

WEB UPDATE – MEERUT (07 Sep 17)

CONCERNS EXPRESSED BY ALLOTTEES

1. AFNHB has received a few queries from allottees and the same are being individually clarified.

2. However, in order to ensure greater transparency, AFNHB has compiled all the queries in the form of FAQ's; the same are enumerated below in succeeding paragraphs.

Q. No Costing/ Finance details provided by AFNHB?

Ans. Costing and financial details can be provided by AFNHB, only after final costing. The project being self financing from the contribution of the allottees, all the expenses till the final completion, including the expenditure required for obtaining Completion/Occupancy certificates, are required to be included in the final cost. Therefore, it is not feasible to intimate the costing and financial details of the project at this stage.

Q. Should we not ask AFNHB to introduce a penalty clause before making installment? What happened to the penalty/Bank Guarantee recovered from contractor? Was at charges or not.

Ans. Maximum amount of penalty, as admissible in the CA, has already been imposed to the contractor. The amount recovered by imposing penalty for delay on the contractor, will be ploughed back into the project, at the time of final costing. The fact is that, at this stage AFNHB, has not able to recover the Liquidated Damages, imposed on the contractor, because, the contractor is already in debt and he owes approx Rs 14 Cr to the project. Legal action is already under way to recover the deficit from the contractor. This amount as and when legally recovered from the contractor, will be credited to the project account before the final costing.

Q. Technical specification not met.

Ans. All technical specifications are already available on AFNHB website and are being complied with. If there is any specific technical requirement that has not been met, the same may be informed. Requisite clarification will be given accordingly.

Q. Financial irregularities going on in the project?

Ans. During last one year, all out efforts have been made by AFNHB to bring in transparency. Photographs with details of works being undertaken during last one month are being regularly uploaded on AFNHB website. All pictures have dates displayed on it. There are no financial irregularities in the project.

Q. Parking, LTMF and statutory Charges already included in Dec 13 Letter. As per Jun 17 letter, statutory Charges not mentioned. It seems hidden intentionally.

Ans. Only intimation regarding Parking, LTMF and statutory Charges was given in Dec 2013 letter, the same have not been demanded till date. At this stage, AFNHB is not aware of the quantum of the statutory charges. The same will be known only when application for CFO (Consent for Operations) for DG Sets and STP are submitted to the concerned authorities. There is no deliberate attempt to hide any charges.

Q. Project progress was 60% in Dec 14 that means 40% of money lying with AFNHB. What happened to that money since three years? Based on 60% progress in Dec 14 all items like Steel, Cement etc were purchased then from where is the escalation cash?

Ans. As already brought out above, all AFNHB projects are self financed and entire contribution of allottees is ploughed back to the project account including interest accrued on the contribution. This is a standard practice being followed for all AFNHB projects and Meerut is not an exception.