



# AIR FORCE & NAVAL OFFICERS' CGHS LTD.

Regd. No. - 477 / 80

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Ref. No. ....  
AFNO/09

Dated .....  
8<sup>th</sup> September 2021

**MINUTES OF THE 42<sup>nd</sup> ANNUAL GENERAL BODY MEETING**  
**OF AIR FORCE & NAVAL OFFICERS CGHS LTD HELD**  
**AT 10:30 AM ON 29 AUGUST 2021**  
**AT THAPA MEMORIAL HALL**

**1.0 CONVENING OF THE MEETING**

1.1 The meeting was convened by the Management Committee under Section 31(1) of DCS Act 2003 and the Rules there under.

**2.0 CHAIRMAN OF THE MEETING**

2.1 The meeting was chaired by AVM (Retd) SK Sharma, President Managing Committee.

**3.0 QUORUM OF THE MEETING**

3.1 The provisions of clause 48 (3) of DCS Rules 2007 have been complied with regard to quorum of the meeting. Attending members were welcomed by Secretary on behalf of Management Committee.

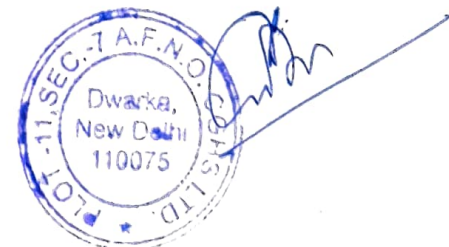
**4.0 OBITUARIES**

4.1 At the outset one minute silence was observed by the members in memory of those members and families who left for their heavenly abodes in the period after last AGM. They are:-

- |     |  |   |             |
|-----|--|---|-------------|
| (a) | Late Mrs Kelawati Mother of Air Cmde Ajit Singh,                               | - | Flat No 337 |
| (b) | Late Gp Capt Utpal De, Flat No 673   |   |             |
| (c) | Late Mrs Premjit Kaur Bhatti W/o Gp Capt HS Bhatti,                            | - | Flat No 514 |
| (d) | Late Flt Lt (Dr) Nandini Pramode Chander Puri W/o Wg Cdr PC Puri, -Flat No 238 |   |             |
| (e) | Late Sardar Gurinder Singh   | - | Flat No 166 |

**5.0 OPENING ADDRESS CUM ANNUAL REPORT BY THE MC.**

5.1 In the beginning of the meeting the customary annual report was read out by the MC. The report covered the achievements and the actions taken by the Society since last



AGM. The status on the important issues, ongoing projects and the major projects that the society plans to undertake during the next one year or so were also covered in the report. It was brought out that the Audit Report and Balance Sheet along with the related documents and schedules, annual budget and brief on formal agenda points were circulated to the members through e-mail, what's app, website, notice boards and hard copies. Following points were covered in the report:-

- (a) Management of Covid in the Society.
- (b) Achievements of the Society
- (c) Water Management
- (d) Electric Installations.
- (e) Roads and Buildings.
- (f) Fiscal Management and Financial health of the society.
- (g) House Keeping
- (h) Security
- (i) Status of ongoing projects.
- (j) Major tasks planned to be undertaken in next one year.

5.2 Following clarifications were issued on the points raised by members on the annual report:-.

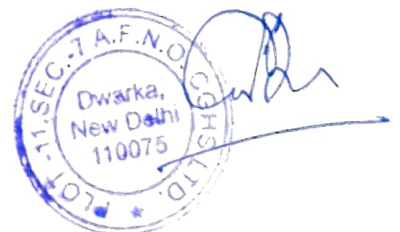
(a) The problem of segregation of garbage lies with the SDMC. While the segregation is being undertaken by the society flats, the garbage is again mixed up by SDMC, nullifying the efforts of the residents.

(b) The proposal for installing Composting machine from MLA's Area Development fund was not agreed by the house in the past. Future installation of machine will be from society resources only. Air Mshl Lajji Verma stated that he has proposal of installing environment friendly composting machine in the society at competitive price. Secretary requested him to forward the proposal which will be assessed by MC and further action will be taken as appropriate.

5.3 The copy of the annual report is placed at annexure 'A' to the minutes.

## **6.0 DISCUSSIONS AND PASSING OF BALANCE SHEET AND FINAL ACCOUNTS FOR THE FINANCIAL YEAR 2020-21.**

6.1 It was brought out by the MC that the Audit Report and Balance Sheet along with the related documents and schedules were circulated to the members through e-mail, what's app and notice board. Hard copies were also made available in society office for perusal of members as required. Members were requested to minimize hard copies demand and be environment friendly. Through the guidelines issued on 13<sup>th</sup> August, members were requested to study the balance sheet and audit report and offer their comments and observations through



emails and what's app. One small observation regarding reconciliation of members' accounts has been made by the auditors. Since there are no dues outstanding against any members the accounts stand automatically reconciled. The second point is a recommendation by CA regarding write off of non recoverable income tax dues amounting to Rs 6,41,108 (six lakhs forty one thousand and one hundred and eight only), which will be taken as a separate Agenda Point. The financial status of the society related to reserves and Investments is considered sound with current Fixed Deposits of over Rs 2.1 crores but maintenance funds are hard pressed due to impact of Corona and inflations. The proposal of revision of Maintenance charges is being taken up as a separate Agenda Point. The complete copy of the balance sheet is attached as annexure "B" to these minutes.

6.2 Following points related to the balance sheet and other final accounts were discussed and clarified to the house:-

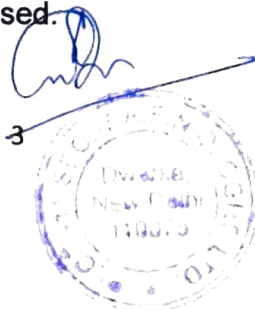
(a). The Building fund has not shown any reduction as is pointed by a member. The observation has emerged due to wrong reading of the balances by the member. The Building replacement fund has actually gone up by over Rs 22 lakhs.

(b). Donations of Rs 1,56,617 were received from Mrs Rajee Mehta, Wg Cdr Mahajan and few others. The amounts have been fully utilized as per the wishes and instructions of the donors. There is no carry forward of the donations account.

(c). The expenditure on legal and professional fees is on account of Returning officers fees on MC elections, GST returns and GST accounts closing fees, fees for processing electricity subsidy claims of residents and income tax returns filing and processing. It was also clarified by the Management Committee that after the death of previous CA due to Covid 19, services of a new CA have been hired and savings of Rs 50000 per annum will accrue to the society due to hard bargaining by the MC. The savings are duly reflected in the annual budget as well.

(d). Gp Capt IM Dhammi wanted to save returning officers fee for elections by employing local person. MC clarified that this was to maintain transparency and to remove possible allegations.

(e). MC clarified that the salaries of the staff were increased by five percent during the previous financial year. The increment is on basic pay and varies from year to year depending on prevailing inflation rates. One member wanted to know whether the society is labour laws compliant or not as regards payment of minimum wages. Secretary clarified that the co-operative Group Housing Societies are not subject to labour laws and wages paid to most of staff members are lower than minimum wages. Some members proposed that the staff should be looked after well and if required, Maintenance charges should be increased.



6.3 **Decision:** The passing of the balance sheet was put to vote. The balance sheet was passed unanimously.

7.0 **PRESENTATION AND PASSING OF ANNUAL BUDGET.**

7.1 The budget for next one year as compiled by the Management committee was put into public domain about a month back. No observations on budget were received by the MC. The salient features of the budget as brought out by MC were as follows:-

- (a) There has been considerable reduction in incomes from community center and guest rooms' bookings, forfeiture of one installment of garden subsidy, reduction in number of cars (parking charges) and absence of advertisements and canopies during the last year. Under the prevailing corona environment not much improvement is expected during next year as well.
- (b) An amount of Rs 1,50,000 has been budgeted for Covid and other related precautions. This figure is an intelligent guess.
- (c) Annual inflation of five to six percent has been catered for salaries, AMCs and services.
- (d) With the ageing of installations like transformers, sub stations, DG Sets, Service roads, leaking roofs and water pipelines replacements the maintenance expenditure is steadily going up.
- (e) The budget shows excess of expenditure of Rs 208 per flat per month.

7.2 **Decision.** The annual budget was put to vote and passed unanimously.

8.0 **REVISION OF MONTHLY MAINTENANCE CHARGES.**

8.1 The MC intimated that the budget showed excess of expenditure by Rs 208 per month and additional Rs 200 per flat is required for maintenance of the society. The reasons have already been explained earlier.

8.2 **Decision:** The house unanimously approved increase of maintenance charges by Rs 200 (two hundred) per flat per month across the board with immediate effect.

9.0 **WRITE OFF OF NON-RECOVERABLE IT DUES.**

9.1 The MC intimated the house that the chartered accountant has noted that an amount of Rs 6,41,108 (six lakhs forty one thousand and one hundred and eight only), pertaining to income tax refunds for assessment year period from 2005-06 to 2011-12 is non recoverable being time barred as per IT laws. As a result Balance sheet shows assets which otherwise do not exist. Since no useful purpose will be served by continuing with this amount in the balance sheet, the



CA has recommended that the amount be written off charge. MC also supports this view point.

9.2 Majority of the members were of the view that one more effort should be made through CA to get the refunds. IT dept portal should also be checked by MC to find out whether the IT returns are reflected against our PAN number or not.

9.3 **Decision:** The house by a majority vote decided that the amount of Rs 6,41,108 should be kept pending in books of accounts for one more year and effort should be made to recover this amount.

10.0 **APPROVAL OF THE PLAN OF ACTIVITIES FOR THE ENSUING YEAR.**

10.1 The MC informed the house that the normal maintenance activities will be undertaken within the financial powers of the Management Committee, following activities are expected to take considerable funds. Wherever the expenditure exceeds the financial powers of MC, prior approval of house will be taken through SGM.

10.2 **INSTALLATION OF ROOF TOP SOLAR SYSTEM.** The sub-committee formed by the MC is finalizing the proceedings for installation of roof top solar system in the society. Separate SGM will be called to discuss and finalize the project.

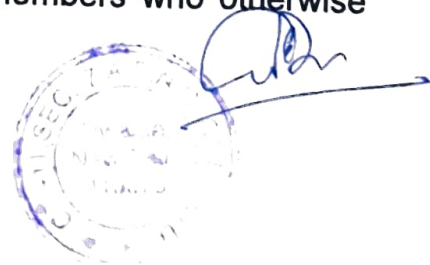
10.3 **REPAIRS TO SEPTIC TANKS IN SOCIETY.** About 10 septic tanks are leaking since water proofing has outlived its life. The repairs work could not be completed due to lock downs and non availability of specialized labour. The water proofing will be undertaken in a staggered manner under MC's financial powers by hiring labour and buying materials. The total cost will be Rs 2,50,000 approximately.

**Decision:** The house unanimously approved an expenditure of Rs 2,50,000 for repair of septic tanks on not exceeding basis.

10.4 **REPAIRS AND DISTEMPERING OF TERRACES.** The roof top terraces have developed cracks at places and bricks have become loose resulting into leakage of roofs. The distempering of terrace area is also long overdue. This project is planned to be undertaken under MC financial powers by hiring labour and procuring materials in staggered manner. The total cost will be Rs 3,00,000 approximately.

**Decision:** The house unanimously approved an expenditure of Rs 3,00,000 for repairs and distempering of terraces on not exceeding basis.

11.0 At this point Secretary informed the house that MC's agenda points are completed and members point will be taken up. One senior member intervened and proposed that points raised by the members who otherwise



are not present in the house should be carried forward to the next meeting. Other members stated that it is not possible for the house to know what exactly is in the mind of the members who have raised such points and hence house should only take up only those members points who are present in the house. One member stated that the absence from the house could be due to fear of corona virus. This point was immediately countered by a number of members stating that these members were having regular meetings in community center and guest rooms and the excuse of corona spread does not hold. Another member brought out that as per what's app post of one of these members, they were boycotting the meeting. After a prolonged discussion it was decided that the member raising the agenda point should be present to explain his / her point and such points should not be taken up for discussion. Members were also of the view that the MC should screen the points and trivial and unsustainable views should not be included in agenda and sorted by replying to members directly.

11.1 During these discussions, issue of holding the virtual meetings on zoom platform came up. Some members strongly advocated virtual meeting to facilitate out stationed members or local members attending the meetings from comforts of their homes. The argument in support was that zoom conferences etc were being conducted on this platform by corporate houses and other organizations. The need for physical as well as virtual meeting was also advocated by some members. The President intervened at this stage and stated that most of the MC members may also decide to attend zoom meeting from their residences compromising the formal part of meeting. None of the MC members has practical knowledge of administering such meetings at a scale where say 100 active members participate in the meeting. The problems of multiple people speaking in the meeting at the same time also cannot be overlooked. Members then brought out that AGM has sanctity of timings and quorum and counting of votes and vital proposals are debated hotly which is not possible in a virtual meeting. Our General Body meetings cannot be compared with seminars / meetings where primarily one way communication takes place. MC also clarified that RCS has not yet accepted virtual AGMs and this can be considered when necessary guidelines are received from RCS. The MC does not support conduct of Annual General Body Meeting on virtual platform meeting as of now.

11.2 **Decisions:** The house by an overwhelming votes decided that:-

(a) Only the agenda points of the members present in the meeting will be taken up for discussions.



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(b) Virtual meetings on Zoom or any other such platform will not be held till approved by the RCS.

11.3 The Secretary called up for the members who had raised the point and only Wg Cdr ML Kapur was present in the house at that time. Hence the house decided that agenda points proposed by him only will be discussed and all other members' agenda points were dropped.

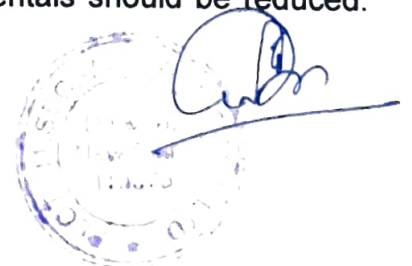
12.0 **MANAGEMENT OF THIRD WAVE OF COVID 19.**

12.1 Wg Cdr ML Kapur stated that the second wave of covid 19 was handled well by the society as a whole, where residents contributed, physically and financially to fight the pandemic. Further in order to face the third wave of Covid an SOP should be put in place so that every resident is treated equally and impartially and nobody felt left out. Gp Capt UC Prasad countered by saying that there is no partiality. If a resident decides not to become a part of any communication platform on social media and does not share the problem with neighbours, friends and well wishers what can other residents or MC do about it? Residents also have some responsibility and we cannot point fingers at others all the time. In Corona environment safety of all individuals is important and physical contacts / visits are not possible. MC brought out that the details of third wave are not yet known and it is not easy to formulate an SOP. Wg Cdr ML Kapur agreed to make a draft SOP on the subject and hand over the same to MC along with posting the same on social media.

12.2 **Decision:** It was decided that Wg Cdr ML Kapur will compile draft SOP for possible third wave of Covid 19 and hand over the same to Management Committee for finalization and circulate the same on social media for other members also.

13.0 **REMOVAL OF GROCERY SHOP VENDOR.**

13.1 Wg Cdr ML Kapur stated that the performance of Mirch Masala shop is unsatisfactory. His behavior, services and pricing of items is also not appropriate. Charging for home delivery of milk is incorrect. The vendor is in the camp for six to seven years and vendor is taking residents for granted and he needs to be changed. His view point was supported by a number of members. Vice President brought out that in view of complaints from members tenders were floated about one and a half years back and two tenders were received as well. Before the discussions could be carried out and decision made corona waves came. During this corona period the grocery shop became an essential service and rotation of vendor had to be shelved. Against odds the current vendor provided services during the difficult period. This point came for support from a number of members as well. Vice President also intimated that a survey was carried out a few days back and two third residents have stated that they are satisfied with the current vendor. Wg Cdr PC Puri pointed out that 30% dissatisfaction is very high and the sentiments of the house must be respected. He also brought out that the rentals of Rs 30,000 per month are too high and not sustainable and may be reason for overpricing. Society needs to focus on quality of service and competitive prices and if required rentals should be reduced.



Vice President agreed that he will talk to the vendor and instruct him to discontinue delivery charges and show positive and visible improvement in his behavior.

13.2 **Decision:** It was decided that Vice President will call the vendor and instruct him to discontinue delivery charges and show a positive improvement in behavior and services failing which action for replacement of vendor is to be taken by MC

14.0 **VACATION OF CYBER CAFÉ BY PRESENT ALLOTTEE.**

14.1 Wg Cdr ML Kapur intimated that the cyber café is locked most of the time and the shop does not provide any meaningful services to the residents of the society and it should be vacated immediately. Secretary brought out that this place was being used as a store room by a past contractor without paying rentals. MC took a bold decision in 2014 and got it vacated. For quite some time there was no taker for this place due to awkward location and approach. Giving it to cyber café has generated funds over five lakhs during last seven years which in turn subsidizes monthly maintenance charges of members. He also brought out that during the same period grocery shop has contributed over 24 lakhs and vegetables shop over 16 lakhs. Hence while asking for vacation the economics should not be lost sight of. Loss / reduction in rentals will need to be compensated by corresponding increase of maintenance charges. Some members asked member raising the point to advise alternate use of this space with similar or better returns. Since there was no suggested use, the point was not discussed any further.

14.2 **Decision:** MC is to take decision on cyber café taking all factors in account.

15.0 **RECTIFICATION OF COMPLAINTS OF FLATS OF RESIDENTS**

15.1 Wg Cdr ML Kapur stated that old procedure of monitoring the complaints through register has been discontinued as a result of which complaints are not being attended appropriately.

15.2 **Decision:** MC agreed with the point and agreed to implement monitoring immediately. The possibility of using No Brokerhood App for monitoring the complaints is also to be explored by MC.

16.0 **TRANSPARENCY OF MAINTENANCE CHARGES.**

16.1 The point was not pressed by Wg Cdr ML Kapur

Ps: The utmost transparency in spending the funds is being maintained by MC. Monthly incomes and expenditures are communicated to members through monthly cash flow statements where head wise details are given. The complete breakdown of major projects expenditure is also displayed and shared. Further members are free to raise queries on expenditures which are responded. Members can also examine the documents where queries exist.

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A handwritten signature in blue ink is written above a circular official stamp. The stamp is blue and contains the text 'DIRECTOR, NEW DELHI, 110015' in the center, surrounded by 'PLOT 115, C-7, A.F.N.O. CGHS LTD' and a star symbol at the bottom.



17.0

## FORMATION OF CONTROL COMMITTEE TO KEEP CHECK OVER MC.

17.1

Wg Cdr ML Kapur stated that a Control Committee used to function earlier to function as a check over the Management Committee. The current Management Committee has discontinued with the well established norms without taking the house into confidence. Two ex presidents of MC present in the meeting agreed with the point and stated that the house nominated control committee used to function during their tenure as well. A control committee consisting of three to five nominated senior members was proposed by some members. At this point President MC intervened and intimated the house that no control committee was functional when he took over in June 2014. The existing rules specifically prohibit formation of any committee other than the Management committee. Provisions of Rule 106 (10) were read out to the house which is reproduced below:

### (Rule 106 (10) of DCS Rules 2007

***Any other organization such as Residents Welfare Association or Apartment Owners Association, by whatever name it may be called shall not be allowed to control or participate in the management of Co-operative Housing Complex. However the committee of the co-operative housing society may set up sub-committee consisting of members and non members to assist the committee in the management of the complex of the co-operative housing society.***

### Section- 2 (e) of DCS Act 2003

***(Committee: means the governing body of the co-operative society by whatever name called, to which the management of the affairs of the society s entrusted)***

President MC also clarified that in a democratic set up a nominated body cannot exercise control over duly elected body. If the members are not satisfied with the functioning of the MC there is a procedure to remove any MC member or whole of committee. Further the functioning of MC can be crippled if the control committee goes in conflict with MC. Some nominated members of control committee had used the platform for MC bashing in past. At this point a number of members came in support of MC clarification and agreed that control committee would be a toothless body and is not sustainable legally as well.

17.2 The point was not discussed any further being legally not sustainable.

## 18.0 CONCLUSION

18.1 It was already 1340 hrs and the members' points having been discussed the members started moving for lunch. Hence meeting was declared closed at 1345 hrs. The proceedings of AGM were video graphed as per guidelines of RCS.



19.0 **Approval of These Minutes by Managing Committee**

These minutes were discussed in the meeting of the Managing Committee held on 7<sup>th</sup> September 2021 and approved for release.



(SK SHARMA)  
Air Vice Marshal (Retd)  
Chairman of the meeting



(KGR MENON)  
Secretary  
For Managing Committee

**DISTRIBUTIONS:-**

1. Members - Through Notice Board / E-mail / What's App and Website.
2. Wg Cdr B Jayaprakash web administrator society website  
<http://www.afnoe.wordpress.com> for uploading

**Copy to:-**

Assistant Registrar of Co-operative Societies (SW)  
Parliament Street, New Delhi -110001 - By Speed post  
(With pen drive containing video recording of AGM Meeting)

