



Ahluwalia Contracts (India) Limited

ENGINEERING ♦ DESIGNING ♦ CONSTRUCTION

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Date: 19-10-2010

To,

Asst. General Manager (Corporate Services)
Bombay Stock Exchange Ltd.

25th Floor, P.J.Towers

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Asst. Vice President - Listing,
National Stock Exchange of India Ltd.

5th Floor, Exchange Plaza,

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Sub.: Clarification on News Item (CAG'S 1ST PROBE SALVO: CONTRACTOR WAS PAID TWICE FOR THE SAME JOB) in Times of India dated 17-10-2010

Dear Sir,

We shall like to draw your kind attention to a news item appearing in "Times of India" News Paper on Sunday, the 17th October, 2010, on page 1 & 4, titled "**CAG'S 1ST PROBE SALVO: CONTRACTOR WAS PAID TWICE FOR THE SAME JOB.**" In response thereto, (the copy of News Paper cutting is enclosed) we at Ahluwalia Contracts (India) Limited (ACIL), a construction Company engaged in the construction of various prestigious projects all across the country, have submitted and clarified to "Resident Editor" Times of India, as under:

- A. **A Composite Contract of Approximately Rs. 230 crores for Dr. Shyama Prasad Mukherjee Swimming Pool Complex, New Delhi** was awarded to us, comprised of Civil, Electrical and Mechanical works. It may be pertinent to mention here that no separate contract for construction of "Services Building" as alleged in your news item has ever been awarded to us.
- B. As a matter of fact the work of construction of Service Building was part of the main contract and has been paid accordingly. No separate and / or double payment has ever been received by us as alleged.
- C. It is brought to your notice that the news item has been reported on a part / selective information and that the reported reply of the Central Public Works Department (CPWD) with respect to the observation of the CAG Memo has been ignored merely to sensitize the issue, thereby harming our reputation, credibility and standing in the industry of over four decades.
- D. It may not be out of place to mention here that ACIL is a responsible and reputed construction Company, listed both in BSE and NSE and is accountable towards its investors and stake-holders. This irresponsible reporting without going into the merits of the case has cost us irreparable damage.
- E. We may further clarify that as regards to the TDS (Tax Deduction at Source) & all other statutory requirements of Govt. of India, have been deducted from our due payments and deposited by CPWD. As such there is no shortfall whatsoever in the same and therefore there is no question of payment on our behalf by CPWD in this regard.



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F. It is pertinent to mention here that CPWD's accounting system and the Works Procedure has well-defined rules, regulation and guidelines, which have fully been followed as in the contract mandate and there has not been any double / extra payment to us.

Kindly take the same on your record and oblige.

Yours faithfully,

for Ahluwalia Contracts (India) Limited



(Vipin Kumar Tiwari)
DGM (Corporate) & Company secretary
Encl: as above



1	The Company Secretary, Delhi Stock Exchange Ltd. , DSE House, 3/1 Asaf Ali Road, New Delhi – 110002, Phone: 011-46470033 Fax No. : 011-46470053-54	2	Manager (Listing), Jaipur Stock Exchange, Stock Exchange Building, Jawahar Lal Nehru Marg, Malviya Nagar, Jaipur - 302017 Ph.: 0141-2729100 Fax: 0141-2729082
3	Manager (Listing), Calcutta Stock Exchange Ltd , 7, Lyons Range, Kolkata – 700001, Ph.: 033-22104470-4477		