

# FOSECA | SWBA

Federation of Spire Edge Customers Associations | Spire Woods Buyers Association

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111, First Floor, Hemkunt Chambers, 89 - Nehru Place, New Delhi – 110019

**PRESS RELEASE : Dated 20.12.2016**

Dear All,

It is getting clear with every hearing that Hon'ble High Court of Delhi is looking into the holistic interest of all 1791 investors of ANB. It is getting evident to Hon'ble Justice that there are several associations squabbling among themselves for members, and he again hinted to work together to bring both the projects back on track.

## **1. Unsold Inventory**

Hon'ble Court after seeing the Financials in the Road Map presented by Associations asked the **Advocate of Promoters – Mr. Vivek Kohli to come out clean and present the correct picture before the court.**

Mr. Kohli has mentioned that only 28,000 sq ft. unsold inventory is there in the Spire Edge project while the correct picture was presented to the Court by Investors that there is 3,50,000 sq ft unsold inventory in the project. Promoters were hiding true figures of unsold inventory to grab future profits by just investing Rs. 24 crores in form of loan secured against the assets of the Company.

## **2. Valuation of Unsold Inventory**

Advocate of the Promoter has raised objections on the valuation of the unsold inventory mentioned in our Financials.

**Promoters' Advocate mentioned that it cannot fetch the same price (as market is low today) on which it was sold 6 years back i.e. Promoters clearly undervaluing the property which was understood by the Court and Court has asked very specifically to Promoters' Advocate to come out clean and disclose entire inventory.**

Hon'ble court has also asked propounders of the both scheme that to come with a valuation of unsold inventory which shall also include the unplanned and unlicensed area in both the projects.

*Justice Mridul expressed his shock when he realized no valuation is done till date. This was again unearthed to Justice Mridul by FOSECA/SWBA counsel while pressing the reason for citation. Hence, he ordered for an independent valuation of the property, and to come up with a ball park figure for the benefit of investors to see what value it can fetch to avoid distress sale by means of liquidation which promoters are forcing.*

## **3. License Cancellation – Spire Woods**

The issue of cancellation of license of Spire Woods by DTCP was raised by one of the Counsels of Investors.

DTCP had given a chance of personal hearing to promoters on October 4, 2016 to remove the deficiencies and get the license renewed. Since nobody attended the hearing from the promoters side, therefore DTCP had no choice but to cancel the license.

**This clearly shows the intent of promoters – deliberate liquidation and cheating with Innocent customers. At one hand they are showing the concern towards customers (just to fool them) and filing revival scheme and other hand not attending hearing for renewal of the license. Question can be asked to promoters – “**

- *Can they build and deliver the Spire Woods without License?*
- *Is it a delaying tactic of Promoters? That even if there revival scheme succeeds they have leeway to escape from their responsibilities / liabilities*

Hon’ble Court has asked PL to get in touch with DTCP authorities and submit its report on license cancellation before next date.

#### **4. Amendment to Revival Scheme**

Hon’ble court has also allowed both Customer Associations and Promoters to file the revised scheme incorporating the changes they want to include.

#### **5. Citation**

Hon’ble court was shocked to learn that till date Citation has not happened which would be a simultaneous step at the time of appointment of Provisional Liquidator.

Citation was deferred again to get the best value of the property.

**Customers Association has requested for Citation which was also supported by PL as without it would be impossible to get the clear idea of creditors, which is an integral part of Revival Scheme.** Without it Revival Scheme cannot be analysed by the Court. This process generally would take at least couple of months; and customer associations want to cut down the time through this request for immediate citation.

**Next date is 19/1/2017.**

#### **Another Important updates**

1. **Deliberate liquidation** – The SphereInvest Group the largest shareholder in ANB has issued a Newsletter to all his Investors across the world clearly admitting the fact of deliberate liquidation of the Company ANB.
2. **Intimidating tactics by Promoters-**

The promoters have been resorting to intimidating tactics and sending notices and filing applications against Customer Associations.

- M/s Zeus Law on behalf of Promoters sent notice to the lawyer of Customer Association to refrain from Representing Customers' Association and subsequently files complaint against the lawyer in the Bar Council as their intimidation tactic.
- Promoters filed an application in the High Court asking for restraint against Customers Associations (FOSECA/SWBA) to communicate with 1791 Customers of A N Buildwell informing them about the latest news and actions related to the pending Revival of the company A N Buildwell..

We FOSECA + SWBA, have filed a competing scheme, representing 1057 customers currently from across all Projects and Towers, i.e. 60% of all customers and the number is climbing daily.

Some groups have been communicating to the media, claiming to represent customers and supporting the Promoters who have no credibility and have already been exposed for their mal-intent.

We therefore, request media to present a balanced perspective and ensure that they are not being used as a propaganda tool in the hands of corrupt and cheat builders.

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The latest information as well as previous updates are available online at association websites. [www.foseca.org](http://www.foseca.org) & [www.spirewoodsbuyersassociation.com](http://www.spirewoodsbuyersassociation.com)

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