

The Saraswat Suburban CHS Limited
10/4, Saraswat Colony, Santacruz West, Mumbai-400054

MINUTES OF THE SPECIAL GENERAL MEETING (SGM) HELD ON 9th NOVEMBER 2014

Members present	: 160 (List as per Annexure 1)
Total number of Members	: 184
Quorum	: 86% (over 75%)

Chairman informed the house that there were two cases where both the Member & the Associate Member were present. He enquired with the General Body whether both could be allowed to attend and the Associate Member be seated away so that he/she is only an observer and does not participate in the proceedings/voting, if any. While the General Body agreed that this could be allowed, Mr. Shivanand Mudbidri (Managing Committee Member) pointed out that some Associate Members had already been asked to leave and it would not be fair to allow those now present to attend. It was, therefore, decided that either the Member or Associate Member shall attend.

Chairman called the meeting to order. The meeting commenced with the customary prayer led by Mr. Niranjan Nagarkatte & Mr. Shivanand Mudbidri.

1. CHAIRMAN'S OPENING REMARKS

Welcoming all members to this meeting, Chairman said that the SGM today was a very special one that requires a quorum of 75% of the members. He had pleasure in announcing that out of membership strength of 184, the attendance was 160 and well exceeded the minimum quorum requirements.

Chairman also informed the House that he had invited all Redevelopment Sub-Committee Members and Evaluation Committee Members to also attend the meeting. Except for Mr. Prakash Bijoor, all other members of these Committees were either Members/Associate Members (attending on behalf of the Member). Mr. Surendra Hattikudur (Flat 9/19) said that we should have written about this in the notice. Chairman then inquired from the House if there were any objections to Mr. Prakash Bijoor attending the meeting. Except for Mr. Surendra Hattikudur's comments, there were no objections and all agreed that Mr. Prakash Bijoor be allowed to attend as a Special Invitee.

Chairman recalled that the SGM had been convened at the request of some members to consider redevelopment of the Society Buildings. He thanked the Redevelopment Sub-Committee comprising of Dr. Shashi Marballi, its Chairman, Mr. V N Kalbag, Mr. Prakash Bajekal & Mr. Prakash Bijoor and the PMC Evaluation Committee comprising of Mr. Prakash Bijoor as its Chairman, Mr. U Balachandra Rao, Mr. P K Mukherjee, Mr. Ramesh Bijoor, Ms. Kshama Francis, Mr. Gautam Gangolli and Mr. Siddhartha Ray for the tremendous efforts put in by them to do all the spade work and evaluate the offers of the PMCs. He acknowledged the tremendous support accorded by them to the Managing Committee (MC). However, it was unfortunate that Dr Marballi could not be present today since he suffered a heart attack and wished his speedy recovery to normal routine.

Recapitulating the sequence of events that led to this SGM, Chairman recalled that a cross-section of the Members in January this year requested the Society that we consider the redevelopment of our buildings. The Managing Committee then reconstituted the Redevelopment Sub-Committee which sprung into action to look into the various aspects of Redevelopment. The Redevelopment Sub-Committee also took action to convene meetings of smaller groups within the Society between end April and early May 2014. It may also be recalled that an effective connect had been maintained with members to keep them updated with all developments through circulars, emails and Society's website. We subsequently received a requisition on 6th May 2014 from over 25% of the members requesting the Managing Committee to convene a General Meeting to consider redevelopment which led to this SGM today.

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One of the major findings of the Redevelopment Sub-Committee was that the redevelopment process is governed by the Government of Maharashtra Circular dated 9th January 2009. The spirit of the circular is to ensure transparency and democracy in following the process of redevelopment. It also aims at removing any possibilities of taking ad hoc decisions on redevelopment.

The redevelopment process is indeed a very complex process and we do need experts to guide and advise us on this matter. Members need answers to a wide range of questions like what is it that we will get if we go in for redevelopment; what will be the increase in monthly outgoings; whether there are any provisions of law that may hinder redevelopment and many more.

The January 2009 circular stipulates a procedure for redevelopment. The first step involves the General Body according an in principle approval to commence process of redevelopment by appointing Project Management Consultant (PMC)/Architect. This in principle approval must be granted at a SGM with minimum 75% quorum and at least a 75% (of the members present) majority approving the in principle approval. If this approval is granted we ought to appoint a PMC to do the feasibility study which will place various redevelopment options before us.

The first step after accordance of an in principle approval, involves evaluation of the feasibility study and acceptance or rejection of one of the redevelopment schemes or options which will include additional FSI that each members will get; the corpus amount etc.

If one of the options is accepted, then next step is to pursue the accepted option by initiating the process of tendering with the help of PMC to invite offers from builder/developer. Negotiating with the builders/Developers for additional carpet area, corpus and other benefits. Finally selecting and appointing of builder/contractor (if we opt for self development). This is the most important step of redevelopment which is again subject to the same stringent quorum and majority requirements for the SGM. In addition it is also stipulated that an official from the Registrar's office be present and all proceedings be videographed. We may have as many General Meetings between the first and final step and subsequent to the final step as required.

Chairman emphasised here that the meeting today will only decide on an "IN PRINCIPLE" approval that will pave the way to appointing a PMC/Architect to conduct the feasibility study. This in no way is a decision to go in for redevelopment and the final decision will only be taken after the feasibility report is placed before the General Body. Therefore, we are of the view that we must go in for an in principle approval for which the cost involved is the fees that we pay to the PMC/Architect. After acceptance of the redevelopment scheme, further tendering and selection process will be initiated by PMC to decide on developer/builder.

Chairman also flashed the various pros and cons of redevelopment and observed that there may be many more and felt that many members may also have applied their minds on this issue. Besides these, the markets conditions prevailing at the time of actually going in for redevelopment may favourably or adversely affect the members. We had to use our judgment in deciding on this important issue and once again emphasised that the objective today is only for an in principle approval for initiating the redevelopment process. All expenses incurred on redevelopment process are normally recovered from developer if we go in for redevelopment. It is only if we do not go in for Redevelopment for any reason that the Society has to bear the cost of the feasibility study.

Before taking up the agenda, Chairman requested that the SGM notice be considered as read since it had been circulated in advance which was agreed to by the house. The agenda was then taken up for discussion.

2. DISCUSSION OF AGENDA

2.1. To consider the issue of redevelopment of the Society Buildings.

Chairman informed the House that this item will comprise of three parts – discussions on redevelopment; deciding on whether the vote will be through a secret ballot or open ballot (where the identity of the voter is known) and finally finalising the resolution and voting for or against the resolution by the members. He then threw the floor open for discussions.

Mr. C N Rao (Flat 10/23) inquired as to what would happen to the Servants Quarters in case we go in for redevelopment. Chairman said that we need to pose such questions to the PMC. However, personally he was of the opinion that we may need to provide the same area as occupied by them on the same terms as at present. Mr. Niranjana Sashittal (Flat F/4) brought to the notice of the General Body a letter that he had written to the Society with regard to certain issues raised by him and another member. He read out the letter (appended at **Annexure 2**). Chairman said that his observation will be noted and recorded in the minutes. Mr. Aditya Sashittal (Flat 9/25) felt that the issues raised be sorted out here. Chairman said that sorting and discussing this issue was out of context at this General Meeting and they could discuss the matter with the Society separately. Mrs. Kshama Francis (Flat 10/21) inquired as to how the flats allotment would be done. Chairman said that it is too premature to address this issue which comes in only after we accept a redevelopment scheme. Mr. C L Basrur (Flat G/12) informed the house that he had written a letter to the Society on the issue of redevelopment. The letter is appended at **Annexure 3**. Dr. (Mrs.) Abhilasha Hattangadi (Flat 9/23) was of the opinion that this was not the right time for going in for redevelopment in view of the present market conditions. Dr Chandrashekhar Hattangadi (Flat 9/24) inquired as to how we would deal with the servant quarters. They emphatically felt that we must not consider redevelopment today. Mr. Kishore Bijur (Flat 2/5) complimenting the Redevelopment Sub-Committee and the Managing Committee for their efforts on the redevelopment of the Society Buildings emphatically said that we must go in for the first step of feasibility study. Based on the feasibility study we could then decide on whether or not to go in for the redevelopment based on the needs and requirements. Mr. Rajeev Sanadi (Flat 5/2) also expressed that going in for an in principle approval for redevelopment and getting a feasibility study done for redevelopment will prove worthwhile.

After discussions, Chairman observed that Members may have done their own homework on this important issue based on the informal discussions held in earlier months and various points made by members today. Therefore, they may have made up their minds on whether or not to accord their approval for granting an in principle approval to the redevelopment of the Society buildings. He said that we should now finalise on a resolution which would then be put to vote by indicating their choice on a ballot paper. He inquired from the House as to whether we should have a secret ballot or an open ballot where the identity of the voter will be revealed. Through a show of hands, an overwhelming majority raised their hands for an open ballot. The Chairman then suggested that we nominate two to three members to conduct the voting. The names of Mr. Niranjana Nagarkatte (Flat 1/1); Mr. Rajeev Sanadi (Flat 5/2) & Ms. Dhanashree Bhatkal (Flat 10/18) emerged who were appointed to conduct the voting. Ballot papers on the Society letter head were already made with the stamp of the Society and the Honorary Secretary's signature on the reverse of the ballot paper.

Chairman then flashed a draft resolution on the screen which after discussions was finalised as under:

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RESOLVED THAT AN IN PRINCIPLE APPROVAL IS HEREBY GRANTED TO COMMENCE THE PROCESS OF REDEVELOPMENT OF THE BUILDINGS OF THE SARASWAT SUBURBAN CHS LTD, 10/4, SARASWAT COLONY, SANTACRUZ WEST, MUMBAI - 400054 AS PER THE DIRECTIVE UNDER SECTION 79(A) OF MCS ACT 1960 ISSUED BY GOVERNMENT OF MAHARASHTRA VIDE CIRCULAR NO. CHS 2007/CR554/14-C DATED 3RD JANUARY 2009.

FURTHER RESOLVED THAT ONE/SEVERAL PMCS/ARCHITECTS BE APPOINTED TO CONDUCT A FEASIBILITY STUDY FOR REDEVELOPMENT OF SOCIETY BUILDINGS AND SUBMIT A REPORT.

The three-member Committee then held consultations between themselves and announced that they would call the names of members building-wise. They were then required to collect the ballot paper, write their name/flat number on the ballot paper and cast their vote by putting a mark against the "FOR the resolution" or "AGAINST the resolution". Ballot paper not bearing the names and/or flat numbers (where identity could not be established) would be considered as invalid.

Mr. Machado (Flat 11/5) said that he is a Electrical and Mechanical Engineer and was of the opinion that buildings are still strong and therefore redevelopment presently was not warranted. Mrs. Alfreda Ohol (Flat 12/8) felt that it is not worthwhile considering the redevelopment today since the buildings were strong enough.

The three-member Committee then conducted the voting and submitted a report to the Chairman. Chairman announced that out of 160 members present, 140 voted for the resolution; 15 voted against the resolution; 2 votes were invalid and 3 abstained from voting. The following resolution was passed with a majority of over 75%:

RESOLVED THAT AN IN PRINCIPLE APPROVAL IS HEREBY GRANTED TO COMMENCE THE PROCESS OF REDEVELOPMENT OF THE BUILDINGS OF THE SARASWAT SUBURBAN CHS LTD, 10/4, SARASWAT COLONY, SANTACRUZ WEST, MUMBAI-400054 AS PER THE DIRECTIVE UNDER SECTION 79(A) OF MCS ACT 1960 ISSUED BY GOVERNMENT OF MAHARASHTRA VIDE CIRCULAR NO. CHS 2007/CR554/14-C DATED 3RD JANUARY 2009.

FURTHER RESOLVED THAT ONE/SEVERAL PMCS/ARCHITECTS BE APPOINTED TO CONDUCT A FEASIBILITY STUDY FOR REDEVELOPMENT OF SOCIETY BUILDINGS AND SUBMIT A REPORT.

(The meeting was then adjourned for lunch).

2.2. To consider and decide on appointing an Architect/Project Management Consultant (PMC) for conducting a feasibility study on the redevelopment of the Society buildings, finalise the scope of work/Terms of Reference and fix their fees/remuneration for conducting the Feasibility Study.

The adjourned meeting was called to order by the Chairman after lunch.

Chairman informed the House that the four short-listed PMCs had been invited to make presentations to the General Body before a final decision on the appointment was made. All the four PMCs (M/s Mangurdekar Associates; M/s Daisaria Associates; M/s Supreme Engicon Pvt. Ltd. & M/s Nandapurkar & Associates) made presentations to the House which was followed by a question and answer session where Members posed various questions to the prospective PMCs. The fees structure presented by M/s Daisaria Associates was Rs 2500 per member and M/s Nandapurkar & Associates came down to Rs 1 lakh from his quote of Rs 2 lakhs.

After the presentations, Chairman briefly explained to the House about how the tenders were floated, evaluated and subsequently short-listed for discussions for the SGM today through a

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power point slides. Chairman also recalled that all developments on every aspect of redevelopment including evaluation were being communicated to all members from time to time and also hosted on website. He also flashed the quotes of each of the prospective PMCs and observed that M/s Daisaria voluntarily on his own had brought down the quote to Rs 2500 per per member from Rs 10000 as shown in the slide. This amounted to a total of about Rs 4.60 lakhs. Ms Nandapurkar, against the insistence of some members, agreed to bring down the offer from Rs 2 lakhs to Rs 1 lakh. M/s Mangurdekar Associates was Rs 25000. Chairman also flashed the valuation sheets of the Evaluation Sub-Committee that had allocated points to each of them. The order of preference that followed was M/s Nandapurkar; M/s Mangurdekar; M/s Daisaria and M/s Supreme Engicons. If the General Body was to accept the evaluation report of the Evaluation Committee which was accepted by the Managing Committee, then M/s Nandapurkar & Associates would qualify for the appointment. Chairman also informed the House, that he had also received a recommendation from the Evaluation Committee that a proposal to appoint two PMCs namely M/s Nandapurkar & Associates and M/s Mangurdekar Associates also be put forth to the General Body. The idea was that the quote of M/s Mangurdekar Associates was just Rs 25000. Further he scored the maximum points on feasibility study (which was a small portion of the weightages given to various parameters). Getting two independent feasibility reports will make sense it was felt. Chairman then put this point for discussion by the General Body. It was also emphasised that all quotes were exclusive of any Government taxes which will have to be borne by us at actuals.

Discussions at length followed giving the positives and of various prospective PMCs who made presentations not only at the SGM but also much before the SGM so that the Members could apply their minds. Some felt that we must not really bother about the fees of the PMCs but must put more weightage on the quality of report and advise. One of the members brought to the notice of the House about an adverse report on the internet pertaining to M/s Nandapurkar & Associates. It was also stressed that one really could not prove the authenticity of any such report and it was for us to exercise our own judgment. It ultimately emerged that instead of appointing only two PMCs why not we consider appointing all the three including M/s Daisaria Associates. Though his quote was high and maximum, many felt that he had a lot of positive points. The point that then emerged is that we ought to have an upper limit for appointing the PMCs and efforts must be made to further negotiate with M/S Daisaria Associates. Given that the quote from M/s Daisaria amounted to about 4.60 lakhs, an upper limit of at least Rs 5 lakhs was required (assuming that M/s Nandapurkar could further come down). There was a division of opinion on the upper amount of Rs 5 lakhs. The Chairman requested a show of hands for those who were for the Rs 5 lakhs and those who were against it with a lower amount being sanctioned. Those for an upper limit of Rs 5 lakhs were 57, and against it were 29. Therefore the figure of Rs 5 lakhs was decided with a majority. Rest of the tenant members left the venue after the lunch.

Subsequently discussions followed on the resolutions. In case the MC is not able to negotiate a deal for feasibility reports from three PMCs within a fee of Rs. 5 lacs, then the MC is authorised to drop M/S Daisaria and appoint the remaining two PMCs at the best negotiated price. The following resolutions proposed by Mr. Jayant Mangalore (Flat 12/7) and seconded by Mr. Kiran Bajekal (Flat 10/11):

RESOLVED THAT M/S NANDAPURKAR & ASSOCIATES; M/S MUNGARDEKAR ASSOCIATES AND M/S DAISARIA ASSOCIATES BE HEREBY APPOINTED AS THE PROJECT MANAGEMENT CONSULTANTS FOR CONDUCTING THE FEASIBILITY STUDY FOR THE REDEVELOPMENT OF THE BUILDINGS OF THE SARASWAT SUBURBAN CHS LTD - (SSCHS), SANTACRUZ WEST, MUMBAI IN LINE WITH THEIR OFFERS DATED 16-08-2014, 27-08-2014, AND 17-09-2014 AND CHANGES AS MADE BY THEM AT THE SPECIAL GENERAL MEETING HELD ON 9TH NOVEMBER 2014 AND THE TERMS OF REFERENCE LAID DOWN BY SSCHS.

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FURTHER RESOLVED THAT THE SUM TOTAL OF THE FEES/REMUNERATION PAYABLE TO THEM SHALL NOT EXCEED A SUM OF RS. 5,00,000 (RUPEES FIVE LAKHS ONLY) AND BE PAID AS PER THE SCHEDULE OF PAYMENTS AS LAID DOWN IN THEIR RESPECTIVE OFFERS

FURTHER RESOLVED THAT THE MANAGING COMMITTEE (MC) IS AUTHORISED TO FURTHER NEGOTIATE THE FEES AND PAYMENTS TERMS TO THE BENEFITS AND BEST INTERESTS OF THE SOCIETY.

FURTHER RESOLVED THAT IF THE MANAGING COMMITTEE IS NOT ABLE TO SUBSTANTIALLY NEGOTIATE WITH ALL THE THREE PMCs TO FIT IN THE MAXIMUM LIMIT OF RUPEES FIVE LAKHS, THE MANAGING COMMITTEE IS AUTHORISED TO APPOINT M/s NANDAPURKAR & ASSOCIATES AND M/s MANGURDEKAR ASSOCIATES AS PMCS TO CONDUCT THE FEASIBILITY STUDY.

FURTHER RESOLVED THAT THE FEES PAYABLE TO THE PMC MAY BE BORNE THROUGH THE BALANCE IN THE (RRCA) FUND.

FURTHER RESOLVED THAT THE MC IS AUTHORISED TO REPLENISH THE RRCA FUND THROUGH RECOVERIES FROM MEMBERS IN 12 EQUAL INSTALMENTS FOR EACH INSTALMENT/PAYMENT MADE TO THE PMC AS PER THE FINALISED PAYMENT TERMS.

2.3. To submit a broad outline of the first phase of redevelopment process

Chairman flashed the broad outline of the process which was as under:

Appointment of PMC – issue of Letter of Intent	: 25th Nov 2014
Entering into an Agreement with the PMC	: 10 December 2014
Receipt of a draft report from the PMC	: End February 2015
Discussion of the Draft Report with MC	: Mid March 2015
Discussion of Draft Report with General Body	: End March 2015
Receipt of Final Report	: End April 2015
SGM to consider the Report and decide on the redevelopment scheme	: End May 2015

The General Body noted and accepted the same.

The meeting was then concluded.

Mumbai
Date : 23rd November 2014.



(V N Kalbag)
Hon. Secretary