

# The Saraswat Suburban Co-operative Housing Society Ltd.

(Regn. No. 2300 dt. 12-03-1919 changed to Regn. No. B7 dt. 07-05-1921)

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## **MINUTES OF THE SPECIAL GENERAL MEETING (SGM)** **held on Sunday 19<sup>th</sup> February 2023**

Members present physical 73 and online 21. Total 94.

Chairman called the meeting to order and commenced with the customary prayers.

Welcoming the Members to the meeting, Chairman drew the attention of the House to the discussions at the last AGM held on September 25, 2022 during which the four Project Management Consultants (PMCs) had presented their Feasibility Reports. He also stated that the Notice to this meeting had also given a background note of what had transpired at the AGM and the subsequent actions taken by the Redevelopment Sub-Committee (RSC) and the Managing Committee (MC). This General Meeting was with a single point agenda to appoint a PMC with the limited scope for inviting offers from builders/developers in case we opt for such a redevelopment. This would equip us better to decide on whether we should go in for self or builder/developer-oriented redevelopment models. He also informed the House that efforts from the Society to get quotes directly from the builders did not evince positive responses. Even though reputed builders showed interest in the beginning and collected documents from us, they did not respond positively thereafter. It was, therefore, felt that we resort to appointing a PMC with this limited scope. The agenda item was then taken up for discussion.

- **To consider and decide on appointing a Project Management Consultant (PMC) with a limited scope of inviting firm offers from reputed builders/developers for the redevelopment of our Society in case we decide to opt for going through the developer route of redevelopment.**

Chairman informed the House that we had sent enquiries to all the four PMCs to offer their services as PMC with this limited scope. We received quotes from three of them which have already been sent to all members for their kind perusal. One of them, M/s Disha Consultants, declined to quote on the grounds that they are only interested in offering their services for Self-redevelopment. Chairman then handed over the floor to Dr Shashi Marballi, Chairman RSC, to continue with the proceedings.

To start with, Dr Marballi read out the letter from M/s Disha Consultants who expressed that they are only interested in offering their services as Development Manager (DM) for Self-redevelopment and declined to quote for this task.

Dr Marballi then read out and briefly summarized the quotes from the other PMCs which were circulated along with the SGM notice. M/s Anandamide had quoted an amount of Rupees Two lakhs. In addition, the expenses involved in any printing, advertisements in media, etc would be billed at actuals. The tender fees would be received by the Society.

M/s Verite had initially quoted an amount of Rupees Five lakhs (exclusive of GST) which he subsequently after a meeting with a few RSC Members brought it down to Rupees Two lakhs. He informed that the earlier quote was based on a larger scope of work which was clarified to him after meeting with the RSC Members. The tender fees would be received by the Society and any costs involving advertisement would be to the Society's account which he estimated that this amount may not exceed Rupees One Lakh. They also offered another option whereby there would be no charge to the Society but the tender fees would be received by them. Dr Marballi added that the RSC was not in favour of this option.

M/s Sumedha had given her quote in two stages. Stage 1 involved the drafting of tender, publishing the same and inviting the quotes. The Second stage involved tabulating, due

diligence, short-listing and selection of the developer. Dr Shashi pointed out that we may not be interested in short-listing/selection of the developers since the idea was to first decide between self and developer models of redevelopment. However, we do require to compare and evaluate bids. The cost of appointing a legal advisor, financial consultant and publishing tender in the media will be to the Society's account. The quote for the first stage was ₹ 35,000/- and the second stage was ₹ 50,000/- both exclusive of GST. Dr Marballi also informed that he got in touch with her inquiring about the necessity of a legal consultant. She opined that this was required for a legal advice on the draft tender documents to ensure that there are no pitfalls from the legal angle. Her estimate of the service charges in this case was ₹ 25,000/-. The view of the RSC is that we do not need a legal advisor at this stage as far as the tender document was concerned. The financial advisor, as per Ms Sumedha Gore, was required to do the financial evaluation which again was not required by us at this stage. With regard to the cost of advertisement, from her experience, advertisements costing ₹ 25,000/- to ₹ 35,000/- have been placed by her in Times of India and good response had been received. However, this again depended on the page in which the advt was inserted and the size of the advt. Dr Marballi added that Ms Sumedha had specifically informed him that irrespective of the Society's objective in this exercise, the process that she adopts must be serious enough to ensure that we receive responses from very reputed builders/developers. In response to Dr. Marballi's statement that we had professional legal and financial experts amongst our members and their families, she suggested that we were free to utilize their services.

Mr Sethuraman (Flat 10/25) was of the opinion that for the tender to have a professional look, it must be vetted by both a legal and a financial expert. With regard to the tabulation, we need to be clear whether we required just a verbatim comparison of the offers of each bidder or a comparison after an evaluation process matching our requirements. Dr Marballi, elaborating on the evaluation aspect, stated that the quality of the builder is one such parameter. On this point, there were discussions whether we have to invite offers on a public tender or on selective tendering. Almost all PMCs were of the opinion that public tendering was recommended in the interest of transparency and avoidance of any allegations. However, by deciding on a proper tender fees, one could ensure that only serious and reputed builders quote against the tender enquiry. Mr Sethuraman added that we could also add some pre-requisites for the bidders qualifications in terms of say the number of projects and the size of the projects handled or being handled by them. Mr Prakash Hemmady (Flat 4/4) suggested that we invite separate technical and commercial bids. Dr Marballi, appreciating the point, said that this will be discussed with the PMC.

Mr Shivanand Mudbidri (Flat 5/4), was of the opinion that we must not use the word "Tender" since there were chances that we may land up with legal issues if we do not go in for developer model subsequently. Discussions at length followed on whether we must call it "Expression of Interest" (EOI). However, EOI only implies evincing interest by a bidder and a commercial quote may not be a part of it. It was suggested that we incorporate a suitable clause elaborating that the Society will not be under any obligation to go in for redevelopment through this model. It was also suggested that we get the tender document vetted by a legal expert for to ensure safeguards against any legal issues that may arise. Dr Marballi summarized that whatever we call this document (Tender or EOI ) the idea is to arrive at a document drafted by the PMC based on which we invite offers from prospective developers. Whatever points were discussed will be discussed with the PMC appointed for this purpose while formulating the document.

Regarding the appointment of the PMC – Dr Marballi informed the House that the RSC recommends M/s Sumedha Gore Architects to carry out this task with the limited scope as discussed. He invited comments from the Members. He suggested that in addition to appointing the PMC and approving their charges, we also need to pass resolutions for the advertisement expenses and the tender fees that we charge. Regarding the advertisement, Ms Sumedha had indicated about ₹35,000/- and M/s Verite about ₹ 1 lakh and a midway figure will be about ₹ 50,000/-. Regarding the tender fees, a high fees was recommended to attract only reputed and serious builders. However, since this may not be the final decision, we may consider charging a nominal tender fees and in his personal opinion may be ₹ 10,000/-. It was

also felt that we must take legal advice on the final document to avoid any legal hassles if we decide not to go through the developer route. Ms Sumedha had indicated that legal advice may involve an expense of ₹ 25,000/-. It was further felt that the word “Tender” adds seriousness to this task and using EOI will dilute this.

The following Resolution was passed:

RESOLVED THAT THE MANAGING COMMITTEE BE AND ARE HEREBY AUTHORISED TO APPOINT M/S SUMEDHA GORE ARCHITECTS AS PROJECT MANAGEMENT CONSULTANT (PMC) WITH THE SCOPE OF INVITING, OBTAINING & EVALUATING BIDS FROM DEVELOPERS/BUILDERS FOR THE REDEVELOPMENT OF THE SOCIETY AS PER THEIR EMAIL OFFER DATED 31ST DECEMBER 2022 AT A TOTAL FEES OF ₹85000 (RUPEES EIGHTY FIVE THOUSAND ONLY) PLUS ANY MANDATORY TAXES.

FURTHER RESOLVED THAT MANAGING COMMITTEE BE AND IS HEREBY AUTHORISED TO OBTAIN LEGAL OPINION THROUGH A LEGAL EXPERT ON THE TENDER DOCUMENT AT A MAXIMUM COST OF ₹ 25,000/- (RUPEES TWENTY FIVE THOUSAND ONLY) PLUS ANY MANDATORY TAXES,

PROPOSED BY DR LAXMI RAO (FLAT B1/9); SECONDED BY MR R SETHURAMAN (FLAT 10/25) AND PASSED UNANIMOUSLY.

After discussions, it was decided that a maximum of ₹1` lakh be allotted for publishing the Tender in newspapers. The following Resolution was passed:

RESOLVED THAT THE MANAGING COMMITTEE BE AND IS HEREBY AUTHORISED TO INCUR AN EXPENDITURE OF A MAXIMUM OF ₹ 1,00,000/- (RUPEES ONE LAKH ONLY) TOWARDS THE COST OF PUBLISHING THE TENDER FOR INVITING BIDS FROM BUILDERS/DEVELOPERS IN NEWSPAPERS.

PROPOSED BY MR SUDHIR KAVAL (FLAT 10/24); SECONDED BY MR RAMESH BIJOOR (FLAT G/7) AND PASSED UNANIMOUSLY.

There were discussions at length on the Tender fees. It was finally decided that the Managing Committee be authorised to decide in the matter after consulting the legal expert. The following resolution was passed:

RESOLVED THAT THE MANAGING COMMITTEE BE AND IS HEREBY AUTHORISED TO DECIDE ON THE NON-REFUNDABLE TENDER FEES TO BE CHARGED TO BIDDERS BIDDING FOR THE REDEVELOPMENT OF THE SOCIETY AGAINST THE TENDER FLOATED BY THE SOCIETY, BASED ON CONSULTATION WITH THE LEGAL EXPERT APPOINTED FOR THIS PURPOSE.

PROPOSED BY MR DEEPAK HEMMADY (FLT G/13); SECONDED BY MR SIDDHARTHA RAY (FLAT 10/20) AND PASSED UNANIMOUSLY.

The meeting concluded with a Vote of thanks to the Chair.

Place: Mumbai  
Date: 17<sup>th</sup> May 2023

(K R Bajekal)  
Hon Secretary