



एयर फोर्स नेवल हाऊसिंग बोर्ड AIR FORCE NAVAL HOUSING BOARD

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No AFNHB/ADM/1102-III

27 Oct 17

Allottees of Dehradun Ph-II project

RESPONSE OF AFNHB TO MALICIOUS E-MAIL – DEHRADUN PROJECT

1. This update is in response to the misinformation/ false allegations of Mr Rajinder Singh forwarded to allottees of Dehradun Project vide his e-mail dated 17 Oct 17. Point-wise response of AFNHB is enumerated in subsequent paragraphs.

(a) **Para I – Lease.** The period of lease is the prerogative of the leasing authority. The land allotment authority in case of Dehradun Project is Govt of Uttarakhand and the land has been offered by them to AFNHB for a period of 30 years, at an annual lease rent of Rs 2964.00. This is the normal lease period for all such projects by Govt of Uttarakhand and which would be extended on completion of the lease period. The lease period of Uttarakhand Govt. is public information and AFNHB has not hidden that information from the allottees.

(b) **Para II – Land Location.** AFNHB, while launching the project gave details of area /location of land allotted for the project by the Govt of Uttarkhand. The applications were invited purely on voluntary basis. The allottees always had the freedom to approach AFNHB for any queries or visit the site in person prior to applying for the same. The allegation that AFNHB did not intimate regarding the location is therefore not justified and uncalled.

(c) **Para III – Delay.** The Board is fully cognizant of the reasons for delay in the project. Penal action for delay on the part of contractor is being taken as per CA. Liquidity Damages so recovered will be ploughed back into the Project.

(d) **Para IV – Swimming Pool.** The allottees were informed that swimming pool was being deleted to create additional parking space. The technical reason behind this decision was the existing soil condition which would have necessitated digging deeper to remove sub surface soft soil and requirement of creation of raft at a depth of 1.5 m below the base of swimming pool. The creation of raft would have cost more than 1.5 crore, thereby taking the total cost of swimming pool to approx Rs 2 crore which would

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have further increased the overall cost of project. Therefore, the swimming pool was deleted from the scope of the project, in the best interest of the allottees. Further, it is intimated that the cost of swimming pool (approx 25 lakh/ allottee) has not been included in the pre-final costing.

(e) **Para V – Stamp Duty.** AFNHB, as a policy, has never included stamp duty in the cost of the flat as it varies from State to State. The stamp duty is required to be paid by the allottees at the time of registration of their respective units.

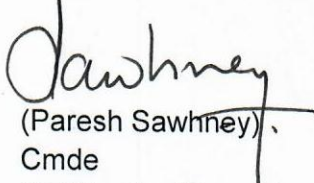
(f) **Para VI - Parking.** Parking charges levied by AFNHB are different from those charged by the Private Builders. Since all allottees cannot be provided similar sized parking, parking slots are sold and the cost so recovered is ploughed back into the project for equal benefit of all allottees. This procedure is not followed by the Private Builders.

(g) **Para VII – Equalisation Charges.** The equalization charges are levied for delayed payment of an installment by any allottee or to bring at par an allottee who joins the scheme late. The amount collected as Equalisation Charges is ploughed back into the project account for common benefit of all allottees. By no means equalisation charges are to be treated as interest on delay or penalty. As far as the interest on delay of the project is concerned, provisions are made in the contract to penalize the contractor, the amount so recovered from the contractor as penalty is also ploughed back to the project account for common benefit of all allottees. Since, all AFNHB schemes are Self Contributory and are funded on 'No Profit No Loss' basis and, any compensation / penalty to be paid to any allottee is again billed to the project account.

(h) **Para VIII – Mismanagement.** Since, AFNHB schemes are on 'No Profit No Loss' basis, the provision is made in the contract for paying the variation in prices of steel, cement and other construction items to the contractor which leads to cost escalation. AFNHB is besieged of the fact that there has been inordinate delay in completion of this project for various reasons beyond the control of the Board. The increase in the cost is mainly attributable to the escalation in prices of construction material, increase in super area as recommended by allottees and other Govt taxes.

(j) **Para IX - Withdrawal.** The offer for withdrawal from the scheme was forwarded to all allottees on 30 Sep 16 and the Board had agreed not to levy cancellation charges (though required as per policy) and amount paid was agreed to be refunded with saving bank rate of interest of 4% as per the existing policy.

2. The allegations / issues raised by Mr Rajender Singh are totally baseless/ unfounded and not in good taste. Allottees are advised not to fall prey to such negative propaganda and are requested to contact AFNHB directly for any clarifications /queries.


(Paresh Sawhney),
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Dy Director General
For Director General