

**MOST URGENT**

**OFFICE OF ADMINISTRATOR,  
ASHA DEEP COOP GH SOCIETY,  
PLOT NO.- 3B, SECTOR-2, DWARKA, NEW DELHI-110075**

F.No.- DOE/ASHADEEP/RCS/2023/

Dated: 22.04.2024

**NO.-40**

**MINUTES OF THE SPECIAL GENERAL BODY MEETING  
HELD ON 21.04.2024 AT 3.00 P.M.**

As per agenda items circulated on the 12<sup>th</sup> April, 2024, a Special General Body Meeting was held in the Committee Hall of the society and the following agenda items were discussed and decided:

**1. Total project cost of the construction and per head share of the members:**

The members were informed that the available records and the minutes of the AGM/Spl. GBM of the society does not show the authentic final project cost of construction under the Floor Area Ratio (FAR), except the one which was initially finalized as Rs 2,25,000 plus GST.

No records are available to show whether there was a further revision of the project cost with the approval of the AGM/SGBM. It has also been found that no approval of the General Body was taken in the past about the successive constructions in the society. Therefore, the House was requested to arrive at a consensus in bringing in the final cost of the project.

It was unanimously resolved that the Administrator should hold meetings with the Architect and the Contractor separately on the coming Sunday, i.e., on the 28<sup>th</sup> April, 2024 to arrive at a final construction cost and the contribution of each member towards the construction cost. As regards the decision on the last demand of ₹63,000, a final view on this demand would be taken only after the calculation of the project cost.

**2. Action to be taken against the major defaulters:**

The General Body was informed that sufficient opportunities had been given to the major defaulters, namely, Shri Prem Taneja (outstanding amount Rs 6,13,817/-), Shri G. Younes (outstanding amount Rs 2,18,799/-), Shri Rashid Khan (outstanding amount Rs 3,33,379/-) and Shri Rajiv Sharma (outstanding amount Rs 34,700/-) to clear their outstanding dues but they have failed to do so and continue to be defaulters for more than a year.

The aforesaid outstanding amount does not include the last demand of Rs. 63,000/-. The General Body showed its annoyance against the major defaulters. It was resolved to give one more opportunity to the defaulters to clear their outstanding dues at the earliest failing which the house authorized the Administrator to take necessary action against the defaulters as per provisions of DCS, Act and Rules.

**3. Membership to the buyers of flats based on bye-laws and DCS Act and Rules:**

The Administrator informed the House that in the process of the preparation of the electoral roll for election, it was found that some memberships had been given without following the bye-laws and due procedure mentioned in the governing rules. The





members desired that this item should be discussed at the last after the completion of the discussion on all other agenda items.

After discussion on all the agenda items, the General Body discussed the dual membership given to some of the members. The General Body authorized the Administrator to examine and verify the membership given to all the buyers of the flats and whether their memberships had been given after following the due procedure and compliance of the necessary formalities as per bye-laws, DCS Act and Rules. It was unanimously resolved by the House that the Administrator should take a view on this issue as per the bye-laws, DCS Act and Rules.

**4. Decision was taken by the erstwhile Managing Committee for an 8% to 10% increase in payment to the contractor:**

The House was informed by the Administrator that the erstwhile Managing Committee did not follow the provisions of DCS Act and Rules in enhancing payment to the contractor. The House wanted to know the view of the President and the Secretary of the erstwhile Managing Committee.

The President of the erstwhile MC, Shri K. K. Chopra was asked to explain the reasons for increasing payment to the contractor without the approval of the General Body. He stated that a Construction Committee was constituted to examine the enhancement of payment to the Contractor as per the decision of the last General Body Meeting and accordingly, the Contractor was given the increased payment on the recommendation of the Construction Committee comprising of Shri Sandeep P. Kapila, Shri B. D. Joshi and Shri Anil Kaul.

Shri Chopra stated that the then MC took a conscious decision to make payment to the contractor to get the work done at the earliest as without increased payment the contractor refused to complete the project. The Construction Committee had recommended a 6 to 8% increased payment to the contractor with the condition of a five-year defect liability period after completion of the project and in case of any delay in completion of the project, a penalty of ₹5000 per day till the completion of the project.

Shri Chopra was asked by the members as to why the increase in payment of 6 to 8% as recommended by the Construction Committee was further enhanced to 10% and why the other conditions recommendations of the Construction Committee were not made effective. Shri Chopra replied that he was not aware of the nitty-gritty of the rules and he performed his duty in good faith in a transparent manner.

To this Smt. Kamala Bhardwaj, one of the members of the erstwhile MC, who resigned subsequently after joining the MC, stated that there was no transparency in the functioning of the erstwhile Managing Committee as it was controlled remotely and all decisions were being taken without discussions in the meeting of the Managing Committee. She stated that when her voice was not heard in the Managing Committee, she preferred to resign. Shri Chopra could not explain the various queries satisfactorily except for his repeated alibi that he worked in good faith.

Thereafter, the Secretary of the erstwhile MC, Shri Ramesh Kumar Prabhakar was asked to explain his position. Shri Prabhakar stated that he negotiated with the Contractor as he refused to carry out the work to complete the project of the society as he wanted a 40% enhancement in payment. Shri Prabhakar admitted that he finally agreed to an increased payment of 10% and the same was approved by the Managing Committee. He further admitted that the increased payment was not approved by the General Body but it was done because of the smooth construction work and the timely completion of the project. But the members did not agree to the reasons and arguments

  
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of the President and the Secretary of the erstwhile MC and raised queries as to why the two other important components of the recommendation of the Construction Committee

(i) the imposition of a penalty of ₹5000 per day in case of the non-completion of the project within the time-frame and

(ii) (ii) the defect liability of 5 years, were ignored.

Neither Shri Chopra nor Shri Prabhakar was able to reply to these queries. The House unanimously declined to approve any enhancements in payments to the contractor as the agreement did not provide any such enhancements. Moreover, there was no provision in the DCS Act and Rules about the ex-post facto approval for the payment which was already made. Further, there was no escalation clause in the agreement signed with the contractor. Because of the aforesaid facts, the General Body decided that the Administrator should take necessary action to initiate recovery of the enhanced payment from the members of the erstwhile Managing Committee who agreed to this irregular enhanced payment.

**5. Payment of about Rs. 51,00,000 (Rupees fifty-one lakhs) without verification of bills by the architect**

The House was informed that the erstwhile Managing Committee had paid an amount of about Rs. 51,00,000 without any authority and without any verification of the bills by the Architect which is mandatory. The Secretary of the erstwhile MC, Shri Ramesh Kumar Prabhakar was asked to explain his position as to why due procedure was not followed in the payment of such an exorbitant amount to the contractor. Shri Prabhakar stated that he had made payment to the contractor only after verification of the actual work done by the contractor followed by verification of bills by the Manager of the society. When a counter question was asked as to why the bills were not verified by the architect, he was not having any satisfactory answers. The General Body took a serious view on this and resolved to authorise the Administrator to take necessary action as per DCS Act and Rules.

**6. Double payment to the contractor for a single work:**

The House was further informed by the Administrator that the contractor had been paid by the erstwhile MC twice for the same work of railing construction in the parapet and payment of Rs 16.82 lakhs was made to him additionally. As per point No. 2.4 in the scope of work (steel work) (page 3) and Sr. No. 5 in the schedule of payment for phase-II (brick works & railing) (page 9) of the Agreement, the contractor was supposed to construct M.S. railings with brickwork and at the stage of the completion of this work, 10 % of the total project cost of phase – II was to be paid.

But subsequently, the design of the railings was changed to Stainless Steel with toughened glass without the approval of the AGM/Spl.GBM and work was started accordingly. But approx. an amount of Rs. 16.82 lakhs was paid to the contractor to meet the contractual commitment of 10 % of the cost of phase-II for the brickwork only without deducting the construction cost of the M.S. railings as prescribed in the scope of work under point no. 2.4 (page 3) of the Agreement.

In addition to the aforesaid payment of Rs. 16.82 lakhs, payments were also made separately for the balcony railings of Stainless Steel fitted with toughened glass. Thus, the contractor has been paid Rs. 16.82 lakhs for brickwork only without any deduction of the cost of M.S. steel grills supposed to be installed in 66 flats + the total cost of 66 Stainless Steel grills fixed with toughened glass for 66 flats, i.e., two separate





payments for a single work of railings. The General Body took a serious view on this and the House unanimously resolved to settle the extra payment and resolved to authorise the Administrator to take necessary action as per DCS Act and Rules to settle the extra payments in the interest of the society so that the members are not put at a loss.

The House was informed that based on information gathered from the bills raised by the contractor and payments made accordingly by the erstwhile MC, it was found that an excess payment was made to the tune of Rs. 18,92,484/- approx. on account of a wrong calculation of the area of terrace slabs deliberately as there were only 8 terrace slab castings in the Community Hall side of the B block (wings 2 & 3) but the bill was claimed for 11 slabs instead of 8 slabs (both sides) of the B block. Thus, the calculation of approx. 1100 Sq. ft. extra area was falsely made and claimed by the contractor and accordingly, the payments were made by the erstwhile MC without due verification of bills by the Architect. Thus, an excess payment was made for 1100 Sq.ft. @ Rs. 1350 per Sq. ft. = 14,85,000/- + 18% GST=Total Rs. 18,92,484/- in favour of the contractor, causing heavy monetary loss to the society. The General Body took a serious view on this and resolved to authorise the Administrator to take necessary action as per DCS Act and Rules to settle the extra payment. The Administrator was also asked to take necessary action in the interest of the society so that the members are not put at a loss.

The Administrator informed the House that the cost of scrap/dismantled material had not been deducted from any bills raised by the contractor as per the prescribed agreement condition. The scrap materials were allowed to be taken away from society by the erstwhile MC. The members present in the meeting desired that the Administrator should take up the matter with the contractor and deduct the cost of the scrap material from the future payment to be made to the contractor.

**7. Approval of expenditure of ₹8,00,000 to make functional the fire fighting system, AMC of Pest Control & DG Sets, Lift repair & its inspection cost and expenditure on other repairing works.**

Shri Dilip Kumar, a Sub-committee member informed the House that a notice had been received from the Fire Department of the Government of NCT of Delhi for the non-functional status of the firefighting system in the society. The Fire Department wanted a compliance certificate and valid NOC that the fire fighting system of the society was functional. Shri Dilip Kumar informed the House that the quotations have been received from the various Agencies and accordingly, the work order would be given to the most competing and deserving firm as per rule to make the fire fighting system functional for which the expenditure needs to be approved by the General Body. Besides this expenditure, other works like AMC of Pest Control and DG Sets, Lift repairs & its inspection cost and Street light repairs etc. have to be completed including repairing of seepages and cracks in the society for which he requested the Administrator to place before the General Body for sanctioning an amount of ₹8,00,000 for this purpose. After due discussion, the General Body approved this expenditure as a special case.

As there was no further agenda item remaining for discussion, the meeting ended with a vote of thanks to the chair. The Administrator thanked the members for their active, peaceful and meaningful participation.





  
(V. S. Malik)

Administrator  
Asha Deep CGHS Ltd.

To  
All Members, (Through whatsapp & email.)  
Asha Deep CGHS Ltd.

  
(V. S. Malik)

Administrator  
Asha Deep CGHS Ltd.

**Copy for information to:-**

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3. Notice Board of the society – for information to all.