

The Bhagwati Co-operative Group Housing Society Ltd.

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True extracts of meeting of Special AGBM held on 22.11.2020

Welcome address by the V. President Mr. M. Magon at 10.30 am.

As the quorum was not complete, the house decided to wait for (30) minutes i.e. till 11:00 AM for the members.

11.00AM -

As the quorum was still not complete, the meeting was adjourned for (15) minutes i.e. upto 11:15AM. The V. President announced that no quorum shall be required now and meeting shall start at 11:15AM. at the same premises .

11.15 AM

A welcome speech was given by President Mr. Ashish Jain / V. President Mr. Magon.

M/s Best Buildwell Pvt. Ltd. (Contractor-Mr. Sanjeev Malhotra), M/s Imagination (Architect - Mr. Vinay Goel) were invited on stage to assist the Managing Committee. The Architect was not present as he was suffering from Covid-19.

The Managing Committee members introduced themselves on the dias.

The following agendas items were discussed:

Agenda No-1.

To discuss and approve the minutes of last Annual General Body Meeting:-

President Ashish Jain apprised the House that the last (AGBM) was held on 1st September 2019, However the Society had called another AGBM on 22.03.2020 but unfortunately due to COVID-19 epidemic & Govt. restrictions the same was cancelled \ postponed . The following Agendas were discussed and approved in the meeting of 1st September 2019.

1. To approve the minutes of last Annual General Body Meeting dt :
2. To discuss about the Expulsion cases.
3. To discuss approval of revised layout drawings submitted to Delhi Development Authority.
4. To discuss approval of one time waiver of interest to persistent defaulter members on delayed payments & a special rebate to members who pay their balance i.e. 19th & 20th installments in advance.
5. Any other matter with the permission of Chair.

True extracts of the meeting were sent to all the members on dated 07.09.2019.

As no objections were received from any member the Agenda is approved unanimously.

The approval of the same was sought from the house by raising hands.

The House approved the same by majority.

Agenda No. 2:

To discuss about the payment of liabilities of Govt. Taxes and interest / penalties thereon.

The President brought into the kind notice of the members that there is a huge liability of Govt. Taxes i.e. TDS, GST and labour cess on the bills raised by the Contractor from time to time. As per the books approximate liabilities of the said taxes are Rs. 9.50 Crore and Rs 15.00 Crore towards refunds to resigned members. He explained that as we all are aware about the order passed by the Hon'ble RCS office dated 04.10.2018 i.e. **not to enrol new member in the society till further orders.** Due to the said unlawful order a huge amount of Society's funds have got stuck since then, because of this the society is in liquidity crunch for last two years and have not been able to pay the Govt. Taxes / other liabilities as the Society's reserved funds has been utilized on the construction of Project. The society has challenged this order in the Financial Comm. court & is awaiting relief.

The Society has been issued various show cause notices by TDS /GST Department to pay the taxes immediately or face legal action under law. The resigned members too have issued legal notices for their refunds & have threatened to take legal action. The Management has decided to raise an ad hoc demand on all the members of the society.

Break-up / Explanation for Demand of Rs. 24.50 Crores:

We have (55) vacancies & (45) members are persistent defaulters / under expulsion process as on date.

So we are left with only (200) reliable members out of total strength of (300) i.e.

App. (75) in 5BHK/Pent House category

App. (125) in 3/4 BHK Category

Now it is proposed by Managing Committee to raise an ad-hoc demand of Rs. 12.50 Lac towards five Bed Room & Pent House Category & Rs. 12.00 Lac towards three \ four bedroom category respectively to clear the above Liabilities , as the last date to file the annual returns & payment of outstanding Taxes is 31.12.2020. The ad-hoc demand will be adjusted towards the demand \ instalment of Cost of Escalation (10CC) as per calculations.

The society also proposes to pay simple interest @ 12 % P.A. for (2) months amounting to Rs. 25000/- (5BHK Category) and Rs. 24000/- (3/4BHK Category) respectively as incentive to the members who deposit their above ad-hoc demand latest by 15.12.2020. This fund shall enable the society to clear the liability of Govt Taxes and payment to resigned members & save itself from further litigations. The said demand is voluntary in nature for all the members. The amount of incentive passed to these good pay masters shall be recovered from the persistent defaulter members only. The said demand & incentive will be adjusted in the last demand of escalation as per calculations.

All the Society members are requested to rise to the occasion by coming forward & help the Society to pay the liabilities.

The President sought approval of the same from the house by raising hands.

After detailed discussions the House approved the motion unanimously.

Agenda No-3.

To discuss and approve the Balance Sheet for the period of FY 2018-19

The President informed the House that Audited Balance Sheet of year 2018-19 conducted by O/o Registrar Co-operative Societies was circulated to all the Society members by post vide dated: 05.03.2020 and no objections were received from any of the members till date.

The President sought approval of the same from the House by raising hands.

The House approved the motion unanimously.

Agenda No-4

To discuss the old Non-recoverable funds in Society books/treat them as Bad-Debt:

The President informed the House that the Society Auditors appointed by O/o Registrar Co-operative Societies have objected many times for recovery of under mentioned amounts, as max of them stand outstanding in books for last 20 years:

1. M/s Universal Builders Rs. 4,68,603/- and M/s Badhwar Universal Const. of Rs. 62,16,357/-

Construction was done by the then Soc Contractor, but bills were not approved by then Managing Committee / Architect.

Thereby no fault of then Contractor.

2. M/s Designarch Consultant Pvt Ltd. Rs 7,00,361/-

Work done by the then Architect, but bills were not approved by then Managing Committee, Thereby no fault of the then Architect

3. The Lok Hitkari S. A. Samiti Ltd Rs. 86,00,000/- Only and M/s Bharti S A Samiti Ltd Rs 1,00,000/-

Funds were transferred fraudulently by Late Mr. Lunia and Late Dr R.L. Arora - the then Secretary / Treasurer to their personal accounts. The society filed no. of criminal cases in courts & FIR too was filed for recovery , Only part funds could be recovered .

Now both Dr. R.L. Arora / Mr. Lunia have expired, as advised by Society CA / Advocate recovery can-not be done & cases had to be withdrawn.

4. Recoverable from Ex-Employee of the Society:

A few Cash entries / receipts of Rs. 13,34,990.00 have been traced by SOC Auditor in year 2019-20 which have not been credited to the Society Accounts cash - book , however the members have claimed these credits . The MC of the Society assumes that both the ex-employees had taken the cash from some of the members but did not deposit the same to the account of the Society. To recover the funds the Society, many show-cause notices were sent to the ex - employees. Finally the Society filed criminal case in Dwarka Court and filed a Police complaint too. Both employees are absconding, thereby recovery very difficult.

The President informed the House that above Account details have already been sent to all members along-with the AGBM Agenda Notice. As maximum of these amounts pertain to year 2000 i.e. (20) years old. (No recovery is possible now). As advised by Society CA/Advocate we need to transfer these funds to Bad-debts in current financial year books of accounts.

The President sought approval by raising hands.

After detailed discussion **The House Approved the motion by majority.**

Agenda No.5

To discuss and authorize the Architect/ Managing Committee to issue award letters for construction of new towers .

The President apprised all the members that due to orders of Airport Authority of India vide letter dt: 23.10.2017 the Society has already demolished previous constructed structures / floors in maximum of all category of towers to achieve the revised permissible height.

To accommodate these flats for our members as approved in the AGBM Dt: 24th March 2019 new towers are to be constructed, the existing contractor M/s Best Buildwell Pvt. Ltd. has agreed to construct new towers i.e. (New D/U No 76 (+) EWS No. (28) in lieu of the demolished ones.

The Managing Committee had decided to award the construction work of these flats to the existing contractor M/s Best Buildwell Pvt. Ltd for fast and un-interrupted construction. The Fire Department, Urban Arts & Delhi Development Authority has approved the revised addition & alteration drawings in principal, pending approval of EOT by Competent Authority.

The Managing Committee / Architect seeks the authority from the House to issue award letters for construction of new towers , for demolition of old structures and any other additional work to be executed due to addition and alteration in existing structures to M/s Best Buildwell Pvt. Ltd. (Existing Contractor of the Society)

The President sought approval from House by raising their hands.

The House approved the agenda after detailed discussions unanimously

Agenda No. 6:

Any other matter with the permission of Chair:

The members asked the Contractor to give a confirmed date of construction / completion of the housing Project, to which it was confirmed by him that the construction work shall be completed max by end of March '21. It was informed that the delay /slippage have been caused due to the disruptions of epidemic covid-19.

The meeting was adjourned with a vote of thanks to the chair as there was no other Agenda for discussion.

Members were requested to have snacks as arranged by the Managing Committee.

President
Ashish Jain
Ashish Jain
A circular blue stamp of the society. The text around the perimeter reads 'G/H Society Ltd. New Delhi'. In the center, it says 'Co-op. G/H Society Ltd. New Delhi'. The stamp is partially overlapping the signature of the President.