

**REASON & JUSTIFICATION OF INSTALMENT SCHEDULED ON 03 SEP 13-**  
**DEHRADUN II PROJECT**

1. As you are aware that the project has suffered adversely due to unprecedented rains and flooding during the year 2011. However, all out efforts were made to minimize the cost to the bare minimum so as the burden does not go beyond the allottees capacity. It must be appreciated that there were various hindrances beyond the control of the Board which inspite of our best effort cannot be anticipated.

2. There were allottees suggestion in regard to additions/alterations which were implemented after due feedback from allottees which has resulted in additional financial impact on the project cost. The suggestions implemented in each category are different and accordingly the impact on is different. The expenditure in the project is being incurred on daily basis whereas the last installment was called on 05 Nov 12. Each allottee has to pay his share of expenditure and there is no cross subsidisation among the different categories.

3. Due to the above, the project is running into deficit, therefore it has been decided that an interim installment to the tune of the 50% of the balance due against the installment along with the allottees suggestion cost be called. The details of the interim installment are tabulated as follows:

(₹ in Lacs)

Category (a)	Tentative Cost (b)	Amount Called till date (c)	Balance Due (d=b-c)	50% Called (e=d*50%)	Allottees Suggestion (f)	Total Amount (e+f)
AI	30.50	26.50	4.00	2.00	1.27	3.27
AII	25.60	22.00	3.60	1.80	1.29	3.09
BI	19.10	16.70	2.40	1.20	1.57	2.77
BII	14.70	13.10	1.60	.80	1.26	2.06

4. Accordingly, the interim installment as follows was called from allottees and you are requested to remit the amount on the scheduled date:-

(₹ in Lacs)

Category	Installment Amount due on 03 Sep 13
AI	3.20
AII	3.00
BI	2.68
BII	2.00

5. All AFNHB project are self financed scheme and executed by the Board are on no profit no loss basis. The project is being delayed due to the vagaries of nature beyond the control of the Board and the project management team.