



## INDIAN RAILWAY WELFARE ORGANISATION

Railway Offices Complex,  
(Behind Shanker Market),  
New Delhi-110001

No. IRWO/Tech/LKO-Ph.III

Dated: 25-2-2011

### **Sub :- IRWO Group Housing Scheme of 84 Dwelling Units in Lucknow(Phase III)**

It has been a long time since we wrote to you last giving you the progress of works and also updated cost. Now the Project is in advance stage of progress and we are sparing no efforts to see that the Dwelling Units are completed early.

Since the time we reported last to you the progress of works and revised cost as in April, 2009, market has been very volatile with the result there has been substantial increase in the price of steel, cement, bricks, other building materials and Labour charges. The Drawings were approved by Lucknow Development Authority in May 2009 and thereafter the Architect submitted the detailed Drawings for Dwelling Units in August/September, 2009. Based on detailed design and Drawings, there has also been increase in the quantity of various items.

Overall increase in cost of different types of Dwelling Units is as indicated below :-

Type Dwelling Unit	Estimated cost as advised in April, 2009. (Rs. In lakhs)	Cost as estimated now (Jan. 2011) (Rs. In lakhs)	Increase Rs. (in lakh).
II	17.89	21.37	3.48
III	22.80	27.27	4.47
IV	29.95	35.26	5.31

Note: The above cost does not include maintenance charges and cost of additional land attached with the plots over and above prescribed in the Brochure.

The increase in cost is inevitable since the last revision as explained here after. The brochure was issued in June 2007, on rough cost estimates based on the shape and size of plots as were originally offered by LDA and IRWO had planned based on the cost of land. It had envisaged 94 dwelling units. The shape of the land as was finally made over to IRWO was on 28.1.2008 and it is a long strip of over half a kilometer. In this land as per LDA bye-laws, only 84 dwelling units could be planned. Keeping this aspect in view, the costs were revised in April, 2009 which are now being revised due to the following reasons :-

1. The layout plans for IRWO colony along with that of dwelling units were approved by LDA only in May, 2009 after considerable efforts. Thereafter, working drawings were prepared along with detailed specifications and elevation details. At the suggestion of Allottees, instead of single 23 cm common wall two separate walls of 23 cm thickness each are now being provided in this project increasing the cost of additional wall.
2. Mumty were originally planned to be with AC Sheet covering are being provided with RCC roof along with low parapets.
3. Ducts are being provided with Perplex Sheet covering instead of leaving them open to sky so that they can "be used by the Allottees more purposefully.
4. .Plinth levels have been raised keeping in view the demand of Allottees which has also increased the cost.
5. A large portion of land particularly in Block B and Block C was low lying requiring considerable earth filling, drainage and even pumping of water."

7. Due to the fact that the underlying soil is clay silt, plinth beam/plinth bands have to be provided in all units.
8. There has been substantial increase in Price Indexes due to increase in rates of labour and materials. The labour rates have increased substantially. This implies more escalation costs.
9. IRWO has been procuring cement, steel, tiles, CP Fittings etc. and supplying free to the contractor to ensure better quality. Their costs have also increased due to escalation.
10. The plot area of Type IV units has been increased to 200 m<sup>2</sup> instead of 195 m<sup>2</sup> shown in the brochure.
11. The cost of the project has increased due to shape of land available having more area in roads and parks. The plotted area available for sale is only 55% of the total area which in other projects could be more. Cost of colony sewers, roads, external gates, water pipe lines, rain water harvesting installations etc. have increased because of longer shape of plot.
12. There has been Labour Welfare Cess equal to 1 % of the contract value increasing the cost.

IRWO is making all out efforts to contain increase in cost by resorting to close supervision and by keeping the overheads to the bare minimum. However, there are some factors affecting the cost of Project which are beyond IRWO's control.

Revised Schedule of payment of instalments is enclosed and you are required to pay the next instalment i.e. 10th instalment on 07th April, 2011.

(M. K. RAINA)  
FOR MANAGING DIRECTOR.

RAIL VIHAR, LUCKNOW PHASE-III

REVISED SCHEDULE OF PAYMENT (January-2011)

Type ofDU	Super Area (Sq.m.) approx.	Total Cost (Rs.in Lacs)	Booking Money (Rs.)	1 st Instalment (Rs. in Lacs)	2 <sup>011</sup> Instalment (Rs.in Lacs)	3 <sup>rd</sup> Instalment (Rs.in Lacs)	4th&5 <sup>th</sup> Instalment (Rs.in Lacs)	6 <sup>th</sup> to 9 <sup>th</sup> Instalments (Rs.in Lacs)	10 <sup>th</sup> Instalment (Rs. in Lacs)	11th & Last Instalment (Rs.in Lacs)
1	2	3	4	5	6	7	8	9	10	11
LKO-111/2	107.36	21.37	1,00,000 (25000)**	0.75 (1.50)**	2.25	2.00	1.80	1.80	2.50	2.07
LKO-111/3	129.59	27.27	1,50,000 (40,000)**	1.00 (2.10)**	2.35	2.75	2.20	2.20	3.50	2.97
LKO-111/4	165.14	35.26	2,00,000 (50,000)**	1.50 (3.0)**	3.00	3.50	3.00	3.00	4.00	3.26

\*\* Figures shown within brackets are for those who have responded earlier against demand survey.

1. The amounts of various instalments as above are according to the cost as estimated at present. The amount and the number of instalments are liable to change due to change in cost of dwelling units.
2. One time maintenance fund amount which will be in addition to the above costs will be collected after draw of lots but before possession of the dwelling unit.
3. In case bulk connection of water supply has to be provided, water supply connection charges will also be collected along with the instalment.