

Limited (RINL), instead of local manufactures. The increase due to this change in policy and increase in cost of cement works out to approximately 6% of the costs of DU's.

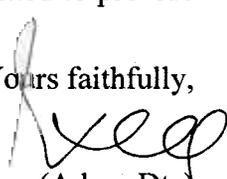
- b) **Increase in the Wholesale Price Index** . As per the standard clause no.10cc of CPWD which forms a part of the contract agreement for the Mohali project, any increase in the Wholesale Price Index subsequent to the submission of price bids is to be reimbursed by way of a standard formula to the construction agency. It was seen that the Wholesale Price Index at the time of submission of price bids was **205.30** and the WPI on the scheduled contractual date of completion was **266.71**. Thus it may be seen that there was **29.91%** rise in the WPI in the original contractual period.
- (c) **Increase in the Minimum Labour Wages**: - Again as per the clause no.10cc of CPWD forming part of contract any increase in the Minimum Labour Wages during the execution of the project subsequent to submission of price bids is to be reimbursed to the contractor on quarterly basis. It may be seen that Minimum Labour Wages on the date of submission of price bids was **Rs.94.81** per day and the Minimum Labour Wages on the original completion date was **Rs. 186.00** which indicates a rise of **96%**.
- (d) A fresh Tax in the form of Labour Cess was imposed on the execution of construction project with effect from **1.10.2008** in the state of Punjab. This tax also increased in the costs of DU's by approximately **1%**.

5. The costing details are being worked taking into consideration the above aspects. It is expected that the costs of dwelling unit shall be approximately 25% more vis-à-vis the "adjusted announced costs" informed to you vide our letter no.T-206/6 dtd **15<sup>th</sup> December 2008**.

6. **Option for withdrawal** : Notwithstanding the above if any beneficiary finds the above incompatible and wishes to withdraw from the scheme he/she may intimate CGEWHO of his/her decision and as a special case the organisation shall not charge any withdrawal charges and the amount deposited by the beneficiary shall be refunded back along with an interest @ 6.5% per annum from the date of deposits. This option shall remain open for 45 days from the date of issue of this letter.

7. We however expect you all to continue association with us, we are committed to provide you a very good value for your money in the years to come

Yours faithfully,

  
(Admn Dte)