

23. MAINTENANCE FUND

23.1. A maintenance fund will be created for efficient maintenance and satisfactory functioning of common services in the colony. The Fund will be created by charging an initial amount from the allottees before making over possession of the dwelling unit. In case of multistorey building this amount shall be 4.5% of the cost of the dwelling units without lift and 6.5% of the cost of dwelling units with lift. In case of single storey/duplex houses the percentage shall be 3% of the cost of the dwelling unit. However, the actual amount will be communicated along with the Allotment Letter.

23.2. The amount so collected shall form a corpus called Maintenance Fund and cannot be spent. Only the interest / income from the fund may be used for the purpose of operation and maintenance of the common services of the colony.

23.3. The above amount will be invested in the joint name of the Association and IRWO and interest/income arising out of it shall be credited to the bank account of the Association for meeting the operation and maintenance expenses of the colony.

23.4. In case of requirement of additional funds, the Association will have powers to realize subscriptions from the allottees / residents according to the byelaws of the Association.

24. DEPRECIATION RESERVE FUND

24.1. A Depreciation Reserve Fund will be created for each housing project for the purpose of having adequate funds available for replacement of such items of capital expenditure as lifts, water supply arrangements, generator etc. The Fund will be created by charging 1% of cost of the dwelling unit from the allottees before making over possession of the dwelling unit.

24.2. The above amount will be invested in the joint name of the Association and IRWO and interest / income arising out of it shall be credited to the same DRF account. Whenever funds are required for replacement of the capital assets, it shall be withdrawn with the joint approval of IRWO and the Association / Society.

24.3. In case of requirement of additional funds, the Association will have powers to realize subscriptions from the allottees / residents as may be required.