

**Minutes of the Joint Contract Management Meeting Dt. 27th October, 2010
with the Contractors of 1st Year Civil Works Contracts of Orissa State Roads
Project**

A Joint Contract Management Meeting with the representatives of the Contractors of the three Civil Works Contracts of Orissa State Roads Project, respective Resident Engineers and members of the Project Management Unit of OSRP was held under the chairmanship of the Chief Engineer, World Bank Projects, Orissa at 16:00 Hours on 27th October, 2010 in the Conference Hall of Project Management Unit of OSRP. The following persons attended the meeting.

1. Er. Fakir Mohan Panigrahi, Executive Engineer, PMU, OSRP
2. Mr. Mana Bhanjan Acharya, Financial Advisor, PMU, OSRP
3. Mr. Jayadev Mishra, Sr. DAO, PMU
4. Er. Digambar Biswal, Resident Engineer, Package No. P01
5. Er. Sasanka Sekhar Das, Resident Engineer, Package No. P02
6. Er. Manoranjan Misra, Resident Engineer, Package No. P03
7. Mr. R. P. Khajuria, Addl. G.M. (Projects), Patel Engineering Limited
8. Mr. H. G. Advani, Director, Somdatt Builders Pvt Ltd.
9. Mr. S. N. Srivastava, Project Director, Backbone Enterprises Limited
10. Mr. Rajesh Agarwal, Managing Director, ARSS Infrastructure Projects Ltd
11. Mr. Rajiv Saran, Sr. Vice President, ARSS Infrastructure Projects Ltd
12. Mr. Y. Rama Rao, Advisor, ARSS Infrastructure Projects Ltd
13. Mr. S. P. Dash, General Manager & POA, ARSS Infrastructure Projects Ltd
14. Mr. S. P. Sahu, Project Manager, Patel – ARSS JV
15. Mr. Nrupancha Keshari Parida, Project Manager, Somdatt Builders – ARSS JV

At the outset, the Chief Engineer, welcomed all and introduced the members present. He appraised the members regarding the present interim arrangement of supervision being adopted by the Client. He desired that the members representing the lead partners of the JV Contractors of all three works to put forth their views on the project status.

Mr. H.G. Advani, reported that the Contract has been awarded to the JV and Somdatt Builders being the lead partner has better qualifications and equally responsible for the execution of the Contract. He also said that both the JV partners are complementing and supplementing in execution of the works. Mr. S. N. Srivastava said that he agrees to the statements of Mr. Advani and stated that the management of Backbone is keeping a close watch of the project and interacting frequently with the project personnel on project activities. The CMD and AGM of Backbone are regularly taking up site visits.

The Chief Engineer, World Bank Projects, Orissa desired to know from the members of the Lead partners on the back-log issues of the respective project, as they are closely watching the project activities as stated by them. Mr. Advani stated that the prime issue affecting the progress of the work is delay in handing over of the land for construction. He also expressed his concern over the under-utilization of the equipments and staffs mobilized by the Contractor on this ground. Secondly he expressed his concern for the delay in availing Excise exemptions certificate for procurement of materials. Mr. Srivastava said that the issue of handing over of land is also a concern in his package too. He said that though their contract period is going to be over by 21st Nov, 2010 only 4% progress was achieved on this account.

The Chief Engineer, World Bank Projects, Orissa said that there is delay in handing over of land but by this time a sizeable portion of land free from all encumbrances has been made available to the Contractors. Based on the availability of the land, the modification to the 1st milestone for each of the contract has been agreed with the Contractors.

The Chief Engineer, World Bank Projects, Orissa stated that as per the Contracts both the partners has definite obligations with respect to providing man-power, machineries and other resources. While reviewing the status at each package it is observed that there is a lot of gap in supplementing the human resources by the lead partners. He said that excepting the Project Manager, all other key positions have been deployed with less qualified persons with contrary to the contract provisions. The Chief Engineer, World Bank Projects, Orissa also expressed his concern on lack of resource based planning and the regulatory/statutory clearances to operate plants/machineries though the land for 1st milestone has been made available.

To address these issues, it is necessary that the lead partners must provide the requisite human resources with adequate qualifications/experiences as per the contract and supplement necessary equipments with proper documents based on the resource based work program.

Mr. Advani said that this being a World Bank funded project, grant of extension of time may take some time based on their experience in other Bank financed projects. The application for extension of time should be properly documented for this purpose. On the issue of recruiting adequate man power he stated that it would take about 5 weeks time. For submission of resource based work programme it would take a month's time. Hence all necessary requirements can be fulfilled by end of November. Mr. Sirvastava agreed to the proposal and said that mobilization of man-power is a real concern as people are interested in working in major NHAI projects rather than State projects.

The Chief Engineer, World Bank Projects, Orissa instructed to all the lead partners that :

- (1) at least 60% of the man-power as per the contract should be mobilized by 10th November, 2010 and balance by end of November, 2010;
- (2) the deployment of machineries and equipments by both the partners of the JV in all the three packages should be supplemented properly as per the contract provisions by 10th Nov, 2010;
- (3) the resource based work programme be submitted by 10th Nov, 2010;
- (4) application for extension of time with proper documentations for all the contracts, specifically for Package No. P03 should be submitted by the end of this month.

The Chief Engineer, World Bank Projects, Orissa further stated that this being the first Joint Contract Management Meeting, a series of such meeting shall be organized at regular intervals and is expected that the representatives of respective lead partner extend their cooperation to resolve the issues affecting the progress of the project. He also desired that the lead partners be present during the next visit of the World Bank Supervision Mission tentatively scheduled in December, 2010. The members of the Contractors agreed to the above proposals of the Chief Engineer.

The meeting ended with a vote of thanks to the chair.


Chief Engineer
World Bank Projects, Orissa