



एयर फोर्स नेवल हाऊसिंग बोर्ड  
AIR FORCE NAVAL HOUSING BOARD

एयर फोर्स स्टेशन रेस कोर्स, नई दिल्ली-110003  
Air Force Station Race Course, New Delhi-110003

Tele No. : 23793462 / 3463 / 23792800 Fax : 23014942 Email : directorgeneral@afnhb.org, Website : www.afnhb.org

AFNHB/ADM/1102-II

19 Oct 16

To All allottees of Dehradun Ph-II

**CLARIFICATION WRT INCREASE IN COST  
OF DUs – DEHRADUN PHASE-II**

1. Refer to AFNHB letter AFNHB/ADM/1102-II dated 30 Sep 16 and queries received from individual allottees to date.
2. Queries have been received from individual allottees wrt increase in cost of DUs as promulgated vide AFNHB letter ibid. Additional clarifications / justifications for the increase in cost of each category of DUs are enumerated in succeeding paragraphs for information of all allottees.
3. The Super Area and Cost of DUs intimated at initial launch in 2008-09 was only indicative. In Aug 2010, both the Super Area and Cost was revised on approval of plans and award of contract. **The tentative costs indicated in 2009 and again in 2010 were both exclusive of Cost of Parking, Statutory levies i.e. VAT/ST/Cess and also Long Term Maintenance Fund (LTMF).**
4. In 2012, the sample flats of each category were inaugurated. The suggestions given by allottees at this stage included increase in size of balconies etc which resulted in considerable increase to the Super Area of each flat.
5. The cost indicated in AFNHB letter dated 30 Sep 16 has taken into account the increase in Super area post allottee suggestions in 2012, the cost of one basement Car parking of 150 Sqft (approx) for each allottee, the LTMF and mandatory Statutory levies paid/payable to various Govt authorities. These have been tabulated below for perusal.

(a) Increase in Cost of DUs (Rs. Lacs) -

Ser	Cat	Super Area in 2010	Cost in 2010 (Excluding Parking, VAT, LTMF etc.)	Actual Super Area 2016	Cost 2016 (All inclusive)
(i)	A-I	2075	30.49	2287	40.51
(ii)	A-II	1740	25.57	1917	35.10
(iii)	B-I	1300	19.10	1515	28.60
(iv)	B-II	1000	14.69	1259	24.20

(b) Components of Increase in Cost of DUs (Rs. Lacs) -

Ser	Cat	Due increase in Super Area	Cost of one Basement Parking	VAT/ST/ Labour Cess etc.	LTMF	Other allottees suggestions/Escalation/ Gabion Wall/Repairs to Basement/Contingency
(i)	A-I	3.49	2.00	2.65	0.30	1.58
(ii)	A-II	2.92	2.00	2.35	0.30	1.96
(iii)	B-I	3.54	2.00	1.96	0.30	1.70
(iv)	B-II	4.27	2.00	1.70	0.30	1.24

6. It would therefore be seen that more than 80% of the increase in cost is due to increase in Super Area and quantification of amounts payable towards Statutory liabilities and LTMF.


7. It is further clarified that all penalties legally tenable by Contract, will be levied on the defaulting contractor and the same along with all equalization charges (collected from allottees who join subsequently) ploughed back into the project. Surplus amounts, if any, will be refunded at the time of Final Costing.

8. It is once again iterated that despite the above increase in cost, AFNHB's cost of construction still remains very competitive. In comparison with AWHO project, AFNHB costs are tabulated below for information.

	Super Area	Cost (Rs.lacs)	Includes/Excludes
AFNHB (A-I Cat)	2287	40.51	<b>Includes</b> VAT/ST, Basement Car parking and LTMF
AWHO Dehradun	2125	47.04	<b>Excludes</b> VAT/ST, Stilt Car Parking (2.5 lacs) and LTMF

9. As of date, AFNHB has incurred expenditure of Rs.46 Crs over and above the amounts collected from allottees. Non payment of installment called for, vide AFNHB letter ibid, in time will result in adverse cash flow and consequent further slippages in EDC.

10. The above clarification covers most issues raised by allottees and therefore, individual replies are not being made.

  
(M Kulshreshtha)  
Captain  
General Manager (Admin)  
For Director General