



MINUTES OF THE MEETING OF THE IEC HELD WITH MEMBERS OF THE ADVISORY BOARD AND TRUSTEES ON 1 OCTOBER 2009.

1. PRAYER & WELCOME

The meeting opened with a prayer at 19:40 and the President extended a warm welcome to all present.

2. ATTENDANCE & APOLOGIES

Apologies received from Anielbhai Soma (overseas); Kishorbhai Naran; Baboobhai Gokal; Ramanbhai Rama (ill); Champakbhai Chagan, Harsha Dayal and Vasanjeebhai Ruder. Nalinbhai Kala informed the members present that he had personally extended an invitation to Trusharbhai Kalan who had just arrived back the previous day from an overseas trip but that Trusharbhai had tendered his apologies.

In attendance: Prakashbhai Hira (President); Rameshbhai Chhagan (Secretary); Jivanbhai Kalyan (Advisory Board member); Dhirajlal Kalan (Trustee); Tapidasbhai Bhana (Trustee); Sanjaybhai Govind (Secretary); Jagdishbhai Makan (Head: Religion & Culture); Nalinbhai Kala (Trustee); Jyotiben Joshi (Head: Health & Welfare); Pravinbhai Daya (Treasurer); Himalbhai Ramjee; Narottambhai Valji (Advisory Board Member).

3. PURPOSE OF MEETING

Prakashbhai apologised for calling this meeting at short notice but explained that recent events had resulted in the IEC wishing to revisit matters relating to the disciplinary hearings. He referred specifically to sentiments expressed by a few people (e.g. the sentiments expressed by Jagdishbhai Makan, the meeting with Nalinbhai Kala and a letter received from Pankajbhai Joshi) which he felt he should take cognisance of. He then read out the following statement, which is re-produced here verbatim:

“Namaste,

Advisory Board Members, Trustees, IEC Members

I wish to thank you for attending this meeting which the IEC has called at short notice, particularly after a long Special General Meeting on Tuesday 29 September 2009 where the New Constitution for the Samaj was adopted..

It is apparent that the community has welcomed the efforts of the IEC in restructuring the Samaj and it is appreciative to the IEC for all its endeavours.

It has become abundantly clear to the Community that there were serious issues that were not addressed adequately in the past, particularly relating to financial mismanagement, which resulted in huge losses having to be incurred by the members of the Samaj. All evidence points allegedly to a dishonest official, Naresh Mistry, and other well known and prominent members of Laudium who are at the centre of the misappropriation of various funds.

The community has been shattered and outraged at this loss that first came to its attention via the Media. In the absence of any clear and transparent communication the community demanded to know the facts that gave rise to the unfortunate events. Resulting from the pressure from the community a Special General Meeting was called on 30 July 2009. The Community took the unprecedented and drastic step of removing all Samaj officials after it became clear that the issues at hand were seriously mismanaged. This Interim Executive Committee (IEC) was elected to take the process forward, and to thoroughly investigate the source of the serious discrepancies, and reinstate community values.

Amongst many matters that were neglected and required urgent attention, the focus of the IEC was to restore public confidence and to attempt a recovery of lost funds. In this regard a meeting was held with representatives of ABSA Bank and a claim for approximately R 2 Million has been motivated and lodged with them. We eagerly await their response.

We further considered it of paramount importance that the issues around the loss of funds are fully investigated so as to ascertain the quantum of the loss and to identify the circumstances that led to the loss. To this end a team of Forensic Auditors were appointed to perform this inquiry.

In the performance of their fiduciary duties, a review and inspection of primary records were executed by the IEC, and it deemed it necessary that some form of disciplinary action would be appropriate against those individuals against whom the burden of primary responsibility was weighted. In accordance with this, a decision was taken on 5 September 2009 at a joint meeting with the Trustees and Advisory Board members to proceed with Disciplinary action against Naresh Mistry, Gitesh Mistry, Trushar Kalan and Chetan Tanna. This process was considered to be both fair and necessary under the circumstances.

Notices to attend a Disciplinary enquiry were dispatched to all the named individuals on 11 September 2009. Subsequent thereto, in terms of that Notice, Draft Charges were sent to them, together with an accompanying letter giving the individuals an opportunity to make representations to the IEC prior to a Disciplinary Hearing in an attempt to reach finality on the issue. The representation required inter alia, that there be recorded an unconditional

apology to the community for their irresponsible behaviour in dealing with the affairs of the Samaj, and to make a Donation up to a maximum amount.

This approach is considered a logical step in all procedures relating to disciplinary hearings and gives the individual an opportunity to reach settlement prior to the formal hearing.

It would appear that this format of action has elicited a mixed response from the community: although some members have welcomed this approach, there are others who feel otherwise and see this as a witch-hunt of sorts. This seems to have created some dissent amongst members of the community. As an IEC we feel that there are no hidden agendas in this action, nor is there any witch-hunt

Bearing in mind that more than R 2 Million (besides what we are unaware of) was misappropriated, the IEC stands firmly on its decision to proceed with the Disciplinary Hearings and any other action that may be required, based on the Codes of Good Practice and the provisions enshrined in the Constitution.

Other misdemeanours and serious transgressions that we were unaware of up to now are being unearthed with the ongoing investigations. Furthermore, the Forensic Audit is very likely to reveal previously undisclosed irregularities, which will need to be addressed and other culpable officials will need to be summoned to account for their participation, or lack thereof.

The IEC has therefore considered it wise to await the Report of the findings of the Forensic Audit, and to postpone any further action until then. Armed with a professional Forensic Audit Report, the IEC (or the Samaj Committee) will be in a stronger position to frame appropriate allegations against any officials deemed culpable of offences, and to decide what actions to take further.

It is our committed intention to work in the best interests of our community”

4. DECISION TAKEN

After some discussion on the merits of this approach of waiting for a full forensic report before proceeding with the disciplinary hearing, all members present expressed support and unanimously approved the sending of letters to the affected individuals informing them of this decision.

5. PRAYER & CLOSURE

The meeting ended with a prayer at 21:00

Ramesh Chhagan

RAMESH CHHAGAN

JOINT HONORARY SECRETARY