



MINUTES OF THE SPECIAL MEETING OF THE INTERIM EXECUTIVE COMMITTEE (IEC) HELD WITH THE TRUSTEES OF THE SHREE PRETORIA HINDU SEVA SAMAJ

Held at The Boardroom, Shree Pretoria Hindu Seva Samaj
Date Sunday 6 September 2009
Time 10:05

1. PRAYER AND WELCOME

The meeting commenced with a prayer at 10:05

2. ATTENDANCE AND APOLOGIES

In attendance: Sanjaybhai Govind; Harshaben Dayal; Ramanbhai Rama; Mohanbhai P. Lalla; Tapidasbhai Bhana; Baboobhai Gokal; Dhiroobhai Kalan; Nalinbhai Kala; Jagdishbhai Makan; Champakbhai Chagan; Joytiben Joshi; Ashwinbhai Joshi; Jivanbhai Kalyan; Himalbhai Ramjee; Anielbhai Soma; Pravinbhai Daya; Rameshbhai Chhagan; Prakashbhai Hira.

Absent: Apology received from Kishorbhai Dajee Naran.

3. PURPOSE OF MEETING

The Interim President, Prakashbhai Hira, outlined that the purpose of the meeting was to inform trustees of the latest developments around the issue of the misappropriation of funds and to decide if disciplinary measures against past officials are necessary and desirable in the light of the information and evidence on hand.

He explained that he had telephonically discussed his intention to raise this matter at this meeting with both Trusharbhai Kalan (the past president) and Nalinbhai Kala (chairman of the trustees). He stated that he had informed Trusharbhai not to attend this meeting as there was a possible conflict of interest since the irregularities occurred while he was President and he could be one of the officials who could be the subject of a disciplinary enquiry. Prakashbhai reported that Trusharbhai had informed him that in accordance with legal advice he had sought and the advice of four trustees (names of which Trusharbhai withheld) he believed that he was entitled to be present. However, in the interests of the Samaj and in order not to be obstructive, he decided on his own accord not to attend. Prakashbhai further informed the members that he received an SMS at 09:55 this morning from Trusharbhai informing him that Trusharbhai had sent a fax to him and requesting that he acknowledges receipt. As this was purportedly sent to him 5

minutes before this meeting was due to start and he was unable to get his hands on it , Prakashbhai was therefore unable to table it at the meeting.

4. ADDRESS BY PRAKASHBHAI HIRA – CONCERNS OF THE IEC

Prakashbhai then went on to explain the following:

- 4.1 In terms of the resolution taken on 24 August 2009, Tayfin Forensic Auditors had been appointed to investigate the loss suffered by the Samaj and to determine, if possible, culpability of individuals concerned; and further to assist the recovery of lost funds from ABSA;
- 4.2 Tayfin had received permission from the ABSA Bank Trustee, appointed to manage Naresh Mistry's affairs, to open his office in Marabastad so that they and the Samaj officials could obtain documents needed for their investigation. This took place on 3 September 2009. Prakashbhai and Sanjaybhai were the IEC officials present;
- 4.3 A huge amount of documents relevant to the Samaj, were found haphazardly scattered about;
- 4.4 The ABSA representative / trustee handed over a large amount of relevant documents belonging to the Samaj;
- 4.5 In addition, over 40 Samaj prayer tins as well as bank plastic bags containing coins with notes (from whom collected) were found in the office. Some of these tins dated back to 1995 i.e. were collected over 14 years ago and not been deposited.
- 4.6 Other documents found also pointed to evidence of mismanagement and dereliction of duties;
- 4.7 In view of the above, Prakashbhai believed that the trustees and the IEC had a fiduciary duty to act both in terms of the constitution as well as various legal statutes governing the running of non-profit organisations.
- 4.8 He emphasised that no member of the IEC has any ulterior motive or personal agendas other than doing their duty

5. ADDRESS BY ANIELBHAI SOMA

Anielbhai gave a detailed explanation of the duties of officials of non-profit organisations, in general, and those of the Samaj, in particular. He explained how in terms of common law, legal statutes, and the constitution of the Samaj, officials were placed in a position of trust. This meant that they in-turn had a duty to had to run the affairs of their organisation in an open and transparent manner, had to take any necessary action, including discipline, if that trust was broken. In essence, officials and trustees would be derelict in their duties if they openly condoned misconduct. In his opinion, a disciplinary hearing was necessary as it (1) is required by the constitution; (2) shows that officials take their fiduciary responsibilities seriously; (3) sets an example going forward to new officials and (4) gives the "accused" officials an opportunity to clear their names.

In his investigations thus far, he believed that there was prima facie evidence of dereliction of duty by the following officials: Nareshbhai Mistry, Trusharbhai Kalan and the two treasurers, namely Giteshbhai

Mistry and Chetanbhai Tanna . He therefore asked that the trustees sanction that an internal disciplinary hearing takes place, chaired by a credible and independent person.

6. RESPONSE BY TRUSTEES

On behalf of the current trustees, Baboobhai Gokal responded by stating that the new trustees had been informed about what their duties were but had spent their two years in office only dealing with issues that the past President, who was also a trustee, tabled. At no time were they informed that there were serious concerns that Nareshbhai Mistry was not fulfilling his duties or not cooperating with the executive. Jivanbhai added that he had written a letter to the new trustees expressing his view that Trusharbhai should be dismissed from his position and new elections should be held, but because it was related to a personal matter, this was not done. Champakbhai expressed his strong unhappiness at how he and other officials trust was betrayed. Jivanbhai stated that the integrity of the Samaj was at stake and on behalf of the Advisory Committee supported the need for a hearing. Others felt that keeping members in the dark was a form of disrespect. Tapidasbhai wanted to know why Trusharbhai was not present to answer charges and it was again explained to him that no charges were being laid. This meeting was not a disciplinary hearing but merely one to decide if there should be one.

Nalinbhai asked that the trustees be given some time to discuss this matter before a decision was taken. This was granted and members of the IEC left the room for 15 minutes.

7. DECISION OF TRUSTEES

Upon the return of IEC members, the trustees informed them that they had unanimously decided that what the IEC was recommending was relevant and correct. They asked however that all those involved be properly informed of the process and that whatever sanction be imposed be "just". They also requested that the good name of the Samaj must not be tarnished in the process and that they be kept informed of the progress of the matter on a regular basis.

On behalf of the IEC, Prakashbhai reassured all present that every care will be taken to ensure that the interests of the Samaj are safeguarded. He thanked everyone for their presence and for the unanimous support given.

8. TERMINATION

The meeting terminated with a prayer at 12:30

**RAMESHBHAI CHHAGAN & SANJAYBHAI GOVIND
JOINT HONORARY SECRETARIES**