



SINGAPORE KHALSA ASSOCIATION

Registered 8th May 1931 • UEN No.: S31SS0003F

MINUTES OF THE EXTRA-ORDINARY GENERAL MEETING (EOGM) HELD ON SATURDAY, 21ST FEBRUARY 2016 AT 1330 HRS ON LEVEL 4 OF THE CIVIL SERVICE CLUB

1.0	<u>INTRODUCTION</u>
1.1	The meeting commenced at 1330 hours with 84 members attending. The President welcomed them to the EOGM, stating that it was called to discuss the resolutions that had been sent to all members.
2.0	<p>Then the President went on to state that he would give his views on the two resolutions before inviting comments from the floor.</p> <p>He admitted that it was improper to have delayed the Annual General Meeting (AGM) but it was done without any ill-intention. The reasons for this delay were discussed by the Management Committee (MC) in July, and they were made known in the October 2015 Newsletter:</p> <p>Firstly, with the delays in the renovations, he had a moral obligation to see through the project. Although the building was initially to be ready by Feb/Mar 2016, it would only be ready by end of May 2016. He left it to Mr. Mohinder Singh to elaborate on the reasons later. Notwithstanding the delay in convening the AGM, other requirements of the Registrar of Societies were complied with, i.e. the audited accounts were submitted. Tenders such as those for F&B that would impact the design of the kitchen and related facilities also needed to be proceeded with by the current MC. Hence changing the MC mid-way would not be the right thing to do.</p> <p>Secondly, as the current MC was accountable for the accounts of the monies spent for the construction it should be accountable to SKA members and not the new committee.</p> <p>Taking cognizance of these matters, the MC voted on extending its term of office, and although there was no unanimity, the majority view prevailed.</p> <p>On a point of order, Mr Malvinder Singh Bandal stated that under the SKA's Rules & Regulations, an EOGM can be called either by the appropriate number of members or by the MC. However, it was called by the MC whose term of office ended in November 2015 according to Rules Sect 2, part 21. He stated that the current MC had no legal ground to hold the EOGM. He noted that the renovations were off schedule and off budget, but as there was a quorum, he asked members if they should continue with the meeting and whether the President should preside. As there were no dissenters, the EOGM proceeded.</p> <p>Mr Balbeer Singh Mangat opined that as a serious technicality had been breached, it should be addressed either by calling for an AGM meeting within two weeks or whatsoever instead of continuing with the EOGM.</p>

	<p>Mr Ragbir Singh Bajwa clarified that if the MC had no power to call an EOGM, then it could also not convene an AGM. However, it was debateable whether members present could requisition an AGM as an alternative approach. While he appreciated the work the MC had shouldered as unpaid volunteers, he noted that a contract between the members and the MC had been deliberately and consciously violated. The MC could arrogate to itself the right to delay the AGM on the basis that tasks had not been completed. He questioned "...what if other MCs also start doing this for whatever reasons..." If in fact contracts have been signed without the MC having the legal rights as its term had expired, then these contracts could be voidable and the SKA could be placed at risk.</p> <p>To address this situation, he suggested that the first resolution of the day should ratify the calling of this EOGM by the MC. This should be proposed by a member and be appropriately seconded so that the EOGM could proceed. He cautioned, however, that this could still be challenged in court if some member/s were inclined to do so.</p> <p>Mr Sarjit Singh stated that there was a lacuna in the rules as to what ought to be the procedure when an MC stays on and continues to act as the MC after its legal term has expired. He said the members present would have to decide on the resolution to extend the date of the AGM to 7 May 2016, and if extended then members must realise that they have also given the MC retrospective approval for all their actions since September 2015 when their term officially ended.</p> <p>Mr Jagjit Singh suggested that with his limited 'layman's' experience, the MC should perhaps resign and hold an AGM 2-3 weeks later, while retaining the key care-taker posts during the period. He also asked whether the ROS had been notified of the delay in holding the AGM.</p> <p>The president thanked members for their comments, and replied that the ROS had been informed. The ROS had agreed to the 7 May 2016 date for SKA to hold its AGM, but the accounts must be re-submitted once passed at the AGM.</p> <p>Mr Ragbir Singh Bajwa felt that Mr Jagjit Singh's proposal was untenable as it was not within the rules. He suggested instead that since it appeared that the breach of rules was more of an irregularity than an illegality, a resolution to ratify the calling of this EOGM would allow the meeting to proceed. Then he proposed the new Resolution 1.1 for the house to vote on. It was seconded by Mr Balbeer Singh Mangat.</p>
2.1	<p><i>New Resolution 1.1</i></p> <p>TO CONSIDER AND IF DEEMED FIT TO ADOPT THE FOLLOWING SPECIAL RESOLUTION:</p> <p><i>1.1 This house ratifies the calling and convening of this special extra-ordinary general meeting notwithstanding that the MC had called and convened this meeting after its term had ended.</i></p>
2.2	<p>As there were no objections to the above-mentioned resolution, the President called for a vote to be taken on the new Resolution 1.1.</p>

	<p>The new Resolution 1.1 was unanimously approved.</p>
3.0	<p>The President thanked Mr Bajwa, and then went on to the second resolution to extend the MC's term of office to 7 May 2016:</p> <p><i>TO CONSIDER AND IF DEEMED FIT PASS THE FOLLOWING SPECIAL RESOLUTION:</i></p> <p><i>Resolution 1.2 (re-numbered from Resolution 1.1 of Agenda):</i></p> <p><i>1.2 To decide and approve that the time for holding the SK's AGM for 2015 be extended and the AGM for 2015 be held on 7 May 2016 and the MC's term in office be therefore extended to 7 May 2016.</i></p>
3.1	<p>Mr Malvinder Singh Bandal cautioned those present to think carefully before voting on the resolution since it was not a matter of just a few dollars. It also involved signing of contracts and hiring and firing authorisations.</p> <p>Mr Gurdip Singh Usma asked whether the term resulting from holding the AGM in May 2016 instead of Sep or Nov 2015 was a new term or an extension since both seemed untenable under the rules.</p> <p>Mr Ragbir Singh Bajwa replied that quite clearly, this would be an extension leading to the end of the term for this MC, and the President would then have to leave.</p> <p>At this juncture, the President stated that he would leave as his term would then have expired. On the matter of contracts, the F&B contract and the Gym contract have not been signed. Since the date of expiry of the MC's term, only the electrical, air-conditioning and generally the M&E contracts were signed by the Building Committee (BC) and no hiring or firing of staff had taken place.</p> <p>Then Mr Jagjit Singh raised the question of completion of the accounts as the AGM is to be scheduled for 7 May 2016. He also asked if the term of the new committee would be till September 2018 as in the Rules & Regulations. He felt these matters should be looked at properly so as not to raise any doubts.</p> <p>The President agreed to look into these matters with a view to making them neater and fairer for the new committee.</p>
3.2	<p>Messrs Malvinder Singh Bandal, Lakhbir Singh and Naranjan Singh cautioned against taking at face value the contractors' assurances that the renovations could be completed by May 2016.</p> <p>As there were no further queries, the President called upon the meeting to vote on resolution 1.2.</p> <p>74 members voted in favour of Resolution 1.2. Hence, the resolution was adopted.</p>

4.0	<p>Then the President proceeded to Resolution 1.3:</p> <p><i>TO CONSIDER AND IF DEEMED FIT PASS THE FOLLOWING SPECIAL RESOLUTION:</i></p> <p><i>Resolution 1.3 (re-numbered from Resolution 1.2 of Agenda):</i> <i>1.3 To decide and approve that in addition to the sum of S\$7 million approved at the Annual General Meeting held on 15 November 2014 a further sum of S\$2.5 million be approved for the renovation and refurbishment works to the Singapore Khalsa Association Building</i></p>
	<p>In introducing the resolution, the President was saddened by the depletion of hard-earned funds built over the years. However, it was unavoidable as there were unknowns in the renovation and refurbishment works on which he called the Chairman of the Building Committee, Mr Mohinder Singh to elaborate.</p>
4.1	<p>Mr Mohinder Singh started off with the status of the construction to date and explained how the building would look when it is completed.</p>
4.2	<p>He then covered the reasons for increases in the project costs. He explained the differences in constructing a new building and doing major additions and alterations to an existing old building. Most of the engineering factors could be investigated upfront in the case of a new building. However, in the case of an existing building, while some level of investigations could be done, many issues were often only discovered when the works commenced and demolition and stripping down began. SKA's building required changes to the original design, especially works to strengthen the building structure. He summarised them as below:</p> <ul style="list-style-type: none"> • Strengthening works were required for this 1960s building in order to comply with the current building regulations, such as higher floor loading standards. During the construction works, it was found that the strength of the existing concrete was very poor. As a result, the strengthening design had to be redone. All the columns of the building and practically all the beams needed to be strengthened to ensure the building was very substantially strengthened. The foundations had to be enlarged and more than 350 micro-piles had to be driven to a depth of 25 metres each on average to support the structure. • This increased the cost substantially and also impacted the schedule of the construction works. In addition, the floor slabs were found to be very thin after stripping of the tile overlays and this required recasting of all the floors. The first storey floor had also to be redone because of the more extensive excavation for the foundations and recast with water-proof concrete as the water-table was high at our site. • Based on feedback during consultation with members, a new roof garden has been provided. This conversion of the existing zinc roof into a solid slab also added to the loading on the columns, beams and foundations. Some of the existing columns were misaligned and had to be demolished and rebuilt to support the roof garden slab.


	<ul style="list-style-type: none"> • New structural works were also required for the rear staircase, a third passenger lift, a service lift and the extensions at the civil service side and the flanks of the building, giving SKA additional floor area. There was also a need to rebuild the grease trap and the entire sewer- line as it was in the way of the piling and foundation works. • Replacements of bricks with reinforced concrete for the lift shafts had to be done. • In consultation with our consultants, it was decided to install new lifts instead of refurbishing the existing 2 lifts. • The M&E infrastructure had basically to be totally redone, including providing sprinklers throughout the building for compliance with the current regulations. New M&E facilities, such as lighting, fire safety, air conditioning, etc. are required for the building. Hence, the cost of M&E works has been underestimated. • In summary, from the original budget of 7 million dollars, the major increases occurred in the building structure and architecture from \$4 to \$5.4million and in the M&E portion from \$1.6 to \$2.5 millions. The rest was due to extension of the period of work contract that needed the Clerk of Works or resident technical officer's term to be extended and payments for charges such as the PUB charges.
4.3	<p>Mr Malvinder Singh Bandal questioned whether the fire safety systems could have been obtained at a better price and whether the Building Committee (BC) had properly evaluated things like M&E and piling costs and thought through the budgeting process to build in a contingency. He felt that the 60% variance in some costs needed explaining. He went on to add that had the BC been properly constituted with the right people some of these issues could have been avoided.</p> <p>Mr Mohinder Singh replied that the M&E cost was estimated by the appointed consultants and the quantity surveyors based on the design done at the time. The increases for fire safety were due mainly to the sprinklers which had to be installed everywhere and also required a water tank at the top as well as smoke-stop lobbies, smoke-stop fire-proof doors and related M&E works.</p> <p>On the matter of how contracts were called, he informed members that the process of calling, comparing and managing the tenders was explained at the last AGM. Multiple quotations or tenders were received and evaluated by the consultants before recommending them to the BC. The BC then scrutinized each tender before approving the award. So there was a rigorous evaluation done, by both the consultants who were the experts and who were appointed by the clients and also by members of the Building Committee.</p> <p>As for piling, he had already explained that the increased weights imposed due to structural strengthening resulted in the original design having to be revised.</p> <p>He went on to detail the BC members' experience which included project</p>



	<p>management, engineering, M&E, accounting, experience in building construction and building regulations. They met regularly and worked hand-in-hand with the consultants as a team to ensure that all works were done according to design and specifications, and where changes to design were made to approve them, and monitor the progress of the works.</p> <p>Mr Ragbir Singh Bajwa opined that a lawyer in the BC could have helped to craft contracts such that certain costs that result from under-estimations, for example, could be avoided. Also awarding to a professional construction company instead of trying to save SKA's money by taking on the job of overseeing construction was laudable but perhaps not the best approach, considering the escalation in costs. Things like the floor slabs and sprinkler requirements could have been discovered by a diligent contractor for example. Lawyers could also frame the contracts to better protect SKA's interests.</p> <p>Mr Mohinder Singh replied that even if we had awarded the refurbishment to the lowest quote of \$11.6 million, the contractor could have asked for variances as he could argue for unforeseen things discovered during construction. The concrete was not expected to be so poor. In response to a query from a member about the option of demolishing and putting up a new building, he explained that the land setbacks for a new building from roads would have seriously reduced SKA's available land area.</p> <p>Mr Sarjit Singh agreed that a suitable lawyer should be in the BC. He was not asked to be in the BC and in any case as he had no expertise in Construction Law, he would not have accepted the role. However, he clarified that as a member of the MC, he had raised the point about the role of DJ Builders (DJB) initially being in the BC, and subsequently DJB was taken out of it and given another role.</p> <p>Mr Ragbir Singh Bajwa added that the role/status of DJB and the amount of remuneration to be paid should be clarified to assure controversies did not arise.</p> <p>Mr Mohinder Singh clarified that DJB was contracted at \$350,000 to be the 'Co-ordinating Contractor'.</p> <p>Then Mr Malvinder Singh Bandal raised points about the rising water-table, knowledge of building standards and costs of sprinklers leading to higher M&E costs. He felt that these indicated the BC was not properly constituted with the right expertise. He felt the Sikh community would have surfaced such expertise had the SKA advertised for it.</p> <p>Mr Mohinder Singh responded that the water-table was not rising but was high, and now without the void space that the previous construction had in place, water-proofing was essential. As for building standards, he reiterated that it was not that these were not known but that some things were discovered during the construction works, such as poor concrete, thin slabs, and discrepancies between earlier plans and the actual building. Finally, sprinklers were a known requirement and were budgeted for, but the extent of sprinkler requirements was unknown and therefore the costs were under-estimated.</p>
4.4	<p>With no further questions, the President asked for a show of hands to vote on Resolution 1.3.</p>

	<p>77 members voted for the resolution and the resolution was passed.</p>
5.0	<p><i>TO CONSIDER AND IF DEEMED FIT, PASS THE FOLLOWING SPECIAL RESOLUTION (Re-worded by assent):</i></p> <p><i>1.4 If paragraph 1.3 is approved, to decide and approve that the additional funding of S\$2.5 million be raised as follows:-</i></p> <p><i>a. That S\$2 million to be provided from the SKA's Trust Fund for the renovation and refurbishment works to the Singapore Khalsa Association Building; and</i></p> <p><i>b. The remaining sum of S\$0.5 million shall be raised by the management committee from the SKA operating expenses and fund raising efforts/donations.</i></p> <p>The President gave an overview of how the \$7million costs and the increase to \$9.5 million were to be funded. Of the \$7million, \$1.5million came from SKA Operating expenses and donations, while \$5.5million came from the Trust Fund. The increase that is being requested is \$2.5million and out of which, \$2million would be from the Trust Fund and the remaining \$0.5million would be raised by the MC.</p>
5.1	<p>The President reminded members that 50% of SKA's operating surpluses are ploughed back into the Trust Fund and used when required. With the funding commitments of the Trust Fund for the building refurbishment and renovation works, the new SKA's Management Committee should look into ploughing back more to rebuild the Trust Fund. He invited the assistant treasurer, Sukhbir Singh to elaborate on how more revenue could be generated with the renovated building.</p>
5.2	<p>Mr Sukhbir Singh shared that the new building would have the potential for revenue generation over and beyond just the jackpot, reception hall, lounge, Starhub rentals and futsal that were previously the mainstay of SKA's revenue. The new sources would include revenue from the gymnasium, carpark, studio, Boardroom and the additional ballroom on the 5th floor and the rooftop terrace. All facilities in the new building are estimated to generate some \$1.5million in revenue as against about \$1million previously and a net cash flow of almost S\$1million. This would adequately cover the increased costs in salaries, funding of activities and expenses for maintenance and taxes, etc.</p>
5.3	<p>Mr Malvinder Singh Bandal stated that the actual cost of the building should factor in losses on the shares held by the Trust Fund that had to be sold off to fund the renovations. He also estimated some \$2million may be added to the cost of the building as a result of a remaining lease of about 12 years.</p> <p>The President apologised for interrupting, stating that it was a valid point raised and he wished to clarify. He had raised the issue of the lease extension with Minister Shanmugam but the appointed staff officer was unable to make headway. In March 2015, the President wrote to Mr. Shanmugam again. MCCY responded with queries on whether SKA was set up for recreational sports or for contributing to the national sports efforts as well. These queries were largely answered. In addition, he informed members that SKA would be inviting Mr. Shanmugam as a guest-of-honour to</p>

	<p>Vesakhi Mela 2016 at the SKA's building. The first floor should be ready by then. He would see for himself what SKA was doing for Singapore Sikhs and the entire Indian community, including expatriates, in the areas of sports and culture. A response from the government would be requested through the Minister on the question of lease extension.</p> <p>Mr Malvinder Singh Bandal said he was heartened by the response, noting the President's efforts in this and other areas. Then he went on to raise two points:</p> <ol style="list-style-type: none"> a. What if the government ceases licences for jackpot machines, on which one-third of SKA's revenue depends? b. He noted that a General Manager (GM) was to be hired, and requested it be minuted that he objected to the hiring of the GM until the AGM on the basis of costs, and that the reason for engaging the GM to 'inspire, lead, and manage the staff', as stated in the GM's job responsibilities, was not strong. Furthermore, MC members were there to motivate the SKA's staff. He opined the appointment of a GM should be transparent, and added that the members at the coming AGM should be shown what merit the GM can bring to vote on approving such a post.
5.4	<p>The President responded that the matter of appointing the GM was a decision for the Management Committee to make and it was an operational matter. He added that the point about ceasing Jackpot licences was valid. If these are withdrawn in future, the SKA must have the ability to market its resources, the building and its surroundings, and it requires a full-time person to market the various halls, rooms and facilities resulting from this renovation. For example, the venue for the EOGM was rented from CSC. The SKA should be able to do the same and market its facilities.</p>
5.5	<p>Mr Sarjit Singh shared that on matter of whether it was appropriate to term the funds from the Trustees as 'Advances' in Resolution 1.4, the rules do not allow for either advances or loans. This was discussed. The trustees, Mr Balbeer Singh Mangat and Mr Gurdip Singh Usma explained how the funds from Trustees are used by SKA and subsequently returned from operating surpluses.</p> <p>Mr Gurdip Singh Usma clarified that all the loans in the past for renovations or whatsoever were returned to the Trust Fund within the tenure of Mr Charanjit's term as President of SKA. Furthermore, the SKA and Trustee bank accounts are separate, so transfers are properly recorded. Therefore, we should avoid going back to the Trustees to tweak the wording.</p> <p>The President said that if it was necessary, he was agreeable to tweaking the wording of the Resolution to make it compliant with the Rules and Regulations.</p> <p>Mr Ragbir Singh Bajwa noted that all the comments pointed to the fact that the monies belonged to SKA and that the trustees were holding these monies on trust for members of the SKA. Hence, it was not appropriate to call it either an 'advance' or, as the original Resolution 1.4a implies, a 'loan'. He suggested that it be re-worded as:</p> <p style="text-align: center;">"... \$2million will be provided from the SKA Trust Fund for renovation and</p>

	<p>refurbishment work to the Singapore Khalsa Association Building...”</p> <p>The rest of the words in the resolution could be deleted to resolve the matter. The President accepted the re-wording.</p> <p>Jaswant Kaur enquired why when the SKA’s BC needed an additional \$2.5million, only \$2million was asked from the Trust Fund instead of \$2.5million. She opined it was after all, all SKA’s money.</p> <p>The President replied that with the unavoidable escalation in building costs, the BC and the MC must also be seen to be doing their part to raise funds. If necessary, the MC could still go back to the trustees but it must first do its utmost to raise \$0.5million. He added that there were some donations forthcoming, and also appealed to the heads of Sikh institutions, who were present, to assist.</p>
5.6	<p>The President then called for a vote on the re-worded Resolutions 1.4a and 1.4b by raising hands.</p> <p>73 members voted in favour of both resolutions 1.4a and 1.4b. The resolutions were passed.</p>
6.	<p>In conclusion, the President thanked all members who had provided their inputs, especially the two learned lawyers. He observed that it had been a lively meeting which was conducted in a very professional manner. He stressed that this was the way SKA’s business should be conducted, without emotional baggage or personal attacks. Whatever is done has to be for the good of the SKA and the community.</p> <p>He hoped that at the next AGM, the MC would be able to update members on the key challenge of SKA’s lease extension. He was hopeful that if the Minister agrees to come and the MC was able show him their work, we may get a favourable answer. The MC would work towards this.</p> <p>He thanked everyone for their attendance and wished them a good day ahead, before concluding the meeting at 1520hrs.</p>

Prepared by : Kuldip Singh 
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 (Asst. Secretary Membership)
 : Jagjit Singh Sandhu 
 (Chairman Publications & Communications)

Endorsed by : 16/67 SKA MC meeting held on 16 April 2016