

AIR FORCE & NAVAL OFFICERS CGHS LTD

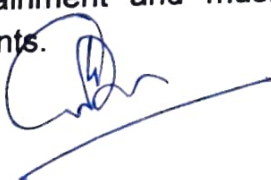
AFNO / 09

29 August 2021

ANNUAL REPORT AND OPENING ADDRESS BY PRESIDENT  
IN AGM ON 29 AUG 21

Dear Members,

3. The Management Committee feels greatly honored to present Annual Report of AFNOE to the august house. Like last AGM this meeting is also being held under testing circumstances where the threat of third wave of Covid 19 is still looming large.
4. This report covers the achievements and the actions taken by the Society since last AGM. The status on the important issues and ongoing projects and the major projects that the society plans to undertake during the next one year or so will also be covered in the report. The same have also been covered in brief on agenda points. The Audit Report and Balance Sheet along with the related documents and schedules have already been circulated to the members through e-mail, what's app, website, notice boards and hard copies. The salient features of audit report, balance sheet and the related documents are covered in the brief on agenda points and must have been gone through by the members.
5. Starting with management of corona by the society, the last one year and seven months have revolved around Corona and its management. Our society was also adversely affected by both the corona waves. At one stage we had 44 Covid 19 positive cases during second wave. AFNOE residents set an example in following covid guidelines and discipline and joined hands to provide help and support to the affected residents and families. Some doctors staying in the society provided medical support to the corona affected residents. The young ladies formed angels group and provided nutritious food to the sick people. On its part Management committee provided all the required facilities and services within the premises of the society so that the residents do not have to venture outside and expose themselves to the life threatening disease. Electronic sanitizers' dispensers were installed on all prominent places. Oxygen enrichment machine donated by Mrs Rajee Mehta flat number 564 provided critical oxygen support to serious patients. Since last AGM two more machines have been donated by AVM SK Jindal and Wg Cdr TN Gupta. In addition three oxygen concentration machines have been procured against the donations given by residents. Also two portable oxygen cylinders, small oxygen packs, oxymeters, infra red thermometers and oxygen masks to staff have been procured. The entire AFNOE community stood together for the common cause of fighting corona. Now we are fairly well equipped to meet third wave if and when it affects us.
6. In order to bringing up the sagging spirits and emerging corona fatigue among the residents, three entertainment programs were organized in the central lawn on Republic Day, Valentine day and Independence day. The children of the society put up excellent variety entertainment and music programs which were well attended and appreciated by the residents.



7. Unfortunately Corona also adversely affected the social and business activities. The incomes from booking of Guest rooms, community centre, Lifts advertisements, notice board advertisements and stalls and canopies have been badly hit with little chance of improving in near future. Our maintenance funds were also affected by forfeiture of one installment of Rs 2.1 lakhs of garden subsidy by horticulture department. The maintenance expenses on buildings and electrical machines are gradually going up due to ageing. In addition inflations have resulted in proportionate increase in expenses. Corona related expenses are still continuing and are likely to continue for some time. In order to neutralize the pressure on maintenance funds increase in the monthly maintenance charges is being proposed as a separate agenda point.

8. In view of the still prevailing threats of corona an appeal has been made to all the members to critically analyze audit report, balance sheet, annual budget, brief on agenda points and this annual report. The members' queries and question have been and are being addressed. Management Committee requests all the members to note down the observations and queries and the same will be taken up after the annual report, Balance Sheet and mandatory agenda has been completed. Members' points will be taken thereafter. Let us now start with AFNOE achievements first.

### **Achievements**

9. During the last one year our society could take up limited maintenance works. This was enforced by the impact of corona related restrictions and funds constraints as explained above. Still following achievements have been made:-

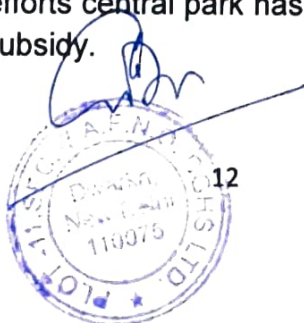
(a) Close to 100% serviceability of LT and HT panels, transformers and DG sets has been maintained. However number two transformer and rear gate DG set are due for major servicing. The reduction of common area charges is reflective reduced transmission losses. These installations have though completed their service life, are considered fit for quite some time.

(b) The fire system and appliances have been made serviceability and tested. Water hoses and couplings have been procured and replaced.

(c) Six terraces have been found leaking during monsoon. More leakages are expected. The leakages are due to ageing and repairs are materials and labour extensive. Four roofs have already been repaired and balance will be repaired gradually in days to come.

(d) **Repairs to Damaged Water Lines of Flats.** The original pipelines are of mild steel and are corroding and leaking. These being common pipelines have to be repaired / replaced by society. During the last one year a large number of pipes had to be repaired resulting into expenditure of about six lakhs. This expenditure is expected to only go up with time.

(e) With sustained efforts central park has been brought up and maintained in spite of forfeiture of garden subsidy.



## **Water and Electricity Supplies**

10. The society has been able to manage zero water bills since last AGM. In order to maintain zero billing we need to continue with our efforts to conserve water.

11. MC had taken approval of an expenditure of Rs 11.2 lakhs for replacement of water pipes of the society. There were three major leaks in the pipes within a fortnight. Sub-committee submitted its reports in time. The supply order was not placed due to onset of second wave of corona. Luckily no leak has come up during last six months. MC has decided not to commit society funds and delay the replacement as far as possible. The water lines will be inspected periodically and replaced when necessary.

12. The electric lines are breaking down frequently due to corroding and ageing. These are repaired or replaced on as requirement basis. Society has received claims of subsidy pertaining to the period up to 31<sup>st</sup> January 2021 for flats consuming up to 400 units in a month. The refunds have been made to all the residents as per claims / entitlements.

## **Roads and Buildings.**

13. During the year gone by the society has spent substantial funds for building maintenance for civil works for replacement of damaged and corroded pipelines with CPVC pipes. Besides roof repairs, road repairs and replacement are expected to come up during next year. The contract for structural Safety audit has been finalized. The work will soon start and will be monitored by the sub-committee.

## **Fiscal Management and Financial Status of the Society.**

14. Post installation of lifts the fixed deposits have risen to over Rs 2.00 crores and we can meet certain cost intensive projects as approved by the house. While the status of reserve funds and investments is considered satisfactory, the maintenance funds are under pressure due to reasons already stated. Revision of monthly maintenance charges is being taken up as a separate agenda point.

15. Chartered accountant in his audit report has pointed out that an amount of Rs 6,41,108 (six lakhs forty one thousand one hundred and eight only) pertaining to assessment year from 2005-06 to 2011-12 and shown as recoverable from income tax authorities has become time barred and is not recoverable any more. MCs of past and present MCs took up with IT department but could not get these refunds. No useful purpose will be served by keeping this amount in Balance Sheet. Hence MC proposes that this amount be written off charge against the income and expenditure account of current financial years. This also is being taken up as a separate agenda point. Our Income tax return of assessment year 2015-16 came up for scrutiny and a claim of Rs 12,68,070 was slapped on the society. We are hopeful of winning the case and substantial part of IT refunds is expected.

## **House Keeping**

16. The services of housekeeping contractor were terminated one year and six months back and the staff taken on the rolls of society. This has not only improved quality but also resulted in savings of GST and contractor's margins. The process of segregation of garbage



and processing of solid wastes will be restarted as and when SDMC starts segregating the wastes. The procurement of composting machine will also be taken up appropriately and located accordingly

### Security

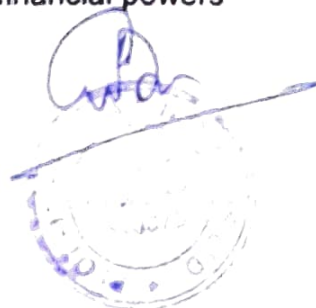
17. Measures recommended by ACP Dwarka during his visit to our society have been put in place. The security framework in the society is considered adequate and satisfactory. By the grace of God, we did not have any event of theft or housebreak during last five years. But there is no place for complacency and the residents are requested to make their flats entry and temper proof.

### Certificate of Completion

18. The members will be aware that the efforts to obtain CoC for the society in past have proved unsuccessful. The situation has become worse due to non compoundable constructions by a large number of members. Certain members have approached the court and the response from the MC was submitted to the court which is in public domain. The case is with the Delhi high court and is being heard. On requirements from honourable court, DDA has compiled the details of violations in the society and as per available details more than 150 flats have violations which may have to be removed. In the interim period, some owners of first floor flat owners have also approached the court to include them also an interested party. Next hearing is on 03 Sept 2021. Till now MC has attended all the hearings. As the case progresses, MC may have to hire a competent lawyer to fight its case. The society has stated in the court that it will implement the orders of honorable court or any other competent agency. The progress of the case is being informed to the Members through the circulars. A white paper was issued on 15 Jan 21 to make the members aware of whole of issues involved on the subject.

19. Now MC will list out the major tasks that the MC plans to initiate or complete in the ensuing year. While 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 is being taken:-

- (a) **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 finalise the project.
- (b) **Repairs to Septic Tanks in Society** About 10 septic tanks are leaking since water proofing has outlived its life. The complete repairs work could not be carried out due to lock downs and non availability of specialized labour. The water proofing is being undertaken in a staggered manner under MC's financial powers. The total cost will be Rs 2,50,000 approximately.
- (c) **Repairs and Distempering of Terraces** The roof top terraces have developed cracks at places and bricks have become loose. 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.

(d) **Access Control System.** No broker access control system has been put in place in the society. The residents have become friendly with the soft ware and very shortly the complaints component of the in the system will be put in place. There after MC will explore the feasibility of making the tool as a source of communications among the residents to share the information about the society. The recurring costs will be shared by the residents.

20. In the end the Management Committee would like to thank all the members who have spared their valuable time to attend the meeting and for the patient hearing. MC wishes good health and prosperity to all the members. May I request the members to be brief while addressing the house on any subject?

