagendra Singh (Treasurer) Shri Ravindra Pal Singh Shri Gurmit Singh Shri B M Sharma Smt. Raj Rani</p>
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FORENSIC AUDIT REPORT**<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>**

			<p>Shri Amrit Kumar Shri Sunil Kumar Shri Mahendra Singh</p> <p>11-08-21 to 26-02-2023 Shri Nagendra Singh (President) Dr. Azeem Khan (Secretary) Shri Kashi Nath Ram (Treasurer) Dr. Yesentrao Shri A K Bhatia Smt. Nimisha Sharma Shri Vivek Srivastava Smt. Shipra Srivastava Shri Gaurav Mallik Smt. Minakshi Bhattacharya</p> <p>27-02-2023 to till date Smt. Krishna Tyagi (President) Dr. Lokesh Kumar Sinha (Secretary) Dr. Sunkara Devdas (Treasurer) Shri Mohan Lal Sharma Shri Puran Singh Bhandari Shri Mahendra Singh Shri H.M Dhyani Shri Chinu Bhai Patel Shri Ramesh Sharma Shri Sudip Saha</p>
4.	Income tax Department ward TDS G.BUDH NAGAR has demanded Rs.44,410 wide CRN-09102018/00328/CD1190	Provide copy of challan.	No Challan available for payment of this Demand. There is no debit entry in the bank account of this society for this amount as well. As on date as per Income Tax Website, no Demand is outstanding against the society.

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FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

5.	<p>Outstanding demand & interest payable u/s 220(2)</p> <table><thead><tr><th>Year</th><th>Dated</th><th>Amount</th></tr></thead><tbody><tr><td>2020</td><td>24-12-21</td><td>17894410</td></tr><tr><td>2015</td><td>10-03-22</td><td>476700</td></tr><tr><td>2015</td><td>10-03-22</td><td>162078</td></tr></tbody></table>	Year	Dated	Amount	2020	24-12-21	17894410	2015	10-03-22	476700	2015	10-03-22	162078	Provide present status of any action taken.	<p>(i) Demand of Rs.178 94,410/- has been settled by Income Tax Department. (Copy of order attached Annex-V).</p> <p>(ii) Demand of Rs.4,76,700/- and Rs. 1,62,078/- No challan is available as proof of payment against these Demands. Neither Debit entries available in the bank account of the society.</p> <p>As per Income Tax website, no Demand of Income Tax Department is outstanding against this society as on 10 July 2023.</p>
Year	Dated	Amount													
2020	24-12-21	17894410													
2015	10-03-22	476700													
2015	10-03-22	162078													
6.	<p>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 during the period of accounts 2017-18. No action was taken against the erring CA/AOA.</p>	Provide data and records of F.Y. 2017-18.	<p>Copy of Challan attached. (Annex-VI)</p> <p>The issue relates to Financial Year 2017-18, Assessment Year 2018-19. The defective ITR was filed by M/s Sonika Aggarwal and Company.</p> <p>The AGBM in its 9th meeting expressed displeasure on the functioning of this firm. (Para 9.4 of Minutes of 9th AGBM Annexure-VII)</p> <p>Name of CA:</p> <ol style="list-style-type: none">1. Upto March 2018: M/s Sonika Aggarwal & Co.2. From April 2018: Shri Rajesh Jain <p>The defective ITR was filed by M/s Sonika Aggarwal & Co. Action of the firm was condemned by AGBM in its 9th</p>												

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			<p>meeting. The names of BOM Members: 22-11-2014 to 23-09-2017 Shri Shobhanath Choubey (President) Shri Puran Singh Bhandari (Secretary) 24-09-2017 to May 2018 Shri Suresh Kumar Nair (Secretary) May 2018 to 02-06-2019 Shri V S Chauhan (Treasurer) Smt. Manju Singh Shri A K Bhatia Shri B P Sharma Shri GL Jambhulkar Shri Krishan Murari Rai Shri Kapil Madan Shri Ram Hari Sharma 24-09-2017 to 02-06-2019 Shri Ramesh Chand Upadhyay (President) Shri Puran Singh Bhandari Secretary from 24/09/2017 to May 2018 Shri Anil Unniyal (Secretary) Shri Ravindra Pal (Treasurer) Shri Anil Kumar Raina Shri Narottam Kumar Kaushik Shri A K Bhatia Shri Mahendra Singh Shri Suresh Kumar Nair Shri Vijay Kumar Rastogi</p>
7.	<p>A.Y. 20-21, A demand of Rs.17894410 has been raised wide CRN-CPC/2021/A7/164451202. Whether registration u/s</p>	<p>Provide details of any action taken in this regard.</p>	<p>Demand of Rs.1,78,94,410/- has been settled .Copy of Order already provided (Annexure V)</p>

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			<p>meeting. The names of BOM Members: 22-11-2014 to 23-09-2017 Shri Shobhanath Choubey (President) Shri Puran Singh Bhandari (Secretary) 24-09-2017 to May 2018 Shri Suresh Kumar Nair (Secretary) May 2018 to 02-06-2019 Shri V S Chauhan (Treasurer) Smt. Manju Singh Shri A K Bhatia Shri B P Sharma Shri GL Jambhulkar Shri Krishan Murari Rai Shri Kapil Madan Shri Ram Hari Sharma 24-09-2017 to 02-06-2019 Shri Ramesh Chand Upadhyay (President) Shri Puran Singh Bhandari Secretary from 24/09/2017 to May 2018 Shri Anil Unniyal (Secretary) Shri Ravindra Pal (Treasurer) Shri Anil Kumar Raina Shri Narottam Kumar Kaushik Shri A K Bhatia Shri Mahendra Singh Shri Suresh Kumar Nair Shri Vijay Kumar Rastogi</p>
7.	<p>A.Y. 20-21, A demand of Rs.17894410 has been raised wide CRN-CPC/2021/A7/164451202. Whether registration u/s</p>	<p>Provide details of any action taken in this regard.</p>	<p>Demand of Rs.1,78,94,410/- has been settled .Copy of Order already provided (Annexure V)</p>

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	12AA was got afresh as per the income tax act, 1961.		
8.	The AOA got registered under ESIC & EPF w.e.f. F.Y. 2013-14, a provision of ESIC of Rs. 103558 & EPF Rs. 347639 was made but no payment was done.	Comment on present status.	The demand from the year 2013-14 onward 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 account. Copy of bank statement reflecting debit entry of Rs. Rs.7,99,446/- (Annexure VIII).
9.	EPF & ESIC compliance of contractors for housekeeping, repair & maintenance, security, intercom etc. was not ensured by the AOA.	Comment on present status	<p>The services of Repair & maintenance (Civil), Plumbing, Administrative services and Repairs and maintenance (Electrical) are managed through direct employees of AOA, KV-II and all statutory requirements are being taken care.</p> <p>With regards to the services being consumed through outsourcing, it is primary responsibility of service provider (employer of staff provided through outsourcing) to take care of all statutory requirements including EPF and ESI.</p> <p>However as principal employer, this society is also checking compliance of these. Copies of the proof of compliance obtained from the service provider are attached</p>

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			(annexure IX to XVI).
10.	Agreements for security, gardening, housekeeping etc. was not furnished.	Comment on present status	All services are outsourced through proper contracts and copies of these contracts are attached. (Annex- XVII to XXV).
11.	Salary payment without TDS to Deepak Chaudhary exceeding Rs. 250000 also paid in cash.	Comment on present status	As the amount paid to the individual did not attract any Income Tax Liability, no TDS was deducted.
12.	<ul style="list-style-type: none"> • Bills for Rs.31,78,052 for the month of November 2014 were not found in record. • Air conditioner bills of Rs.72000 dated 04-06-2014 was not found in record. • Furniture & Fitting Bill dated 27-04-2014 Rs.99540 was not held on record. 	Comment on present status	Noted. Efforts are being made to locate these papers.
13.	Non-provisioning for DG set maintenance service for contract with Delhi power service & company agreement dated 10-05-2014 to 09-05-2015. Annual maintenance charges Rs.25000, No provision and No TDS provision was made.	Comment on present status	The amount of Rs.25000/- paid to the service provider did not attract any income Tax Liability; no provision for TDS was made. It is once again emphasized that neither the instalment paid to service provider nor the annual amount paid attracted provision for TDS deduction.
14.	TDS on rental income Rs.108168 not appearing in 26AS and therefore this cannot be claimed in ITR.	Comment on present status	Efforts would be made to take credit of TDS by filing revised TDS under Section 148.

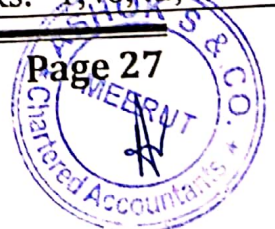
CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

15.	DG Backup charges from mother dairy shop no.3, community centre 2 were not charged and recovered.	Comment on present status	No DG backup was provided to shop No. 3 of Community Centre-2 rented out to Mother Dairy. Hence question of charging for the same does not arise.
16.	Copy of Annual Budget passed by AGM for the period under audit.	Please provide.	Annual Budget of the society is passed by the Members of Apartment Owners Association of Kendriya Vihar II, in the Annual General Body Meetings (AGBM). The Copies of Annual Reports presented to AGBM of concerned years are Attached. (Annex-XXVI and XVIII)
17.	A.Y. 2022-23, Form 3CA-CD filed.	Provide details of Regn. u/s 12AA extended under new regime of Income Tax Act,1961.	12AA is not applicable on this being a residential society. Copies of 3CA-CD attached (Annexure XXIX and XXX).
18.	In spite of imposing restriction on payments exceeding Rs.10000 per day by Deputy Registrar Firms, Societies & Chits, Meerut, The AOA invested Rs. 4000000 in CCTV installation.	Please provide copy of ledger accounts and bills for perusal.	Soft copy of ledger accounts handed over to Auditor in Pen-drive. Vouchers for the payment of CCTV could not be located. Efforts are being made to locate them.
19.	The AOA was not regular in depositing service tax / GST and a penalty of Rs.5000000 was imposed. So far, the AOA has incurred expenditure exceeding	Please comment and provide status report.	As already explained In response to point (2) above, Tax Demand raised by Service Tax Department was challenged by this society and Demand of Rs. 1,46,42,490/-

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FORENSIC AUDIT REPORT
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	Rs.9000000 on this account.		was reduced to 36,58,539+100% penalty wide order dated 12 th July 2021. The society has gone for appeal against this order and matter is Pending with the CESTAT.
20.	Few decorative grills were installed near gate no.2 & 3 at exorbitantly high price.	Please comment.	Copy of bills attached. (Annexure XXXI). At this stage it is difficult to say whether the rates were genuine or exorbitant. The complaint was vague and not supported with any evidence.
21.	There are 120 lifts in KV-2; most of them are in bad condition.	Copy of AMC required with bills raised & verified/paid.	Yes. The lifts are old and are being maintained with the help of AMC with the manufacturer company. Up-gradation/replacement would be taken up as per availability of funds. Copy of AMC placed at Annexure-XXXXIV.
22.	BOM paid penalty of Rs.95000 for late deposit of PF due though enough cash was available with AOA.	Provide challan of actual amount paid.	The payment could not be traced in the absence of sufficient details. The complainant has not provided any substantive evidence.
23.	In 2018, huge liability of Service Tax was paid.	Provide challan of actual amount paid.	As already stated in response to point no. (2) and (19) above, No Service Tax was paid in the year 2018. The demand raised by Service Tax Authorities was challenged and the order Issued by commissioner (appeal) dated 12 th July 2021 has also been

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24.	High value tenders are decided whimsically without following proper procedures & no advertisement in newspapers.	Please clarify Tenders procedure/ policy.	challenged in CESTAT. Pending demand Rs. 36,58,539+100% penalty.
25.	Purchases were done from shops of family members of AOA.	Please comment.	Due-Procedure was followed. Copies of advertisements attached (Annexure-XXXII) The complainant could not substantiate their claim.
26.	Committee members selected whimsically from amongst the close friends/ex BOM members.	Please comment.	The shops located within KV II are given to eligible family members of AOA members on rent. These are daily requirement shops for facilitating daily life of residents. Even for items available in these shops BoM prefers to go for purchase from Kendriya Bhandar Or Mother Dairy. In case any evidence for procurement of specific item is provided that can be looked into. The complainant could not provide any substantive evidence.
27.	Zero transparency maintained by BOM with respect to their working.	Please comment.	Vague complaint. No evidence is available.
28.	Few years ago the Deputy Registrar issued orders for audit but nothing done.	Please comment.	Vague complaint. No evidence is available. At present, due procedure is being followed to maintain the full transparency in all matters.
			Audit is underway. The BOM passed resolution in the meeting dated 28 th February,

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<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

			2023.
29.	Fire fighting pipes/nozzles were dismantled and disposed- off without proper order of management and all nozzles of brass are missing. Fire fighting Expenses & Equipment to be checked.	Please comment.	The physical position of Fire-fighting system supports the audit observation. Present management is in the process of Identifying the gaps and taking necessary action. Process is underway. The BOM has filed FIR with the local police station for missing components etc. The police enquiry is in process.
30.	President has been fined for Rs. 100000/- by court of Surajpur.	Please comment.	Copy of Challan attached. (Annex- XXXIII)
31.	White washing expenses, tender condition of scraping/Primer/Oil Painting/Cement were not fulfilled but bills passed for Rs. 35 Lakhs.	Please comment.	Total amount of all the bills paid for these items in the year 2019-20, comes to Rs. 24,31,505/-.Copies of vouchers attached (Annexure-XXXIV-XXXXI)
32.	Department related bills were passed and paid by different person/authority.	Please comment.	No comments in the absence of supporting evidence. However at present due procedure is being followed.
33.	10/10/2022 bank stopped payment/ restriction on withdrawal of previously issued by Deputy registrar.	Please comment.	No comment.
34.	Hydel penalty of Rs. 12 Lakh imposed for commercial connection to shops/ kendriya bhandar etc. 2014-2015.	Please comment.	Point could not be established from the available records.

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35.	Rent of Mother Dairy not recovered from 2018-2021.	Please comment.	The Rent from Mother Dairy has started in the year 2022-23 only after getting into rent agreement with mother Dairy. (Annexure XXXXII).
36.	2015-2019 No sale of scrap records with inventory.	Please comment.	No sale of scrap record available. The present BoM would ensure that proper record of sale of scrap is maintained.
37.	Auto enhancement of maintenance charges without approval of BOM/GM and budget.	Please comment.	In the 9th General Body Meeting, it was decided to increase the Maintenance charges by 5% regularly every year. Copy of decision attached (Agenda item no.9.6 of at Annexure VII).

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9.4. Financial Position of the Association

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KENDRIYA VIHAR-II APARTMENT OWNERS' ASSOCIATION			
PLOT NO.- 3, COMMUNITY CENTRE-I, SECTOR-82, NOIDA			
INCOME & EXPENDITURE FOR THE YEAR ENDING 31ST MARCH 2019			
EXPENDITURE	AMOUNT (RS)	INCOME	AMOUNT (RS)
Advertisement Expenses	12321	Admission Fees	77000
AMC for C.C.T.V	389505	Bank Interest	62182
Bank Charges	193138	Cable Charges(Income)	24000
Common Area Electric Consumables	622700	Canopy Fees(Income)	75750
Common Area Electricity Bill	6865499	Chair Charges (Income)	700
Common Area Plumbing Work	463850	Community Centre Booking Charges	341600
Computer Expenses	13900	Community Centre Cleaning Expenses	29700
Conveyance Expenses	10290	Dg Back Up Income	79340
Depreciation A/c	4051277	Garbage Charges(Income)	45000
Desel (D.G. Sets)	519355	Gate Pass	655000
Epl & ES) Charges	1147689	Interest on FDR	5454447
Festival Expenses	215135	Miscellaneous Income	88940
Fire Fighting Expenses	209325	Rental Income	3829300
Horticulture Services	1522490	Sale of Tender Form	5300
Housekeeping Charges/bills	2668243	Scrap Charges(Income)	132470
Intercom Charges	156600	Shifting Charges(Income)	444920
Legal Expenses	20600	Shifting Fees In	378480
Lift Expenses	4149131	Shifting Fees Out	27531720
Malba Expenses	185300	Subscription Fees	5994760
Meeting / GBM Expenses	83700	Transfer Fees	40320
Misc Expenses	19083	Vehicle Pass	679588
Office Expenses	113461	Excess of Expenditure over Income	
Photocopy Expenses	12350		
Plumbing Charges	10220		
Postage & Telegram	1981		
Printing & Stationary	128656		
Professional Expenses	308200		
Refreshment Expenses	13650		
Repair & Maintenance (Fabrication Work)	1132555		
Repair & Maintenance of D.G	547140		
Repair & Maintenance(Civil Work)	1135570		
Salary & Wages to Staff	3531700		
Security Expenses Bill,	6772276		
Service Tax Paid	3010465		
Tds For I.Y 2018-19	267619		
Telephone Expenses	14973		
Water Bill	5284395		
Water Charges(Drinking)	75420		
Water System (Tank Cleaning)	70544		
Total	45951517	Total	45951517

For Kendriya Vihar II Apartment Owners' Association

At per our Report on
For M/s. Dinesh Singh Associates
Chartered Accountants

Delhi
31/3/2019

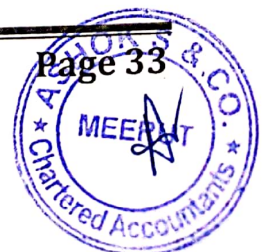
C.A. Rajesh Kumar
Membership: 516810

G.P. Parmar
(President)
PRESIDENT
KV II AOA
SEC-82, NOIDA

Dash Nath Ram
(Secretary)
SECRETARY
KV II AOA
SEC-82, NOIDA

Nagendra
(Treasurer)
TREASURER
KV II AOA
SEC-82, NOIDA

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FORENSIC AUDIT REPORT KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

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KENDRIYA VIHAR-II APARTMENT OWNERS' ASSOCIATION PLOT NO - 3, COMMUNITY CENTRE-I, SECTOR-82, NOIDA RECEIPT & PAYMENT FOR THE ENDING 31ST MARCH 2019			
Receipts	AMOUNT (RS)	PAYMENT	AMOUNT (RS)
Opening Balance	5025265	Payments	12321
Bank Accounts	21206	Advertisement Expenses	389565
Cash in hand		AMC for CCTV	193138
		Bank Charges	622700
Receipts	77000	Common Area Electric Consumables	685549
Admission Fees	62182	Common Area Electricity Bill	463850
Bank Interest	24000	Common Area Plumbing Work	13900
Cable Charges(Income)	75750	Computer Expenses	10290
Canopy Fees(Income)	700	Conveyance Expenses	519355
Chair Chair (Income)	341600	Diesel (D.G. Sets)	1147689
Community Centre Booking Charges	29700	EPF & ESI Charges	215135
Community Centre Cleaning Expenses	79340	Festival Expenses	209325
Dg Back Up Income	45000	Fire Fighting Expenses	1522496
Garbage Charges(Income)	656000	Horticulture Services	2668243
Gate Pass	5454447	Housekeeping Charges/bills	158800
Interest on FDR	68940	Intercom Charges	20600
Miscellaneous Income	3829300	Legal Expenses	4149131
Rental Income	5300	Lift Expenses	185300
Sale of Tender Form	132470	Malba Expenses	83700
Scrap Charges(Income)	444920	Meeting Expenses/GBM Expenses	19983
Shifting Fees In	378480	Misc Expenses	113461
Shifting Fees Out	26024475	Office Expenses	12350
Subscription Fees	5894760	Photocopy Expenses	10220
Transfer fees	40320	Plumbing Charges	1981
Vehicle Pass	488560	Postage & Telegram	128656
Tds Received(2016-17)		Printing & Stationary	308200
		Professional Expenses	13650
		Refreshment Expenses	1132555
		Repair & Maintenance (Fabrication work)	547140
		Repair & Maintenance of D.G	1135570
		Repair & Maintenance(Civil Work)	3531700
		Salary & Wages to Staff	6772276
		Security Expenses Bill	3010465
		Service Tax Paid	267619
		Tds For F.Y 2018-19	14978
		Telephone Expenses	75420
		Water Charges(Drinking)	5284395
		Water Bill	70644
		Water System (Tank Cleaning)	
		Closing Balance	7381574
		Bank Accounts	17891
		Cash-in-Hand	
	49299705		49299705

As per our Report on
For Kendriya Vihar-II Apartment Owners' Association
Chartered Accountants
C.A. Rajesh Kumar (Partner)
Membership No. 123456789

31/3/2019
O.P. Parmar
(President)
PRESIDENT
KV II AOA
SEC-82, NOIDA

For Kendriya Vihar-II Apartment Owners' Association
Nagendra Singh
(Secretary)
SECRETARY
KV II AOA
SEC-82, NOIDA

Nagendra Singh
(Treasurer)
TREASURER
KV II AOA
SEC-82, NOIDA

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



FORENSIC AUDIT REPORT KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

Kendriya Vihar-II, Apartment Owners' Association
Community Centre, Plot No.03, Sector-82, Noida
Dist : G. B. Nagar

Income and Expenditure Statement 1-Apr-18 to 31-Mar-19

Particulars	1-Apr-18 to 31-Mar-19	Particulars	1-Apr-18 to 31-Mar-19
	2,92,28,496.30	Sales Accounts	
Indirect Expenses	24,911.15	Direct Incomes	2,78,25,977.05
Bank Charges	16,600.00	Subscription	2,69,46,241.05
Cleaning Charges	12,140.00	Late Fee	700.00
Conveyance Exp. A/c	4,58,206.00	Late Fees From Members	8,79,036.00
D G SET MAINTAINANCE	3,09,212.60		1,41,03,820.13
Diesel Exp.	45,84,477.00	Indirect Incomes	
Electricity Bill	4,70,548.00	Gate Pass	6,81,183.49
Electricity Maint. Exp.	7,99,046.00	Shifting	7,97,002.00
EPF PAYABLE	64,600.00	CC Booking Receipts	4,54,245.00
FIRE FIGHTING EXP	1,500.00	D G Backup Receipts	1,24,738.00
FRIEIGHT CHARGES	7,350.00	GST Output	6,04,589.50
Functions & Festivals Exp.	(-95,000.00)	Income From Scrap	1,35,100.00
GARBAGE CHARGES	7,87,865.00	Maintenance Charges Receipts	30,400.00
Gardening Charges	19,829.00	Rent Receipts	40,36,772.00
Horticulture Material Exp	4,05,136.00	Admission Fee	71,000.00
Horticulture Service Provider	21,59,478.00	CANOPY CHARGE	73,000.00
House Keeping Charges	17,000.00	Cheque Return Charges	3,200.00
House Keeping Material and Exp	6,29,814.00	D.G Backup Power Supply Recoverable	60.00
INTEREST ON SERVICE TAX	10,200.00	Donation	10,000.00
Legal Expenses	16,96,876.00	Electricity Charges	2,500.00
Lift Expenses	2,19,890.00	Fine & Penalty	300.00
Office Expenses	2,09,315.00	Income Tax Refund	4,88,560.00
PF & ESI	3,41,953.00	Misc. Income	5,170.00
Plumbing Expenses	1,628.00	PENALTY CHARGES	16,160.00
Postage & Telegram	48,991.00	Round Off	34.14
Printing & Stationery Exp.	1,67,554.00	Saving Bank Interest	35,029.00
Professional Fees	17,054.00	TRANSFER FEE	65,34,777.00
Refreshment Exp.	12,21,362.30		
Repair & Maintenance (Civil)	16,033.00		
Republic Day Exp.	22,13,437.00		
SALARY & WAGES	12,000.00		
SD Refund of CC	53,23,649.86		
SECURITY EXP (SERVICE PROVIDER)	16,30,978.00		
SERVICE TAX	30.00		
Short & Excess	17,203.39		
SOFTWARE EXPENSE	40,386.00		
Sports & Culture ACTIVITE	6,838.00		
Telephone Exp.	52,84,395.00		
Water Bill	4,366.00		
Water System Maint. Exp.	71,644.00		
Water System (Tank Cleaning)			
Excess of income over expenditure	1,27,01,300.88		
Total	4,19,29,797.18	Total	4,19,29,797.18

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



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R.C. Upadhyay
 and Chaital
 November 1986
 Ramesh Singh

President
KV-11, AOA
Sec.-82, Noida

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High Frequency High Voltage in Aqueduct Ventral Committed to the Low Light

As per our report on
for M/s Ganesh Jain & Associates
Chartered Accountants

C.A. Walsh [Fellow]
01971-2000
Walsh - 21810




Antony
President
KV-II, AOA
Sec-82, Noida

Prakash
Secretary
KV-I, AOA
Sec-82, Noida

Prakash
Treasurer
KV-I, AOA
Sec-82, Noida

Page

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 R.C. Upadhyay
(President)
 Anil Unyal
(Secretary)
 Ramendra Pal
(Treasurer)

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FORENSIC AUDIT REPORT

<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

Kendriya Vihar-II, Apartment Owners' Association
Community Centre, Plot No.03, Sector-82, Noida

Dist : G. B. Nagar

Balance Sheet
1-Apr-17 to 31-Mar-18

Liabilities	as at 31-Mar-18	Assets	as at 31-Mar-18
Capital Account	9,42,45,047.00	Current Liabilities	1,13,22,536.00
AGARWAL TENT AND DECORATORS	(-)1,400.00	Duties & Taxes	1,41,598.00
AGGARWAL TENT AND DECORATORS	(-)20,367.00	Sundry Creditors	1,21,88,266.00
Corpus Fund	9,30,70,238.00	Advance Subscription Received	(-)20,57,800.00
EMD	75,000.00	CONTRACTOR SECURITY DEPOSIT	(-)1,00,000.00
Excess of Income Over Expenditure	(-)24,27,871.00	EPF AND ADMIN. CHARGE PAYABLE	(-)3,47,639.00
HOLI	1,000.00	ESIC PAYABLE	(-)1,03,558.00
Membership Fee Recd During 2014-15	35,62,000.00	Intercom Charges	(-)1,32,280.00
MOTHER DAIRY MILK BOOTH	(-)1,953.00	SALARY PAYABLE	20,88,649.00
SO REFUND OF COMMUNITY CENTER	(-)12,000.00	SD of Gate Pass	(-)26,300.00
TENDER FORM	400.00	SD of Shops	(-)3,12,400.00
		S D OF SPORTS CLUB	(-)16,000.00
Loans (Liability)			3,43,62,276.00
Suspense A/c		Fixed Assets	
Excess of income over expenditure	1,78,17,963.51	AIR CONDITIONER	88,400.00
Opening Balance		Boring	2,14,736.00
Current Period	1,78,17,963.51	CC TV CAMARA	9,138.00
		Computer & Printer	30,919.00
		Cooler & Fan	31,960.00
		Cycle	15,179.00
		D.G.Set	20,10,695.00
		Fire Fighting System	82,61,899.00
		Furniture & Fixture	3,43,094.00
		Lifts	1,62,84,101.00
		Light Fittings	5,51,651.00
		Printer	11,387.00
		R O FILTER	13,041.00
		Sound System	9,340.00
		Street Lighting	16,06,578.00
		Voultes Water Dispansary	1,744.00
		Water Harvesting	7,19,421.00
		Water Supply Installations	41,58,993.00
Carried Over	11,20,63,010.51	Carried Over	4,56,84,812.00

continued ...

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR

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FORENSIC AUDIT REPORT

<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

Kendriya Vihar-II, Apartment Owners' Association

Community Centre, Plot No.03, Sector-82, Noida

Dist : G. B. Nagar

Income and Expenditure Statement

1-Apr-17 to 31-Mar-18

Particulars	1-Apr-17 to 31-Mar-18	Particulars	1-Apr-17 to 31-Mar-18
Indirect Expenses	1,83,52,536.44	Sales Accounts	
Advertisement Exp. A/c	35,790.00	Direct Incomes	2,66,19,795.95
Bank Charges	690.00	Rent	1,10,297.00
BONUS	93,210.00	Subscription	2,42,00,310.95
CARTAGE CHARGES	2,000.00	Cable Charges	19,000.00
Cleaning Charges	(-)1,500.00	Late Fee	370.00
Computer Exp.	7,090.00	Late Fees From Members	8,54,630.00
Conveyance Exp. A/c	20,368.00	Sbi Dg Back Up Charges	1,729.00
D G SET MAINTAINANCE	3,741.00	Sbi Maintenance Charges	14,33,459.00
Diesel Exp.	91,990.40		
Electricity Bill	70,85,684.00	Indirect Incomes	95,50,704.00
Electricity Maint. Exp.	1,74,590.00	Gate Pass	5,01,260.00
EMD REFUND	(-)50,000.00	Shifting	8,63,575.00
Festival Expenses	(-)500.00	CC Booking Receipts	3,41,289.00
FONRWA	9,500.00	D G Backup Receipts	29,005.00
GARBAGE CHARGES	(-)80,000.00	Income From Scrap	95,000.00
Gardening Charges	2,94,911.00	Maintenance Charges Receipts	28,500.00
Gardening Material Exp.	30,989.00	Rent Receipts	34,23,668.00
GBM EXPENSES	37,140.00	Admission Fee	36,000.00
House Keeping Charges	6,71,703.00	CANOPY CHARGE	70,000.00
House Keeping Material and Exp	3,56,937.00	Cheque Return Charges	10,000.00
Labour Charges	2,000.00	D.G Backup Power Supply Recoverable	13,488.00
Legal Expenses	5,000.00	Electricity Charges	(-)97,357.00
Lift Expenses	32,020.00	Fine & Penalty	16,980.00
Misc. Exp.	12,150.00	JMR Cable Network Sec-110	28,800.00
Office Expenses	1,39,132.00	Misc. Income	11,830.00
Office Furniture	21,295.00	PENALTY CHARGES	5,666.00
Plumbing Expenses	23,884.00	TRANSFER FEE	41,73,000.00
Postage & Telegram	1,070.00		
Printing & Stationery Exp.	37,450.72		
Refreshment Exp.	37,109.00		
Repair & Maintenance (M)	22,350.00		
Repair & Maintenance (Civil)	5,73,730.00		
Republic Day Exp.	85,000.00		
Salary	2,63,381.00		
SALARY & WAGES	5,45,723.00		
SECURITY EXP (SERVICE PROVIDER)	35,46,217.00		
Sports & Culture ACTIVITE	48,800.00		
Staff welfare Exp.	15,300.00		
Telephone Exp.	41,124.32		
Water Bill	40,49,847.00		
Water System Maint. Exp.	65,620.00		
Excess of income over expenditure	1,78,17,963.51		

continued ...

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR

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FORENSIC AUDIT REPORT KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION

Kendriya Vihar-II Apartment Owner's Association - (From 1-Apr-2010) - (From 1-Apr-2011) - (From 1-Apr-2016 to 31-Mar-2017)
Community Centre, Plot No.03, Sect-82, Noida
Dist. G. B. Nagar

2016 - 2017

(62)

(76)

Balance Sheet 1-Apr-2016 to 31-Mar-2017

Liabilities	as at 31-Mar-2017	Assets	as at 31-Mar-2017
Capital Account	9,15,44,869.08	Fixed Assets	2,42,09,232.25
Admission Fee	3,40,000.00	AIR CONDITIONER	88,944.00
Corpus Fund	9,30,70,238.00	Boring	1,55,140.76
EXCESS OF EXPENDITURE OVER INCOME	(1,07,49,888.92)	Computer & Printer	8,691.04
Membership Fee Recd During 2014-15	35,62,000.00	Cooler & Fan	25,887.60
Transfer Fee	53,22,500.00	Cycle	18,119.58
		D.G. Set	6,44,747.95
Loans (Liability)	52,43,122.00	Fire Fighting System	59,69,222.03
Current Liabilities	16,052.00	Furniture & Fixture	2,57,539.37
Duties & Taxes	31,330.00	Lifts	1,17,98,412.97
Sundry Creditors	31,55,400.00	Light Fittings	3,38,567.85
Advance Subscription Received	(-)-45,000.00	R O FILTER	9,205.37
Audit Fee Payable	1,90,000.00	Sound System	7,565.40
CONTRACTOR SECURITY DEPOSIT	3,47,639.00	Street Lighting	13,01,328.18
EPF AND ADMIN. CHARGE PAYABLE	1,03,558.00	Vaultes Water Dispansary	1,260.04
ESIC PAYABLE	8,167.00	Water Harvesting	5,19,781.67
Excess Received	8,71,951.00	Water Supply Installations	30,04,872.44
intercom Charges	2,25,041.00		
SALARY PAYABLE	(-)-30,716.00	Investments	6,03,17,686.00
SD of CC Booking	10,500.00	ACCUE INTEREST ON SBI FDR	7,54,833.00
SD of Gate Pass	3,41,200.00	OBC-07113031023078	1,22,87,975.00
SD of Shops	18,000.00	OBC-07113031024457	46,44,064.00
S D OF SPORTS CLUB		OBC FD 07113031022484	19,22,749.00
		SBI FDR 33558223553	87,32,564.00
Suspense A/c	11,58,548.10	SBI FDR 33558228948	51,14,766.00
Profit & Loss A/c	11,58,548.10	SBI FDR 33558229328	87,32,564.00
Opening Balance		SBI FDR 33558229601	87,32,564.00
Current Period		SBI FDR 33617651198	(-)-4,413.00
		SBI FDR 34300571302	64,00,000.00
		SBI FDR 36113115248	30,00,000.00
Total	9,79,46,539.18	Current Assets	1,34,19,560.93
		Deposits (Asset)	6,63,164.00
		Sundry Debtors	13,71,035.00
		Cash-in-hand	16,450.00
		Bank Accounts	24,27,049.93
		Employee's Con to EPF Recoverable	1,62,886.00
		Employee's Con to ESIC Recoverable	27,882.00
		LATE FEES RECEIVABLE FROM MEMBERS	5,15,980.00
		Security Deposit (Telephone)	1,000.00
		Sub. Due But Not Recd.	63,35,700.00
		TDS FOR AY2014-15	3,16,090.00
		TDS ON FDR 2014-15	3,11,302.00
		TDS ON FDR 2015-16	4,03,880.00
		TDS ON FDR 2016-17	2,41,028.00
		TDS on FDR AY 2013-14	1,65,470.00
		TDS on Rent A.Y. 2012-13	4,60,644.00
Total	9,79,46,539.18	Total	9,79,46,539.18

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR

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FORENSIC AUDIT REPORT <KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

Kendriya Vihar-II Apartment Owner's Association - (From 1-Apr-2010) - (From 1-Apr-2011) - (From 1-Apr-2012 to 31-Mar-2017)
Community Centre, Plot No.03, Sect-82, Noida
Dist. G. B. Nagar

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Income & Expenditure Statement

1-Apr-2010 to 31-Mar-2017

Particulars

1-Apr-2010 to 31-Mar-2017

Particulars

1-Apr-2010 to 31-Mar-2017

Gross Profit c/o

3,36,82,802.00 Sales Accounts

Direct Incomes

3,36,82,802.00

Gate Pass

3,89,880.00

Rent

32,05,210.00

Shifting

9,40,850.00

Subscription

2,35,98,863.00

Advance at the End of Year

(-18,29,800.00)

Cable Charges

40,400.00

Outstanding at the End of Year for Current Year

63,35,700.00

Sbi Dg Back Up Charges

1,689.00

3,36,82,802.00

3,36,82,802.00

Indirect Expenses

3,83,99,385.40 Gross Profit b/f

3,36,82,802.00

Advertisement Exp. A/c

3,000.00

Bank Charges

18,061.18

Computer Exp.

29,450.00

Conveyance Exp. A/c

26,618.00

Depreciation A/c

56,48,917.97

D G Set Maintenance

1,64,884.00

Diesel Exp

2,92,222.75

Discount Allowed

4,76,910.00

Electricity Bill

67,62,650.50

Electricity Maint. Exp.

7,30,325.00

Festival Expenses

34,300.00

Gardening Charges

12,27,087.00

Gardening Material Exp.

1,05,400.00

House Keeping Charges

18,51,809.00

House Keeping Material and Exp

61,152.00

Legal Expenses

4,500.00

Library Expenses

675.00

Lift Expenses

46,65,118.00

Misc. Exp.

5,100.00

Office Expenses

1,00,666.00

Postage & Telegram

1,898.00

Printing & Stationery Exp.

1,34,946.00

Professional Fees

94,500.00

Refreshment Exp.

34,134.00

Repair & Maintenance (Civil)

6,14,961.00

SALARY & WAGES

33,12,499.00

Security Expenses

69,96,030.00

Sports & Culture ACTIVITE

3,59,361.00

Staff welfare Exp.

13,540.00

Telephone Exp.

47,125.00

Water Bill

40,49,847.00

Water System Maint. Exp.

3,09,338.00

Water System (Tank Cleaning)

1,92,950.00

Web Site Charges

9,160.00

Excess of Income over Expenditure

11,58,548.10

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CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



FORENSIC AUDIT REPORT <KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION
PLOT NO. 3, COMMUNITY CENTRE-1 SECTOR 82, INDIA
BALANCE SHEET AS ON 31ST MARCH 2016

LIABILITIES	AMOUNT	ASSETS	AMOUNT	AMOUNT
CORPUS FUND (SCHEDULE 1)		FIXED ASSETS (SCHEDULE 4)		29,326,965.22
		INVESTMENT (SCHEDULE 3)		57,270,891.00
CURRENT LIABILITIES AND PROVISIONS		CURRENT ASSETS		426,566.00
SUNDARY CREDITORS (SCHEDULE 2)	1,017,148.00	DEPOSITS		1,457,543.00
ADVANCE SUBSCRIPTION RECEIVED	2,325,600.00	SUNDARY DEBTORS (SCHEDULE 6)		49,756.00
OTHER SUNDARY PAYABLES	1,846,344.00	CASH IN HAND		3,238,105.86
		BANK ACCOUNTS		7,411,684.00
		OTHER CURRENT ASSETS		12,583,654.86
				99,181,511.03

AS PER OUR REPORT ON EVEN DATE ATTACHED

FOR MRS. SUSHILA AGGARWAL & COMPANY

CHARTERED ACCOUNTANTS

CANONICAL

MEMBERSHIP NO. 51083

11/11/16

FOR KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION

S. K. NAIK

G. L. JAMBHIKAR (SECRETARY)

K. M. RAI

(BOM MEMBER)

S. K. NAIK

(BOM MEMBER)

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



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FORENSIC AUDIT REPORT <KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

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KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION
PLOT NO. 3, TETRA MINISTRY 1, SECTOR 32, NOKIA
NEW CHAND, Gurgaon, Haryana - 122006

AMOUNT IN INDIAN RUPEES	AMOUNT IN INDIAN RUPEES	AMOUNT IN INDIAN RUPEES
1. 500.00	1. 500.00	1. 500.00
2. 135.10.00	2. 135.10.00	2. 135.10.00
3. 8221.50	3. 8221.50	3. 8221.50
4. 7597.00	4. 7597.00	4. 7597.00
5. 11,200.00	5. 11,200.00	5. 11,200.00
6. 150,100.00	6. 150,100.00	6. 150,100.00
7. 4,45,945.00	7. 4,45,945.00	7. 4,45,945.00
8. 50,00,00.00	8. 50,00,00.00	8. 50,00,00.00
9. 72,12,416.00	9. 72,12,416.00	9. 72,12,416.00
10. 5,05,250.00	10. 5,05,250.00	10. 5,05,250.00
11. 17,70,187.00	11. 17,70,187.00	11. 17,70,187.00
12. 1,35,007.00	12. 1,35,007.00	12. 1,35,007.00
13. 13,81,545.00	13. 13,81,545.00	13. 13,81,545.00
14. 1,11,119.00	14. 1,11,119.00	14. 1,11,119.00
15. 2,550.00	15. 2,550.00	15. 2,550.00
16. 17,397.00	16. 17,397.00	16. 17,397.00
17. 32,18,301.00	17. 32,18,301.00	17. 32,18,301.00
18. 1,683.00	18. 1,683.00	18. 1,683.00
19. 68,389.00	19. 68,389.00	19. 68,389.00
20. 41,417.00	20. 41,417.00	20. 41,417.00
21. 82,843.00	21. 82,843.00	21. 82,843.00
22. 29,91,706.00	22. 29,91,706.00	22. 29,91,706.00
23. 69,97,243.00	23. 69,97,243.00	23. 69,97,243.00
24. 45,991.00	24. 45,991.00	24. 45,991.00
25. 2,02,894.00	25. 2,02,894.00	25. 2,02,894.00
26. 1,77,177.00	26. 1,77,177.00	26. 1,77,177.00
27. 4,31,376.00	27. 4,31,376.00	27. 4,31,376.00
TOTAL	378,85,684.78	378,85,684.78

FOR KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION

AS PER FORM 10B, IN WHICH DATE ATTACHED

ASHOK KUMAR AGARWAL & COMPANY
CHARTERED ACCOUNTANTS
100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

ASHOK S & CO
MEERUT
Chartered Accountants

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR

FORENSIC AUDIT REPORT KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

Kendriya Vihar-II Apartment Owner's Association - (FY 2013-16)
Community Centre, Plot No.03, Sect-82, Noida
Dist : G. B. Nagar

Balance Sheet 1-Apr-14 to 31-Mar-15

Liabilities	as at 31-Mar-15	Assets	as at 31-Mar-15
Capital Account	9,76,38,713.76	Fixed Assets	3,96,33,718.00
Corpus Fund	9,06,87,845.08	Boring	2,52,631.37
Excess of Income Over Expenditure	(-)-47,04,131.32	Computer & Printer	75,796.78
Membership Fees	76,60,000.00	Cooler & Fan	67,511.41
Receipt During the Year	39,95,000.00	Cycle	24,858.00
Loans (Liability)		D.G.Set	23,65,542.15
Current Liabilities	27,28,197.00	Fire Fighting System	97,19,880.80
Duties & Taxes	10,123.00	Furniture & Fixture	2,33,163.69
Sundry Creditors	(-)-17,039.00	Lifts	1,87,52,965.96
Advance Subscription Received	18,98,478.00	Light Fittings	6,49,000.93
Audit Fee Payable	60,000.00	R O FILTER	14,990.00
CCTV Camara AMC	(-)-11,250.00	Sound System	10,377.53
CONTRACTOR SECURITY DEPOSIT	50,000.00	Street Lighting	17,64,502.70
Excess Received	8,267.00	Voultes Water Dispansary	2,052.01
Intercom Charges	1,20,980.00	Water Harvesting	8,45,598.62
SALARY PAYABLE	2,52,563.00	Water Supply Installations	48,54,846.05
SD of CC Booking	26,675.00	Investments	5,24,58,080.00
SD of Shops	3,11,400.00	Accrue Interest on Obc Fdr	6,47,326.00
S D OF SPORTS CLUB	18,000.00	Accrue Interest on SBI FDR	12,21,305.00
Suspense A/c	39,278.00	OBC-07113031023078	96,19,133.00
CLEARING A/C		OBC-07113031024457	37,97,294.00
		OBC FD 07113031022484	16,13,022.00
		SBI FDR 33558223553	70,00,000.00
		SBI FDR 33558228948	41,00,000.00
		SBI FDR 33558229328	70,00,000.00
		SBI FDR 33558229601	70,00,000.00
		SBI FDR 33617651198	25,00,000.00
		SBI FDR -33793269601	15,60,000.00
		SBI FDR A/C 34300571302	64,00,000.00
Carried Over	10,04,06,188.76	Carried Over	9,20,91,798.00

continued ...

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



Kendriya Vihar-II Appartment Onwer's Association - (FY 2013-16)
Community Centre, Plot No.03, Sect-82, Noida
Dist : G. B. Nagar

Income and Expenditure Statement
1-Apr-14 to 31-Mar-15

Particulars	1-Apr-14 to 31-Mar-15	Particulars	1-Apr-14 to 31-Mar-15
Indirect Expenses	3,16,20,980.00	Sales Accounts	
Advertisement Exp. A/c	4,000.00	Direct Incomes	
Adult Fees	55,000.00	Gate Pass	2,77,67,151.00
Bank Charges	2,773.00	Rent	1,66,330.00
Computer Exp.	26,682.00	Shifting	29,77,242.00
Conveyance Exp. A/c	16,845.00	Subscription	7,70,230.00
D G Set Maintenance	1,57,178.00	Late Fee	2,38,04,583.00
Diesel Exp.	8,67,378.00	Sbi Dg Back Up Charges	34,000.00
Discount Allowed	3,43,288.00	Shop No 1 CC-1 Maintance	2,448.00
Diwali Exp. (Bonous)	85,932.00	Shop No 2 CC-2 Maintance	9,378.00
Electricity Bill	72,33,150.00		2,940.00
Electricity Maint. Exp.	6,47,986.00	Indirect Incomes	29,98,153.00
Excess Adjustment	657.00	CANOPY CHARGE	2,83,150.00
FIRE FIGHTING EXP	200.00	Chair Charges for CC Booking	3,970.00
Gardening Charges	13,05,411.00	Cheque Return Charges	450.00
Gardening Material Exp.	2,31,995.00	Children Galary Shop No. 1/CC-1 Elect.	328.00
GBM EXPENSES	1,41,608.00	Community Centre Electricity Charges	14,600.00
House Keeping Charges	14,53,431.00	Community Centre Booking	2,67,553.00
House Keeping Material and Exp	1,08,532.00	Community Centre Cleaning Expenses	20,400.00
Legal Expenses	21,450.00	Discount Recd.	2,322.00
Lift Expenses	41,55,050.00	Durga Enterprises, Cable Operator	32,000.00
Misc. Exp.	(-)1,989.00	Electricity Charges	(-)22,710.00
Office Expenses	2,02,931.00	GARBAGE CHARGES	1,05,150.00
Postage & Telegram	1,170.00	Income Tax Refund	20.00
Printing & Stationery Exp.	2,50,267.00	Interest on FDR	8,82,230.00
Professional Fees	52,708.00	Interest Received	1,54,173.00
Refreshment Exp.	75,838.00	JMR Cable Network Sec-110	69,120.00
Repair & Maintainance (M)	99,540.00	Kendriya Bhawan-Electricity Maintenance	21,336.00
Repair & Maintenance (Civil)	7,50,126.00	Late Fees From Members	4,48,730.00
SALARY & WAGES	29,23,432.00	Misc. Income	53,194.00
SD of Gate Pass	(-)36,100.00	PENALITY CHARGES	3,36,737.00
Security Expenses	60,09,061.00	R R Enterprises	44,000.00
Sports & Culture ACTIVITE	1,69,659.00	Scrap Dealer	1,80,000.00
Telephone Exp.	55,683.00	Shop No. 2/CC 2 Maintance	4,948.00
Water Bill	40,49,847.00	SPORTS CLUB FEES	600.00
Water System Maint. Exp.	1,60,261.00	State Bank of India DG Backup	1,528.00
		STERLITE NETWORKS LIMITED	61,504.00
		Work Permit Charges	32,820.00
		Excess of expenditure over income	8,55,676.00
Total	3,16,20,980.00	Total	3,16,20,980.00

LA ASHOK KUMAR AGARWAL, FUKENSIC AUDITOR



FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

10. FINDINGS IN DETAIL – POINT-WISE FINDING AND ANALYSIS

1. 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. Copy of order enclosed (Annexure-I).

The society has gone for appeal against this order. The order has been challenged in CESTAT Allahabad. Copy of papers filed with CESTAT Allahabad is attached (Annexure- II).

Latest Status: Due to non -availability of judges, the bench is not sitting in Allahabad. Therefore matter has not been listed yet. Copy of E-mail received from AK Batra and Associates attached. (Annexure-III).

The AOA was not regular in depositing service tax / GST and matter is pending with the CESTAT. It shows that the management was either ignorant about the prevalent laws of land or willful defaulter for the same.

2. 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 during the period of accounts 2017-18. Copy of Challan attached.(Annex-VI)

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

The AGBM in its 9th meeting expressed displeasure on the functioning of this firm. (Para 9.4 of Minutes of 9th AGBM Annexure-VII)

3. 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 account. Copy of bank statement reflecting debit entry of Rs. Rs.7,99,046/- (Annexure VIII).

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

4. 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 record 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.
5. 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. Copy of AMC placed at Annexure-XXXXIX.
6. 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.
7. For the audit period 2014-15 to 2018-19, No sale of scrap records with inventory was produced before us.

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



FORENSIC AUDIT REPORT
<KENDRIYA VIHAR-II APARTMENT OWNERS ASSOCIATION>

11. CONCLUSION

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.

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.

Some complaints relates to period after March 2019, for which further extension of audit process is required to be ordered by the Deputy Registrar.

11. LIMITATIONS

11.1 One of the major limitations faced by the team was the time constraint. Various persons could not be interviewed due to paucity of time during entire forensic audit.

11.2 Some documents could not be made available to the team officials.

11.3 The managing Committee replied to some of the questions being asked by the team but some of the replies given by the management could not be corroborated with the documents made available to the team since the concerned transactions were old and proper records were not maintained.

11.4 Due to spread of Covid -19 during last two years, substantial time was lapsed due to lockdown and restriction on travelling. However our team has done concerted efforts and sufficient opportunity was given to management, which caused delay in completing the audit. Moreover initially the management was reluctant for conduct of audit/investigation which also caused delay in finalizing the audit report.

CA ASHOK KUMAR AGARWAL, FORENSIC AUDITOR



12. DISCLAIMERS

12.1 This Report is based exclusively on the facts and circumstances described during the engagement of the team for conducting Forensic Audit and is given based on the representations, express or implied, and based on our interpretation of law, which may differ to other person. Existence of any other factual or historical background not provided to us might require a conclusion different from the one expressed herein.

12.2 The information contained herein is specific only to the facts of the present case and cannot be used in any other matter and is not intended to address the circumstances of any particular individual or entity other than what has been described in the Report. Although we have endeavored to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate thereafter. No person should act on such information without appropriate professional advice based on the circumstances of a particular situation.

