MINUTES OF THE GENERAL BODY MEETING OF POMCHS LTD. HELD ON 21/07/2019(SUNDAY) AT SECTOR-49, FARIDABAD PROJECT SITE.

The General Body Meeting of POMCHS LTD. was held on 21/07/2019 (Sunday) at 10.30 A.M. at Sectdor-49, Faridabad project site. All the members were informed about the meeting well in advance vide Letter No.1651 dated 20/06/2019.

The Agenda of the General Body Meeting:

- 1. Welcome address by the Chairman.
- 2. Approval of the Balance Sheet for the Financial Year 2017-18
- 3. Forensic Report of the auditor will be presented by the Chairman
- 4. Permission for change of C.A.
- 5. To apprise the members about progress of the Faridabad project.
- To apprise the members about progress of the Sonepat plots project and the present state of case pending with the National Consumer Dispute Redressal Commission,
- 7. Any other matter with the permission of Chairman.

Dr. Aditya Arya, IPS(rtd.), Chairman of POMCHS Ltd. chaired the meeting along with all other Board of Directors.

The General Body Meeting could not be started at 10.30 A.M. as scheduled due to lack of quorum i.e. one fifth of the total number of members were not present. Therefore, the Chairman adjourned the meeting for half an hour. The members reassembled at 11 A.M. for GBM by the time the required quorum was complete.

The Chairman addressed the General Body with best wishes and expressed his grateful thanks to all members for extending their whole-hearted support to the management.

Following is the brief of his speech:

1. When the new Management committee (BOD) came to power on 17/07/2019, it was found that the outgoing Managing Committee headed by Sh.Dayanand had paid Rs.28 crores from 01/03/2017 up to 15/07/2017 to the members (which and some of the contractors towards advance but the work started only after Chairman against my wishes. I was brought to the Society and given the charge of Colony and was offered the Chairmanship. I never wanted to be the Chairman. I took it up only as a welfare measure to my fellow officers and men.

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- 2. The Chairman informed the General Body that Sh.R.P.Mehta, Director, did a great work, took lot of pains and made his best efforts to get the electricity connection. Sh. Ajay Raj Sharma, Ex-CP, Delhi also helped us. Mr.Sumer Singh Rana, M/s. Sri Sat Sahib Housing & Infrastructure Development Company tried to prevent the work in the Faridabad project. Despite all the hurdles, ultimately we got the sanction of load. We met almost all the officers in DHBVN. We have been allotted temporary connection of 762KW i.e. 20% of total allotted load. A new sub-station has been planned to be constructed by the Electricity Board and likely to be commissioned by August/September, 2019 and once it is commissioned, we will get the full sanctioned load from there. The electricity connection is already at our door step and it will be received at our site within a week or so.
- 3. We have completed almost all the pending works expeditiously which the embers can see at the project site for themselves. The present status of the project is:
 - All the Towers are complete
 - Painting is also almost complete
 - All other works are almost complete except few minor works.
- 4. We have tentatively fixed August 10, 2019 for inspection of the flats. The Site Engineer, representative of the contractor and the members will jointly inspect the flats and give their feed-back. Daily 25/30 members will be called for inspection of the flats. This process will take a month time.
- 5. Mr.Sumer Singh Rana created lot of hurdles in our work. We had lodged a complaint with the Spl. Commissioner of Police, Crime, Delhi, against Mr.Rana on 14/05/2018. The CP Delhi told our Directors who called on him that if we go ahead with the FIR, it will take lot of time and the project will further be delayed, so it is better to negotiate with Mr. Rana. Six meetings were held in the office of the Vice Chairman of the Society Sh. Jagdish Yadav and 3 meetings were held in the residence of Sh. R.P. Mehta, Director of the Society. 6/7 meetings were also held in the office of Sh. Joy Tricky, DCP Crime Branch. We have altogether held about 20 meetings but nothing has been materialised. Mr. Rana cancelled the Irrevocable GPA issued in favour of the Society and we have already filed a complaint in the Faridabad court and on 01/08/2019 the first hearing will be held.
- 6. The Chairman also said that S/Sh. R.P. Mehta, Jagdish Yadav, Kuldeep Singh Dabas and myself met the Director General, Town & Country Planning Haryana, Chandigarh twice in connection with the renewal of Licence. The representatives of the DTCP from Faridabad will inspect the site to complete the pending formalities. We have done whatever is needed to complete the work and will hand-over the possession to the members at the earliest.

- 7. The Chairman also said that some of the members have still not deposited the balance payment and they are requested to deposit the same without any further delay for completing the pending work.
- 8. We have not been able to hand-over the Flats and it is still with the contractor and as such the members cannot capture the flats forcefully as ill advised by few of the members and one Director and the contractor will lodge the complaint because it is very much within his rights.
- 9. We are hopeful that within 2 months (before Diwali) we will be able to complete all the legal formalities by the grace of God, enabling us to hand-over the possession of flats to the members.
- 10. My request is that no one should do any illegal activities which will result in an embarrassing situation.
- 11. Whatever you are writing on the WhatsApp, it worries us. We are doing all the work with full transparency and integrity. You are welcome to the Society and whatever information you need, you can get it. Also it is not possible for me to answer everything on the WhatsApp.
- 12. For giving possession of the Flats, Fire NOC is required which we are yet to be received. The contracts for the fire fighting works had been given by the previous management. We have told the Architect to issue Show Cause notice to the vendor and thereafter, if required, we will issue them legal notice. For the Completion Certificate from DTCP, these documents are very much required.
- 13. All the process for electrical work is complete. Internal electric wiring etc. is complete. Meters have been installed. You can check and inform us the deficiencies etc.
- 14. We have saved the following amounts on different works as under:
- a) On the electrical sub-station work, we have saved Rs.26 lakhs.
- b) On Transformer we have saved Rs.23 lakhs.
- c) Horticulture work:
 - 3 tenders were received for this work. Among the three, M/s. Preetam Singh Horticulture Contractor & Supplier had quoted Rs.6,08,000/- and after negotiation, the price was finalised at Rs.5 lakhs.
- d) Fountain work also we have done at Rs.3,06,000/- and we have saved a good amount of money.
- e) We have done Bore well work at Rs. 4,45,000/- and we have saved a good amount of money.



f) Water Treatment Plant:

For the above work, after negotiation, we have saved a good amount of money. Quoted Rs.59 lakhs and settled at Rs.34 lakhs, thus saving Rs.25 lakhs.

- g) Cable for Electric connection work has been purchased directly from the manufacturer and we have saved an amount of Rs.28 lakhs.
- h) We have given the PNG contract to M/s. Adami Gas Limited and they have already inspected the site and the installation of gas pipe line will start immediately. We have already paid the advance amount.
- i) For installation of RO System, we had invited tender and lowest tender was for Rs.14,75,000/- and after negotiation the price was finalised at Rs.10,65,000/- thereby we have saved Rs.3 to 4 lakhs. Capacity of the RO is 1.5 lakh ltr. per day.

Wherever we could have saved, we have saved a lot of money.

- 15. Some members expressed that the current management committee have not done any work. We have sold 18 vacant flats out of 19 and only one flat of 2BHK is vacant. Nearly Rs.1 crore we got extra as equalisation charges.
- 16. The Chairman said that he was also in the waiting for 4BHK but there was no 4 BHK Flat available and the new management forced him to accept 2BHK flat. 3 members are still waitlisted in 4 BHK category and their deposit of approx. Rs.83 lakhs is lying with us and this amount Is included in the 7 acres of land.
- 17. Sh. Dayanand, Chairman of the previous Managing Committee spent almost all the money available in the Society. Had this money been with us, we could have completed the work with that money without asking any money from the members.

18.7 Acres of land at Sector-49, Faridabad:

Sh.R.S.Ghumman and Sh.Dayanand had signed MOUs for providing 20 acres of land by M/s. Sri Sat Sahib Housing & Infrastructure Development Company but the Society received FSI of only 11.3875 acres of land. This 7 acres of land is registered in the name of the Society. The 11.3875 acres of land is in the name of M/s. Sri Sat Sahib Housing & Infrastructure Development Company. The Chairman informed the members that the present status of the 7 acres of land is agricultural land. So, the Society is not getting the price of more than 3 crores per acre which is equivalent to the amount invested by the Society for FSI. Then the members expressed their view that the Society/BOD should find some other way like; taking Licence/LOI with some builder or apply for individual licence, so that

more amount can be fetched to the Society for the same land and members get benefit after selling that LOI. The Chairman appreciated the sentiments of the members.

19. Sale of 13 Shops:

The 13 shops were earlier decided to sell at a price of Rs.20 lakhs but, Sh.D.D. Nigam, Director, proposed to sell the shops through auction and as a result of that we got extra money of Rs.80,50,000/-.

20. Renewal of Licence:

As per the agreement, Mr.Sumer Singh Rana, M/s. Sri Sat Sahib Housing & Infrastructure Development Company, was supposed to renew the Licence but he has not done it and the Society is in the process of finalising the documentation for the purpose including submission of Bank Guarantees.

21. The functioning of the Society is very much transparent and if any member wants to see it, he/she can come to the Society and see it.

22. Payment Due:

The Chairman informed the General Body that there are 137 members who have to deposit their last instalment and he requested all of them to deposit their due amount which comes to approx. Rs.3 crores, so that we can complete the pending works.

23. Loss to the Society by the previous management headed by Sh.Dayanand:

- a) The EDC & IDC were supposed to be deposited by M/s. Sri Sat Sahib Housing & Infrastructure Development Company, whereas the Managing Committee headed by Sh.Dayanand deposited the same thereby causing a loss of Rs.4,75,43,126/-
- b) The Tender for 3 items CCTV/FTTH and Electric Metering System were allotted to single company without calling tenders from other parties. The order was given on single quotation. Also the work order was given much earlier and the work started after 2 years and in this process, the Society suffered a huge loss. When the new management took the charge and enquired about pricing of these three tenders, it was found that the tenders were given at higher pricing causing the Society a huge loss of approx. Rs.25 lakhs.
- c) Rs.20 lakhs was paid to M/s. R.K. Industries for liaisoning for sanction of load and estimate from DHBVN. Without getting the work completed, the old MC released interest @6% p.a. i.e. Rs.62,301/-.



- d) The old MC without taking in confidence of the members of the Society, constructed the Tower-G at the other corner of land i.e. too far from the existing towers of 3BHK, due to which the cost of non tower area of basement is increased by approx. Rs. 1,77,33,728/-.
- e) Rs.5,29,438/- towards lunch and Rs.1,37,320/- towards tent and furniture incurred during the draw of flats which is found to be much higher and there was no any quotation for this.
- f) Also the photographer called for photography both still and video during draw of flats and no price was finalised and the order was given to M/s. Bakshi Studio for Rs.68,000/- verbally. When he submitted the bill for payment after we took over the charge, we enquired the market rate and found to be much lesser. Finally after negotiation, they agreed to Rs.30,000/- thereby saving an amount of rs.38,000/-.
- g) M/s. Sri Sat Sahib Housing & Infrastructure Development Company was supposed to give the Society FSI of 7 acres of developed land, whereas the previous management accepted agricultural land of 7 acres and got it registered in the name of the Society. The value of the 7 acres of agricultural land shown in the registry is Rs.12.77,54,215/-, whereas M/s. Sri Sat Sahib was paid Rs.19,95,50,479/-. Thus, the Society incurred a loss of Rs.7,17,96,264/- and interest @6% p.a. from 28/04/2011 to 21/07/2019 calculated to Rs.3,54,77,190/-i.e. total loss of Rs.10,72,73,454/-.
- h) The old MC headed by Sh.Dayanand spent Rs.86,31,575/- for stamp duty for 7 acres of land and the advocate fee of Rs.11,61,575/- were paid. This was not at all needed. This caused a further loss of approx. Rs.97,92,851/-
- i) The maintenance of Licence was the responsibility of M/s. Sri Sat Sahib Housing & Infrastructure Development Company but the previous management paid the expenses towards renewal of licence and hence the Society incurred a loss of Rs.2,49,34,629/-.

Due to the above reasons, the total loss to the Society is to the tune of Rs.25,19,88,209/-.

The Chairman said that what he is trying to say is that the Society has been defrauded by Mr.R.S.Ghumman, Mr.Dayanand and Mr.Rana.



24. Auditing of the Society:

(a) Work Order was given to Mr. Vinod Kumar Ahuja, New Friends Colony. They checked our accounts for 4/5 months. In the meantime, the partners started quarrelling and hence we could not receive the report.

Forensic Audit Report of Sh. Vijay Pushkarna for the Faridabad project:

(b) We gave him work order for conducting technical audit of the Society and he had submitted his report. There were no supporting documents attached with his report to substantiate his findings. So, the report was returned to Mr.Pushkarna and asked him to submit a fresh report with more clarity and justifying the clarification with proof. The BOD has decided to request Sh.Ramesh Kaushik. Director, to examine this audit report and draft a complaint to file an FIR against the perpetrators of the crime.

25. Handing-over the possession of Flats:

The Chairman informed the members that first of all, the members have to inspect their flats for any deficiencies and once the inspection is done, we will give you the key and you can do the wood work and other works. Thereafter, we will officially hand-over the possession.

26. Sh. Kuldeep Singh Dabas, Secretary:

On the query regarding installation of Solar Power system, he said that our Architect has already prepared the tender documents and the moment the tender is floated, it will be uploaded in the website. It can be done only after the roof tops are cleared and cleaned after all works have been completed there.

- 27. The Chairman continued that we have already instructed our engineers and contractors to complete the flats in all respects and thereafter the members will be informed to check their flats as per the check list and if there is any deficiency it should be mentioned in the check list and those deficiencies will be corrected before handing-over the possession. We will call 25/30 members every week to inspect the flats.
- 28. The Chairman also requested the members to help the Society in whatever possible way they can, so that the project can be completed and possession is given. So, their presence physically is welcomed.

29. Sh. R.P.Mehta, Director, narrated as under:

Mr. Sumer Singh Rana, the Proprietor of M/s. Sri Sat Sahib Housing & Infrastructure Development Company, had applied for mandatory injunction in the Faridabad court to stop the work at the Faridabad project. The court had given the verdict in our favour. Mr.Rana is not doing the work himself and his



Advocate is doing all the work on his behalf. We had also taken up the matter with the CP, Delhi who wants that no case is registered and to settle the matter amicably. We have already held 5 meetings for settlement and after each and every meeting he backs out. Whatever actions are required to be taken by the Society, we are taking to get the documents signed by Mr.Rana. He informed the members that those who want to help the Society, they are welcome and he wants to meet them wherever they want him to meet. Some of the members who have knowledge in the legal matters are most welcome and he is ready to meet them.

30. Sh.R.P. Mehta continued:

Regarding receipt of completion certificate, it may take some time and once we get the occupation certificate, we will have the right and can give the possession. He also said that if the members are victim, we the Board of Directors are also equally victim. So, it is a collective responsibility and every member should cooperate with the management in its efforts. In fact, we need co-operation from the members and not guidance.

31. Regarding the electricity connection, Sh.R.P.Mehta stated that we have completed all the formalities and deposited the fee etc. and there are still some hurdles and we are making all efforts to get those hurdles cleared. We are in regular touch with the XEN, DHBVN. By Monday i.e. 23rd July, 2019, the case will go to Hissar and from Hissar the green signal will be received and we will get the electricity connection accordingly.

The SDO was suspended due to excessive release of load to some companies than permitted and this caused some delay in our case.

The Department approved release of 30% of the total load to us i.e. 762 MW. We were told by the department that whatever load we have been allotted, will be sufficient for at least two years, because they have the experience.

He again requested the members who have the legal knowledge, to give their contact numbers, so that he can meet them.

32. Sh. Kuldeep Singh Dabas, Director, continued:

When the new Management Committee came to power in 2017, we were confident that we will be able to give the possession in 2/3 months. The irrevocable GPA issued in favour of the Society was cancelled by Mr.Rana. There was another GPA in the name of Mr.Virender Singh, Director in the previous Managing Committee. When contacted him, he said that the GPA issued in his favour was cancelled by Mr.Rana. So, the Board of Directors authorised me to do the work on behalf of the Society and signed all the documents on the basis of



the GPA which was supposed to be transferred in the name of a Director when Mr.Virender Singh seized to be the Director of the Society. We telephoned Mr.Virender Singh and told him that the GPA is in his name and he can transfer the same to any Director of the Society. He said that if Mr.Dayanand, Ex-Chairman, ask him to transfer the GPA, he will do it. When we contacted Mr.Dayanand, he said that he will look into it. Subsequently, Mr. Dayanand informed Mr.Rana and accordingly got the GPA cancelled at Noida in the month of June, 2018.

33. Construction of Swimming Pool:

When asked about construction of the Swimming Pool, Sh.Kuldeep Singh Dabas replied that the location of the Swimming Pool is in the backside of the Community Centre and it is in the 7 acres of land. Some portion of the 7 acres of land has already been utilised for construction of the Flats of 11.3875 acres of land. We have given all the proof of 7 acres of land for issuing the Licence. New drawings will have to be prepared and to get it approved. If we want, we can construct the Swimming Pool but after construction, it is a violation and we will be penalised for the same.

34. Sh. Ramesh Kaushik, Director:

He said that the contract was signed for Rs.119 crores and the cost of 688 Flats and 122 EWS flats were also included. The construction of Community Centre was also included in the Rs.119 crores contract. In 2015, Sh.Dayanand raised the demand letter in which he had again demanded for construction of 122 EWS Flats. In 2018 the current management again demanded money for construction of the 122 EWS Flats. It shows that again and again money was demanded for the same purpose. He said that he told the current Chairman that the money demanded again and again for construction of the 122 EWS flats was included in the contract of Rs.119 crores. He said that the cost of Flats was raised again and again. He also said that the water for construction purpose was to be arranged by the Society at its cost thereby incurring heavy loss to the Society. Also there is a clause that Rs.10,000/- per day penalty will be charged for the delay in the project work. He also said that more cement was utilised in the project.

To this, Sh.Kuldeep Singh Dabas replied that the earlier contract was given for Rs.119 crores to construct 616 Flats and not for 688 Flats and cost of construction of G-Tower for 72 Flats was not included in the earlier contract.

Regarding providing water by the Society for construction purpose, it is to state that the water available at the Society premises was not good for construction and for that R.O. had to be installed and the maintenance borne by the

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contractor. So, 2 RO plants were installed by the earlier management for the quality construction of the project.

Sh. Ramesh Kaushik also commented that more cement was utilised in the Ravinder project. Sh. connection, our Architect prepared/explained the exact calculation contesting the claim of Sh.Ramesh Kaushik.

Sh.Kuldeep Singh Dabas also brought to the notice of the General Body that Sh.Ramesh Kaushik being a Director of the Society did not attend more than 30% of the total BOD meetings.

35. Forensic Audit report:

The total data was provided by the Society to the Auditor Sh.Vijay Pushkarna. His report says that the rate charged Rs.1150/- per sq.ft. is very high and it should have been Rs.850/- per sq.ft. If we go to court, we will be asked for documentary evidence substantiating the claim. We have verified the rate with M/s. Kommon Peoples Welfare Society who are constructing their flats at the adjacent site of our project and according to them, our rate is right. So, we have written a letter to the Auditor asking to provide us with the documentary proof of Rs.850/- per sq.ft.

36. Renewal of Licence:

Regarding renewal of the Licence, Sh.Kuldeep Singh Dabas, Secretary informed the General Body that the current management visited DTCP, Chandigarh 4/5 times to get the work done for renewal of the Licence. All the penalties for not renewing the Licence were deposited. We have already applied for Lift and Fire NOCs and the same are expected shortly. For renewal of Licence, we have also to complete the EWS which we are doing on war footing. He said that the DTCP told him to submit a letter enclosing the Lift NOC and Fire NOC for consideration of renewal of the Licence. If everything goes as per the plan, it will take one month to get the Licence renewed and can hand-over the possession within 30/09/2019. The day we get the approval/documents, it will be uploaded in the website of the Society.

The Lift installation is almost complete. We have not yet taken possession of the lifts because the moment we take the possession of the lifts, the warranty starts. So, we prolong taking over the possession of the Lifts. Immediately before or after handing over the possession of Flats, we will take possession of the lifts.

Regarding painting work, he said that final coat is already done and we are now at a stage that we can give the key to those members who want to do wood work or any other work in their flats.

37. Sh. Dinesh Sharma, Director & Member of Sonepat Plot:

He informed members of I.B.City Sonepat that the Society is going to file a Review Petition in the same court i.e. National Consumer Redressal Forum. 270 members have already deposited their payment and the remaining members have yet to deposit. The payment deposited by 270 members is being maintained by the Court in a Fixed Deposit Account.

- 38. The Chairman requested the members to approve the following agenda items:
- (i) Approval of Balance Sheet for the F.Y. 2017-18.
 - Approved overwhelmingly
- (ii) Approval for appointment of CA/Auditor.
 - Approved reappointment of CA Sh. Anil Kumar Gupta.

39. The following members raised certain queries:

Sh. Jatinder Singh (MID No.6170 –3BHK member of Faridabad project):

- (i) Whether there is any provision for maintenance of the Building by the contractor after possession?
- (ii) Whether the current management allowed withdrawal to 4BHK wait listed members?
- (iii) He enquired about the case with Sh.Praveen Kumar Luthra which appeared in the newspaper that we lost the case.
- (iv) He also said that on the basis of the Forensic Audit Report of Sh. Pushkarna, case can be registered against the persons concerned.

Sh.Kuldeep Singh Dabas, Secretary replied as under:

- (i) The contractor will take care of the maintenance for three years from the date of possession.
- (ii) The current management has not given withdrawal to any wait listed members. We rather made them to agree to shift to 2BHK or 3BHK Flats.
- (iii) Mr. Praveen Kumar Luthra(MID No. 390) had deposited Rs.8.5 lakhs towards 3BHK flat in the Faridabad project. But, he stopped depositing further instalments demanded by the Society from time to time towards cost of his flat. As per the Society Bye-laws, we had given him 3 legal notices and also a final notice/last opportunity notice but he has not bothered to deposit the deposited money. He went to the court claiming interest on his deposited

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amount. We also went to the court and filed counter affidavit against his hearing was held on 16/07/2019 and from our side Sh.Ashok Raj Kaushik and Sh.M.C.Ramola attended the case. Incidentally, one of the judges happened to Rs.8,50,000/- (the money deposited by him) with 10% simple interest from that, another Rs.50,000/- is also to be paid towards his mental agony and court for review/appeal.

Sh.Krishan Lal (MID No.2276 – 3BHK Faridabad member):

He suggested that a vigilance committee is to be constituted under the leadership of Sh.Ramesh Kaushik who pointed out the corruptions in the Society by the previous managements.

Sh.Ramesh Kumar(MID No.3810):

He enquired about the payment of Escalation Bill of M/s. N.G.Constructions:

To this, Sh.Kuldeep Singh Dabas informed that the present Management has not paid any Escalation Bill, but the earlier management paid the same.

Sh. Abdul Quadir, H/o. Smt. Rifat Fatma – 2BHK Faridabad member:

He raised the query that for the delay of the project, who will pay the penalty whether it is the contractor. Only 2/3 Directors visit the Site for checking and what is the working style of the management. He also said that the management should have informed the members, if there was any shortfall of money.

To this, Sh.Kuldeep Singh Dabas replied that we are regularly monitoring the progress of the project and taking all necessary actions to complete the work in a time bound manner.

To the query regarding shortfall of money, he said that in the last GBM held on 15/04/2018, the members who attended the meeting permitted the Management that the 7 acres of land and the school plots can be sold and the pending work can be completed with that money. When the land could not be sold, where from the money would come. So, we had to demand the money from the members to complete the work.

Sh. Shiv Kumar – MID No.148(3BHK member of Faridabad project).

He pointed out that one of the Agenda points is to change of CA. He said not to change the CA until and unless all the earlier works are done.



Sh.Prashant Shukla (MID No.6190 (5BHK member of Faridabad project):

He raised the query that every time the management is taking the name of Mr.Rana and the problems created by him. In that case how we will get the completion certificate.

To this the Chairman replied that the management is discussing to register an FIR against Mr.Rana and we have already lodged a complaint against him in the Faridabad court for illegally cancelling the irrevocable General Power Attorney executed in favour of the Society and likely to get a favourable order..

Sh. Mohan Lal (MID No.3938 – 3BHK member of Faridabad):

He raised the query that when there was no Licence for the 7 acres of land, why the management extended the construction on this land.

To this, Sh.Kuldeep Singh Dabas replied that the previous management applied for Licence for 7 acres of land and a portion of the land was utilised for the construction of 4&5 BHK anticipating that the Licence for the 7 acres of land would be received.

Since there were no other issues to be discussed, the meeting was concluded with a vote of thanks to the Chair.

> (JAGDISH YADAV) **Vice Chairman**