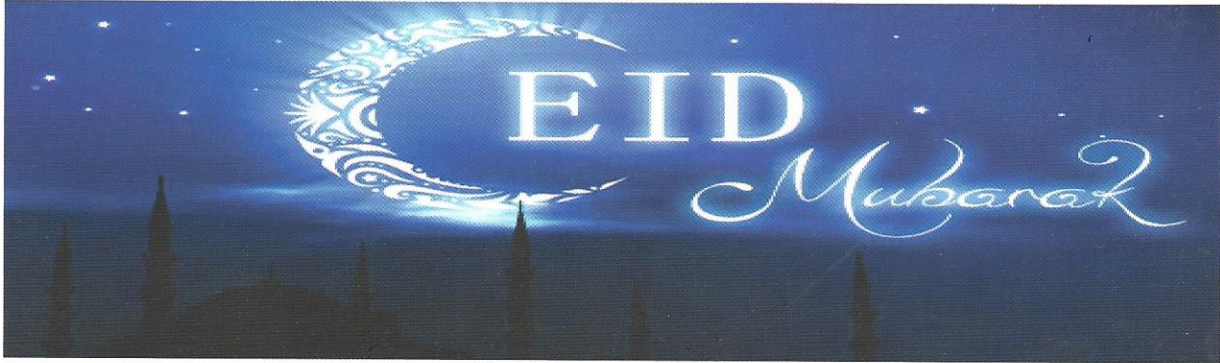




FEDERATION OF EMPLOYEES COOPERATIVE HOUSING SOCIETY LIMITED (REGD)

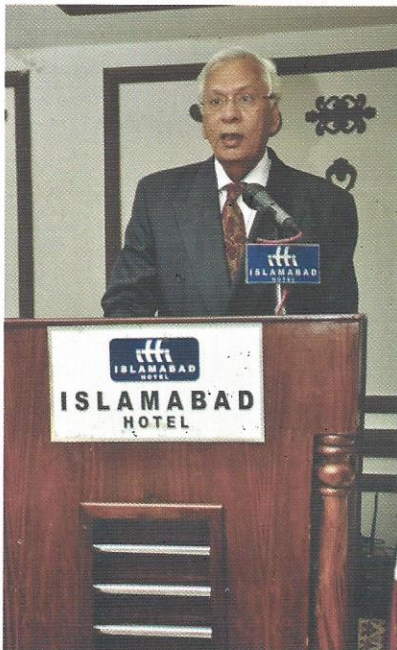
272, Main Double Road, FECHS, E-11/1, Islamabad. Tel: 051-2304956 E-mail: fechsl@gmail.com



Minutes of the AGM Federation of Employees Cooperative Housing Society Ltd E-11, O-9 Islamabad held on May 02, 2015 at Islamabad Hotel.

Invitations along with Agenda of the meeting were mailed to members on April 09, 2015. Notice was published in two national newspapers on April 10, 2015 followed by a reminder on April 30, 2015.

The meeting was conducted in accordance with the agenda which was presented by Dr. Waqar Malik, acting a stage secretary, after the recitation of Holy Quran.



Welcome Address by the President (Mr. Arman Aziz)

The President welcomed the participants especially the ladies who have been showing up in larger numbers. With the help of a slides show he explained progress on the projects as decided in the last AGM.

- i. Completion of carpeting of main streets of O-9.
- ii. Repair of road connecting NPF, services society and FECHS E-11.
- iii. Construction of Federation centre on commercial plot.15 E-11.
- iv. Construction of Mosques in both phases.
- v. Development in the North commercial area.

He announced the decision of the MC not raise the monthly conservancy charges for another year despite a shortfall of about Rs.200,000/-p.m in E-11 and deficit of Rs.135,000/- in O-9.

The relief in the conservancy charges was possible as the Federation Centre E-11 would likely start generating enough income in June 2015 to offset any deficit. He stated that a commercial building is planned for O-9 on the same model.

A trust, namely Federation Trust has been registered to oversee the management of the Mosque in FECHS. The same body will also oversee any other welfare activities including school, community centre etc in future. A dedicated recreational park area for children and families is allocated at the back of Main Commercial area will be operational soon.

General Development Report by the General Secretary (Malik Zafar IQbal).

The General Secretary gave a detailed overview of the development activities.

E-11 Masjid structure is in completion stage by using best available material in market. This was made possible by contributions from society members and others. Masjid operations will be supervised by Federation Trust on non sectarian basis. The said Trust will also oversee any other welfare activities including school, community centre etc in future.

Federation centre construction cost is recovered by selling ground and basement floors of the building. Four floors are rented @ 0.25 Million per month which will bridge the gaps between spending and earnings. This helped the management in keeping conservancy charges constant. Federation centre will provide health services by having an outlet of Islamabad Diagnostic Centre in basement and ground floors. A hospital with emergency and consultancy services will be situated in top four floors.

Sixty five percent i.e. 261 out of 405 residential plots have been constructed in sector E-11. Similarly, 63% i.e. 35 out of 57 commercial plots have been constructed.

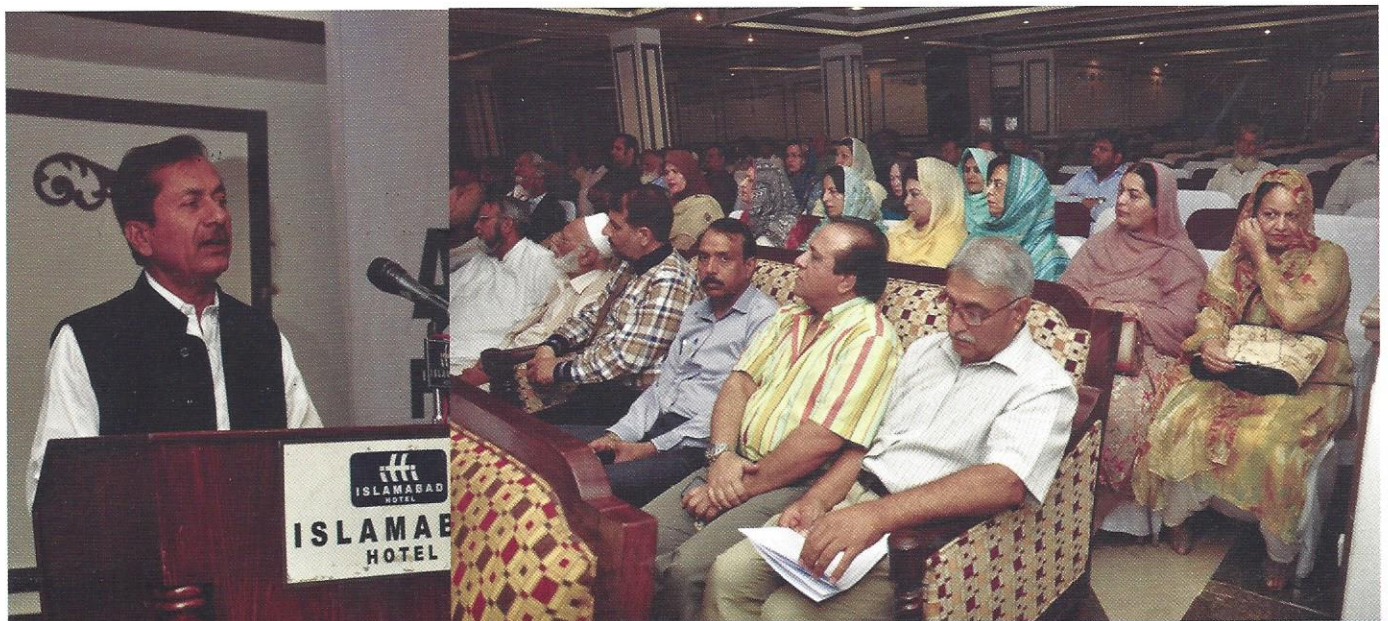
In sector E-11 water is abundantly available and, keeping in view future requirements, a third water tube well was constructed to ensure the same. Another overhead water tank is presently under construction.

Biannual seasonal plantation is conducted in sector E-11 for value addition of providing greenery and natural beauty of colors and clean air to the members.

Management Committee is working hard with responsibility and accountability. This makes F.E.C.H.S. distinct among adjacent societies with steady increase in property value and investments.

Beautiful Sector 0-9 location is complemented by forest from two sides and was underdeveloped till recent past due to non-availability of funds. Present Management has focused its energies on sector 0-9 and subsequently Electric power, water and natural gas facility is now made available. At present 14% i.e. 37 out of 368 residential plots have been constructed.

Access to sector 0-9 is major issue and presently 3 streets from police foundation are available. Also, negotiations are in process with Government of Punjab for access from forest on same footing as that of



Korang Town. Access road width has been increased to 60 feet from 40 feet.

For security, areas have been fenced where required and security personnel are on duty in day and night shifts. Site office and staff are allocated on permanent basis in sector 0-9.

Design plan for Masjid ground and basement floor are completed. Imam Masjid has also been appointed and prayers are offered regularly.

Study is underway regarding the location and design of proposed overhead tank with a 50,000 gallon storage capacity.

All project activities are conducted in close coordination and consultation of the resident's committee.

As per previous AGM, two activities have not been initiated till date in sector 0-9. Firstly, construction of commercial building and secondly auctioning of commercial plots for revenue generation. Present market analysis depicts low rate of return of both initiatives and hence is not feasible at present. However, a survey of the market is periodically conducted.

In general, all members are advised to take possession of their respective plots at earliest. A penalty surcharge is under consideration for all non conformers.

Vigilance is advised regarding new tenants and neighbours shifting in. For tenants, documents are to be shared with local police stations and society office as per Government of Pakistan SOP to be ensured by all members.

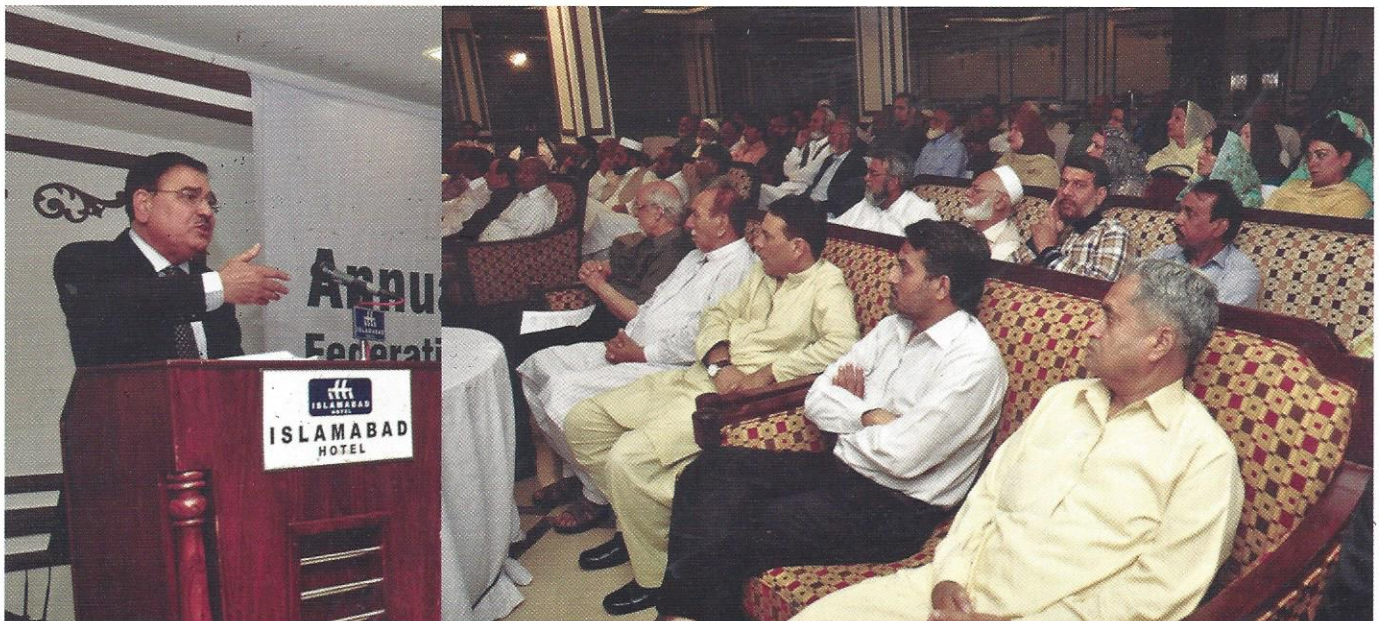
Services area in front of each residential plot is legal property of F.E.C.H.S. All members are to cooperate with management to ensure optimum availability and maintenance of service to each member.

Residential areas are not allowed for commercial activities as per state law. Members are intimated to cease any such practices.

Income / Expenditure Audit Report Y2013-14 by the Finance Secretary (Mr. Sabir Khan)

Overall sale / purchase has increased in society with increase in registration fee from Rs. 127,000/- in Y2012-13 to Rs. 962,500/- in Y2013-14. Transfer fee revenue collection increase for 3.6 million in Y2012-13 to 7.2 million Rupees in Y2013-14. Panalties has increased from 1.3 million in Y2012-13 to Rupees 7 million in Y2013-14. Building plan approval has decreased over the past 01 year.

Overall income of F.E.C.H.S. is 35.331 Million Rupees for Y2013-14 and expense for same period is 35.461 million rupees resulting in annual deficit of Rs 130,245/-. This increase in revenue generation is resultant of developmental works in progress Balance sheet footing increase 662 Million (2012-2013) to 727 Million (2013-2014). The income/expenditure statement and the audit report were adopted after a few questions.



Resolutions:

Resolution 1

Resolved that the Management may audit all allotments made by administrator/CR during 2012-13 and cancel illegal allotments in the light of Registrar's judgements.

Resolution 2

Resolved that the proceeds of the auction of two plots (No.s 32, 33) be reported in the next AGM to decide how to spend the money for society's betterment

Resolution 3

The notice has been issued covering the Tax year 2007 to 2013 U/S 161/205 of income Tax ordinance 2001. The position of entire tax payable as per show cause notice including the default surcharge and additional tax arrives at Rs.18, 984,757/- after adjusting the taxes already paid by us. After consulting with Legal Council and tax consultant and after the complete verification of the Accounts of FECHS from 2007 to 2013. This matter ends up with the expense of Rs.6.9 million including professional fee. A total sum of Rs. 6.9 Million in terms of withholding tax and surcharge at per FBR regulations will be paid accordingly. Resolved that the said expense of Rs.6.9 million is approved.

Questions and Suggestions by Members

- I. On question on de-bottle necking of E-11 entrance road due to recent illegal construction of marriage halls; the ownership is with Police foundation and CDA. Team E-11 in coordination with stakeholder societies have taken up resolutions for inducing both political and public pressure.
- II. It was reported that the technical team was studying the design and location for overhead water tanks in both O-9 and E-11.

At the end the President expressed his gratitude to all members of the M.C and the society staff for their teamwork.

