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Rs. 14 crore due from civic body: waste management company

Corporation had earlier served a notice on bank guarantee

Coimbatore Integrated Waste Management Company Private Limited, in a release here, has said that the Coimbatore Corporation owed it Rs. 14 crore. Not making the monthly payment was a violation of contractual obligations.

As a consequence it had not renewed the bank guarantee of Rs. 4.95 crore. It had submitted the bank guarantee at the time of signing the contract, and had renewed it regularly, the company said.

Earlier, the corporation had served a notice on the company for not renewing the bank guarantee.

Bank guarantee

On receipt of the notice, the company had asked the bank to renew the bank guarantee.

The corporation, however, had not released the original bank guarantee, or provided a discharge letter, the release said. In response to the notice for not processing the waste, the company said that according to the contract agreement, the corporation was supposed to supply 90 per cent segregated waste, which was not being done.

The corporation was supposed to receive only 400 tonnes of waste a day but it was receiving twice the quantity.

Listing out charges against the civic body, the company said that the corporation had not cleared its dues for the last 24 months, its efficiency was reduced as the corporation supplied garbage that was mixed with silt, debris, bio waste, and industrial waste.

Transit station

As for the fourth transit station, the corporation was yet to take up the construction though the project had been around for five years now. The delay in transportation of waste had to do with it taking mixed waste.

The company clarified that the waste lying dumped at the yard had been there prior to 2009 as well, when it took over the operations.

It was trying to remove the waste, the company added.