

AGM of Asha Deep CGHS Ltd. was held under the Chairmanship of Mr. S.N. Pandey (Administrator) on March 19, 2023, at 11:00 hrs. in the Conference Room of the society.

The Annual General Body Meeting of Asha Deep CGHS Ltd. was held on March 19, 2023, (Sunday) at 11:00 hrs.

As there was a lack of the required quorum of 1/3rd of the total members at the appointed time, the AGM was adjourned to meet at 11:30 hrs. When the requirement of quorum was still not met at 11:30 hrs., it was further postponed for another 15 minutes and started at 11:45 hours. The Administrator welcomed all the participating members and requested them to put forth their points one by one as per agenda items for meaningful deliberation and decision.

a) Minutes of the AGM held on 17th of Oct 2021.

This agenda item was decided to be discussed as the last agenda item. As per the request of the members, the discussion started with the agenda at point number (b) onwards and after the discussion on all the agenda items, finally, the discussion took place on the agenda item at point number (a) accordingly, the AGM deliberated discussed and decided the following agenda items:

b) The audited statement of accounts for the financial Year 2021-22.

Initiating discussion on the annual audited statement of accounts for the financial year 2021-22, the Administrator solicited the approval of the General Body. Some of the members objected to the balance sheet on the following counts:

(i) Loan given to Mr. Rajiv Sharma.

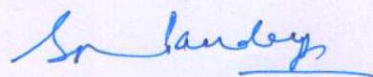
The members raised the issue of a loan of Rs. 21,000 to Mr. Rajiv Sharma as reflected in the balance sheet. Members sought information whether Mr. Rajiv Sharma had submitted an application to the society for the said loan and whether due process had been followed by the MC as per the bye-laws of the society and DCS Act and Rules. They further enquired about the terms and conditions based on which the loan had been given to Mr. Rajiv Sharma. The Members also wanted to know about the efforts made by the erstwhile MC to recover the said amount along with interest/penal interest. The Administrator stated that he would look into the matter and, if needed, would write to the erstwhile Managing Committee to ascertain the relevant information. The members would be apprised accordingly in this regard in due course.

(ii) Collection of Rs. 10,00,000 in cash from the buyers and sellers of flats.

The members enquired about the disposal of Rs. 10,00,000 collected in cash from the buyers & sellers for building development fund as the same does not figure in the balance-sheet. Members further mentioned in the meeting that the erstwhile MC had collected this amount in the name of the building development fund and this issue was discussed in the last AGM also. But this respective discussion has been omitted from the minutes of the last AGM held.

(iii) Expenditure made under the legal head.

Shri-DPS Rajesh raised an objection against expenditure incurred under the legal head. He stated what interest of the general members of the society got served by



incurring this expenditure. If the erstwhile Managing Committee had spent this amount on uncalled for litigation including other legal expenses that didn't serve any interest of the members, the expenditure incurred should be recovered from the members of the erstwhile MC. He submitted before the AGM for this recovery and requested the Administrator to look into this and pass the necessary order.

With the above said objections/observations, the AGM passed the financial statement for the year 2021-2022.

c) **Rs 65 lakhs as proposed budgetary provision for the Financial Year 2023-2024.**

The AGM enhanced the proposed budgetary provision of Rs. 65 lacs to Rs. 72 lacs and approved the same.

d) **Status of the construction work and total project cost.**

To update the members about the status of the construction work, the Administrator called the contractor to explain the position before the General Body. The contractor informed the GBM about the total cost, the reason for the delay in project cost, escalation, and the timeline of various stages for completion of the project.

The Contractor informed the General Body that the total cost of the construction work may go up to approximately Rs. 6.13 lacs per flat including GST. Shri DPS Rajesh objected to the increase in project cost. He asked how the project cost had been increased from Rs. 2.25+18% GST lakhs to 6.13 lakhs with GST. The contractor informed the GBM that rate of Rs. 1350 per sq. feet as per the contract had not been increased. However, he had been insisting on the 10% increase on account of escalation on the delayed portion of work. The area initially contracted for construction was 163 sq. ft. per flat which was increased now to approximately 296 sq. ft. besides other castings of slabs increasing the project cost per flat. Shri DPS Rajesh objected to the increase in area or cost as the additional area for construction had not been approved by the GBM and the erstwhile MC proceeded with construction in violation of Rule 105 of DCS Rules, 2007. Other members also objected to the increase in the project cost. Shri Dilip Kumar asked the contractor whether any escalation clause is mentioned in the contract. The Contractor informed the GBM that there was no such clause. However, as per CPWD norms, it may be enhanced. He stated that he is asking for escalation only for the extended period of work due to Force Majeure, i.e., delay of the project due to the COVID pandemic, (Pollution) GRAP IV enforced by the Govt. of NCT of Delhi, non-availability of labourers as an after effect of Covid 19, the indecision of the erstwhile MC about the project work of phase 3, etc. Mrs. Kamla Bhardwaj asked about the total delay that occurred on account of the aforesaid reasons. The contractor informed that it was a delay of roughly 275 days. He also informed the GBM that material, labour costs, etc. had risen to 26% since the date of the start of the project. The contractor tried to justify his claim of the 10 % enhancement of project cost for phase 3 instead of 26 % as per CPWD norms and that was the increase in price of construction materials. He requested the GBM to consider this escalation. The Administrator informed that the Construction Committee to be constituted in the GBM would look into the finalization of escalation, if any. Smt. Kamla Bhardwaj insisted on a penalty clause due to the delay in work by the agency.

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Shri R L Yadav maintained that the less number of labourers deployed by the agency was also causing the delay. Shri DPS Rajesh stated that if the CPWD norms had been referred to by the contractor for escalation in the project cost, then why had the provision under Rule 105(2) of DCS Rules, 2007 not been adhered to while signing the Contract? This Rule also prescribes the CPWD norms. Shri B D Joshi raised the issue of stoppage of work in his Block. Smt. Nita Sharma raised the issue of the poor quality of marble flooring and faulty drainage system besides poor material used in finishing the interior work in one of her balconies. Mr. Dilip Kumar raised the issue of damage due to ongoing construction work especially, the car parking area and the stairs. Mrs Susheel Kaur stated that due to on-going construction work the cable TV antenna and window glass got damaged in one of her balconies. The contractor committed that he would look into the issues personally and get the repair work completed within 20 days. The contractor also submitted that he will try and complete the project in time.

However, the contractor asserted that the above timelines committed by him were subject to the release of funds on time by the society. The administrator requested the members to clear the pending dues immediately and cooperate with the society so that timely payments are made to the Contractor and also directed the Contractor to adhere to the timelines committed by him.

Col. J N Pandey informed the GBM that the cost of the railing had been reduced from Rs. 23,200 to Rs. 21,500 by the Agency on negotiation.

e) Action against defaulters for not making payments towards maintenance charges and construction cost or any other dues.

The members also raised the issue of defaulters and demanded strict action against them. It was brought to the notice of the AGM that a member had not been making any payments either towards the construction cost or the monthly maintenance charges for the last 3-4 years. The cost of the meter connection is also pending against him. The erstwhile Managing Committee did not do anything to realize money from him making him a habitual defaulter.

It was further brought to the notice of the AGM that delays in payment by some of the members towards the construction cost led to a very heavy amount pending. Members raised concerns that the construction work of the defaulters had been done at the cost of those members who made timely payments and their work is still pending. The erstwhile MC favoured them by getting their construction work done without realizing any outstanding amount. No notice had been served on them to clear the outstanding dues. Therefore, the defaulters have to be dealt with strictly as per DCS Act and Rules.

It was decided in the AGM to send notice to the defaulters immediately and take action as per DCS Act and Rules. It was further decided to enhance the chargeable rate of Interest from the defaulters to 12 % per annum instead of the existing rate of interest of 9 % per annum. As decided in the AGM, the parking of the second vehicle of the defaulters shall not be allowed.

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f) **Any other item with the permission of the chair..**

With the permission of the Chair, the Members raised the issue of seepage in the society and expressed their concern that if timely action was not taken to rectify the seepage, it would lead to catastrophe. The building might be declared unsafe to live in. It would further lead to multiple complexities and the members would be in deep trouble. Shri Dilip Kumar raised the point that it was discussed in the last AGM held on the 17th of October, 2021, but the Minutes did not include this decision. This can be verified with the video recording of the AGM held on the 17th of October, 2021. Members wanted the repairing work of seepage, etc. to be done from the fund of the society. Smt. Nita Sharma then objected as to whether expenditure could be incurred from the fixed deposit for maintenance of the society building. Shri DPS Rajesh cited the provision of DCS Rules, 2007, and stated that this fund could be utilized for meeting the expenses of normal recurring nature essential for the safety and increasing the life of the building. The AGM approved the same.

In order to have proper monitoring of the construction work including repairing seepage etc. and looking after the day-to-day maintenance work of the society, a proposal was placed before the AGM for the formation of two Committees namely, the Construction Committee and the Administration committee or Administrator's Sub-committee. The constitution of the committees is as under:

(i) **Construction Committee.**

The Construction Committee shall consist of the following members:

1. Col. J N Pandey
2. Shri R L Yadav
3. Shri Dilip Kumar
4. Shri S P Kapila
5. Smt. Susheel Kaur

(ii) **Administrator's Sub-Committee.**

The Administrator's Sub committee shall consist of the following members

1. Col. J N Pandey,
2. Shri B D Joshi,
3. Mrs. Susheel Kaur,
4. Shri DPS Rajesh

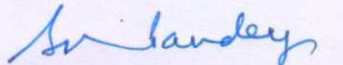
The Construction Committee would be looking after the ongoing construction work as well as seepage repairing work beside other related work and the Administrator's Sub Committee will look after day to day administrative work of the society.

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a) **Minutes of the AGM held on 17.10.2021.**

This agenda item was taken up for discussion as the last item as mentioned in the beginning. The minutes of the last AGM held on the 17th of October, 2021 were read out and the Administrator sought the approval of the AGM. Shri DPS Rajesh and Shri Dilip Kumar objected to the drawing of the minutes. They contended that the minutes of the last AGM were not drawn as per the actual discussion that took place, which could be verified with the help of the video recording of the last AGM available in the society office. As regards the AGM's approval of the minutes of the meeting held on the 14th March 2021, Shri DPS Rajesh objected to the last AGM held on 17.10.2021 that the minutes of the previous AGMs also were not drawn as per the discussion held and decision taken. Shri Rajesh mentioned that this fact could be verified in the first item of the minutes of the AGM held on the 17th of October, 2021. Some points discussed in the AGM held on 17.10.2021 relating to seepage problems, an extension of the washing area terrace, the total cost of the construction, waiving off penalty and interest in respect of Shri DPS Rajesh for no work done in his flat except laying on a slab and cash collection of Rs.10,00,000 from buyers and sellers of flats were either left out or presented intentionally with wrong facts. Shri DPS Rajesh mentioned that in the last AGM, the members had raised the issue about an extension of the washing area balcony. It was assured by the President in the AGM held on 14.03.2021 that he would get the cost worked out and inform the members. However, under point number 5 of the minutes of the AGM held on 17.10.2021, it is mentioned that due to a set back issue, an extension of the washing area was not possible and the AGM approved the same which is factually wrong. As regards the society Development Fund which was discussed in the AGM held on 17.10.2021, the minutes under point number 7 do not mention a discussion on the collection of Rs.10,00,000 in cash. This fact can also be verified from the video recording of the AGM held on the 14th of March, 2021, and 17.10.2021. Accordingly, the minutes of the AGM of the 17th October, 2021 need to be modified to the extent they do not match with the video-recorded proceedings of 14.03.2021 and 17.10.2021 respectively. The AGM approved the same.

As there was no agenda item left for discussion, the meeting ended with a vote of thanks to the chair. The Administrator extended his thanks to all the members for their peaceful and active participation.



Surendra N Pandey

Administrator

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21.March.2023