

PARAMOUNT RESIDENCY

Site Office : Sy. No. 176, Nagaram,
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☑ pmr@modiproperties.com

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Reg. Post with ack. due

To,

The Secretary,

Paramount Residency Owners Association,

Sy. No. 178,

Nagaram.

Ref.: Your letter dated 07.04.2017.

I have received your letter dated 07.04.2017. It has made 2 claims which are summarised as follows:

1. The compound wall construction is of poor quality and the Developer is responsible for reconstructing the damaged portion of compound wall.
2. Resolving the nala problem in and around Paramount Residency is the responsibility of the Developer.

In reply to your claims and allegations please note the following:

1. The project was completed in 2009. Occupancy certificate for the entire project was obtained in April, 2009.
2. On several occasions we have requested the flat owners in Paramount Residency i.e., members of Paramount Residency Owners Association to conduct elections and take over the Association. However, for 2 years there was no response to our request.
3. We had proposed to increase the monthly maintenance charge (MMC) and in response members stop paying MMC. We have threatened to discontinue all services. In response to that members opted to conduct elections of the Association. Finally, in March, 2011 elections were called for and the Association was handed over to the duly elected members (Mr. Jaykumar as President).
4. However, the duly elected members refused to perform the duties. This lead to an impasse. Eventually they were force to resign and newly elected committee took over the Association in February, 2012 (Mr. R. Anand as president).
5. The allegation of poor quality of compound wall is being made for the first time in 8 years after completing the project and 6 years after the Association was handed over to the elected members
6. On several occasions we have advised the Association to increase the MMC. However, the Association has failed to increase the MMC.
7. We have also recommended that the Association not accept cash towards MMC as it may lead to pilferage and use proper accounting software (instead of excel sheets) for maintaining the accounts of the Association. However, despite several warnings the Association has not maintained proper books of accounts and collections in cash have resulted in major pilferage.
8. The result of poor financial management and populist agenda of the Association has resulted in the following:
 - a. A huge monthly cash deficit.
 - b. Association is unable to confirm with any confidence the arrears of maintenance charges of individual members.

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- c. Notices were not send to members with arrears and as a result arrears more than 3 years cannot be claimed as they are barred by litigation.
 - d. There are no reserves for taking up major repairs.
 - e. There is no corpus fund balance despite having collected the same.
 - f. Practically the Association is bankrupt.
 - g. Poor maintenance has resulted in depreciation in value of the flats, causing a loss to all the members. Members are neither able to lease or sell their flats.
9. In respect to the allegation about the compound wall, please note that this claim is being made for the first time. On several occasions we have orally discussed the issue of compound wall. Association was asked to take collective measures to ensure that the compound wall is periodically repaired. Due to default from your side the compound wall has fallen down.
10. In respect to the allegation about the nala problem, please note the following:
- a. The problem is not of our making and we have no control over it.
 - b. The government bodies are responsible for resolving the problem. You are well aware of it and on 10th February, 2017 you have address a letter to Grampanchayat for resolving the problem.
 - c. As a private company/firm we have no authority to take up repairs/ construction activity outside our site.
11. After detailed discussion with the Association, a comprehensive resolution/ minutes were passed by Association in November, 2014. It was acknowledged that all issues with the Developer were resolved, there were no claims against each other and we had to maintain the clubhouse for a period of 2 years at our cost. As per the understanding we have maintained the clubhouse for 2 years i.e., from January, 2015 to December, 2016. Most importantly please note that no claim about the compound wall or the nala has been made against the Developer in the said understanding.
12. You have been maliciously circulating unsigned letters making similar allegations against Modi Properties group amongst the residents of Paramount Residency. The intention is clearly to blackmail us into resolving the above 2 issues at our cost by threatening further defamation and agitation.

You are called upon to withdraw the above allegations and inform your members about the true facts of the case, within 7 days failing which we will take all necessary legal steps, both civil and criminal, in order to stop you from defaming us and causing a huge loss of reputation and money.

You are further called upon to send us audited P&L and balance sheets of the Association for the financial years starting from FY 12 -13 and ending FY 16-17. We are certain that these books are not maintained properly. In particular we would like to scrutinize the individual ledger of every member/ flat owner of the Association.

Thank you.

Yours sincerely,

Soham Modi