

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

New Delhi Office  
70 Lodi Estate  
New Delhi – 110 003  
India

Phone: +911141479301/+911149247601  
Mailing Address: P.O. Box 416

February 8, 2016

Mr. Aditya Prasad Padhi  
Chief Secretary & Chief Development Commissioner  
Government of Odisha (GoO)  
Secretariat  
Bhubaneswar

Dear Mr. Padhi:

***India: Odisha State Roads Project (OSRP) - (Loan No. 7577-IN)  
Interim Implementation Support Mission, January 10-15, 2016***

I thank the Government of Odisha including Odisha Works Department (OWD) for extending support to the Bank's interim mission and particularly to you for chairing the wrap-up meeting. A mission note summarizing our detailed assessment of the project progress, along with the suggestions and agreements reached with the Project Management Unit (PMU) on a set of actions for improving the pace and quality of implementation, is attached.

I am disappointed to note that very little improvement has been made in the implementation of works especially in corridors P02 (Chandbali-Bhadrak-Anandpur) and P04 (Jagatpur – Chandbali) since the last mission in October 2015 despite the peak working season. The District Administration and OWD have still not been able to ensure availability of aggregates to contractors and complete the pending land acquisition/R&R. In these circumstances, it is clear that rehabilitation and upgrading of only about 110kms (packages P01A, P01B and P03) would be completed by the current loan closing date of June 30, 2016, while works on about 200kms of roads under the remaining packages (P02 Balance –SH53, P02A –SH09, P02B-SH09, P04A1, P04A2 and P04B) would spill over much beyond the current closing date, resulting in non-utilization of at least US\$90m. Accordingly, the achievement of the project Development Objectives and Implementation Progress continue to remain Unsatisfactory.

Meanwhile, I note that the Government of Odisha is keen on loan extension. However, in the prevailing circumstances with several key issues nowhere close to resolution in the available time (e.g. availability of aggregates, removal of encumbrances and achievement of substantial progress on ongoing contracts) it is prudent to bring the project to closure as scheduled on June 30, 2016 and a formal request for partial cancellation of the loan proceeds submitted to the Bank through the Department of Economic Affairs.

Should you require any clarifications, please do not hesitate to contact the project Task Team Leader, Mr. Rajesh Rohatgi (email: rrohatgi@worldbank.org)

With regards,

Sincerely yours,

  
Onno Ruhl  
Country Director, India

Encl.: Mission Note

cc: Mr. Subhash Chandra Garg, Executive Director (India), World Bank  
Mr. Neeraj Mittal, Senior Advisor to Executive Director (India), World Bank

Mr. Sanjay Mitra, Secretary, Ministry of Road Transport & Highways, GoI  
Mr. Bhaskar Dasgupta, Director (MI), DEA, Ministry of Finance, GoI  
Mr. S.N. Das, DG (Road Development) & Special Secretary, Ministry of Road Transport & Highways, GoI

Mr. N. K. Pradhan, Engineer-in-Chief-cum-Secretary, OWD, Government of Odisha  
Mr. B. C. Pradhan, Chief Engineer (Roads), OWD, Government of Odisha  
Mr. O. P. Patel, Chief Engineer (World Bank Projects), OWD, Government of Odisha

## **INDIA: Odisha State Roads Project (Ln.7577-IN)**

### **Interim Implementation Support Mission**

**January 10 to 15, 2016**

#### **Mission Note**

1. During the review at the Department of Economic Affairs, Ministry of Finance, Government of India, in December 2015, it was agreed that the Project / Loan would be again reviewed sometime around March-April 2016 and decision would be made on further Extension of the Loan beyond the present closing on 30 June 2016. The Bank Task Team undertook an Interim Mission during January 10-15 2016 to review mainly the status of the Road Corridor Improvement Component which is presently rated as 'Unsatisfactory'.

2. **Summary Status of Road Corridor Improvement Component.** This Component was planned to support widening, strengthening and selective realignment of about 461 kms of existing Roads to double-lane standard. Three Works Contracts P01, P02 and P03, comprising about 204 kms under Phase I, started in November 2008 / February 2009 and were terminated for poor performance in September 2011 / November 2012. The Project / Loan was thereafter restructured in January 2013, reducing the scope of this Component from 461 kms to 310 kms and extending the Loan closure to June 2016. The balance works for all the 3 works contracts of Phase I were then awarded in 2013 under 4 Works Contracts (P01 split into 2 Contracts - P01A and P01B). In addition, 2 Works Contracts - P04A and P04B were awarded in December 2013. Due to poor performance of P04A contract, it was terminated by the Odisha Works Department (OWD) in April 2015. The terminated P04A contract has now been awarded by OWD as 2 Contracts by splitting the road stretch into two packages viz; P04A1 and P04A2.

3. Out of seven ongoing contracts, three contracts - P01A, P01B and P03Balance have progressed reasonably well, and now targeted to be completed by April 2016. Contracts P02Balance and P04B were progressing extremely slowly. In regard to these two contracts, besides poor planning and slow mobilization of the Contractors, lack of availability of aggregates, sharp increase in prices of the aggregates from the sources available and high cost of contract-specified materials for embankment and subgrade have been major deterrents resulting in slow progress. These 2 Contractors had won the contracts @11.1% and @11.6% lower than OWD's estimated cost respectively. These have affected the Contractors' cash flow adversely. In view of poor performance of P02Balance, the OWD and the Contractor mutually agreed and signed a Contract Amendment for deleting remaining works on one (SH-09) of the two Roads under this contract from its scope and extending the completion date to December 31, 2016. OWD has invited bids for carrying out remaining works on SH-09 through 2 contracts - P02A and P02B. Contract P04B is continuing very slowly (progress 6.3% in 25 months) and the mission expressed strongly that such poor performance of the contract cannot be continued for indefinite period. The OWD and the Contractor together need to resolve the issue of materials availability urgently and any other issue externally affecting performance of the contract and/or the OWD needs to take remedial action(s) as appropriate. Contracts P04A1 and P04A2 have started on January 1, 2016. Summary information on all contracts is presented in **Annex 1**.

4. **Odisha Works Department (OWD)'s Plan of Action.** Following main actions are being considered by OWD as an attempt to upgrade the Project / Loan to a 'Satisfactory' / 'Moderately Satisfactory' status.

- To achieve substantial Progress to be achieved in poorly-performing Contract P04B.
- Taking over of Contracts P01A, P01B and P03Balance on Completion, by end-April 2016.
- To achieve substantial progress in Contracts P02Balance, P04A1 and P04A2 by end-April 2016.

- d. Issuance of Letter of Acceptance (LoA) for Contracts P02A and P02B by end-February 2016.
- e. All encumbrances for all work sites removed by end-April 2016.
- f. Forward to the Bank by January 31, 2016, detailed response and Action Plan to address Quality Assurance and Contract Management weaknesses communicated by the Bank in March 2015 and subsequently.
- g. Forward to the Bank by 31 January 2016, a Note on Action(s) Taken following Enquiry into the Complaints received on P02Balance and P03Balance contracts.
- h. Government Approval and progress on ISAP Action Plan

5. ***Resolution of Availability of Stone Materials.*** The issue of procuring required quantity of stone materials by the Contractors for P02Balance and P04B has still not been resolved. It's understood that the Government of Odisha (GoO)'s amended Rules dated 16 September 2014 related to Minor Minerals as well as process of awarding Quarrying License have adversely affected availability and price of stone materials in the areas. The GoO's facilitation for the Contractors having their own temporary Quarrying License has not helped, for various reasons. The GoO needs to urgently take required administrative actions as warranted. In case the Contractor(s) are not willing to take actions necessary from their end, the OWD must take all possible recourse available under the contract.

6. ***Making the Work Sites Encumbrance-free.*** There remain many encumbrances at the work sites except for contracts P01A and P01B. The OWD needs to remove those encumbrances on war-footing.

7. ***Performance of Construction Supervision Consultant (CSC).*** The mission noted ample scope of improvement in the quality of monitoring and supervision by the CSC. They need to monitor the performance of the contract in totality and not the works only. The CSC was found deficient specifically on monitoring availability of encumbrance-free work sites as well as reviewing the designs to suit specific site conditions. Now that the scope of services of the CSC has increased from 2 contracts initially to 7 contracts and going to be 9 contracts shortly and that a 'Team Leader' has been stationed at Bhubaneswar, as suggested by the May 2015 Mission, it is appropriate that the OWD designates the Team Leader as the 'Engineer' for all works contracts and the respective Resident Engineers (REs) are designated as Engineer's Representative (ER) with the 'Engineer' delegating some of his responsibilities to the (ERs).

8. ***P01A Bhawanipatna - Khariar Road (65.2 kms).*** The Contract for the Balance works amounting INR 845 million, started on 21 August 2013 with 24 months works completion period, has been provisionally extended until 28 February 2016. The Mission was informed that the physical progress of the contract has been about 95% of estimated reduced Contract Amount (INR 832 million) until end-December 2015.

9. The Mission noted unsatisfactory surface profile and riding quality at places, which need to be rectified. In addition, repairs carried out in pavement at Culvert locations are of poor quality and need to be suitably corrected to provide a good finished pavement surface with smooth riding quality. Steep Bumps / Speed Breakers have been constructed at many places at the insistence of the local public. These are hazardous for motorized vehicles travelling at high speed. If in case those Bumps cannot be avoided due to local public demand, those may be suitably modified and aided by advance signage and other measures to caution the motorized vehicles travelling at high speed.

10. The works related to Shoulders, Embankment Slopes, Turfing, Drains, Rehabilitation of Bridges, Toe Walls, Protection Works, Junctions, Road Appurtenances, Road Signs, Metal Beam Crash Barriers, Cat's Eyes, etc. are to be completed to satisfactory requirements. The Mission was informed that all contract works would be completed in all respects by February 2016.

11. Given that this contract is on the verge of completion, the mission suggested that the Contractor should bring on board an Environmental Specialist immediately and initiate the environmental safeguard related completion actions as stipulated in the EMP.

12. ***P01B Four Bridges over River Tel and the Approaches (2.8 kms)***. This Works Contract within the P01 corridor with the same Contractor as for P01A, amounting INR 290 million, started on 14 November 2013 with 24 months works completion period, has been provisionally extended until 30 April 2016. The Mission was informed that the physical progress of the contract has been about 70% of the estimated increased Contract Amount INR 362.5 million (due to increase mainly in Liner, Steel Reinforcements, HT Wires and Piles).

13. The Mission could travel through the newly-constructed Bridge at Km 29+400 in which deck slab has been cast but the wearing coat is yet to be laid. Although the deck slab was cast in Bridge at Km 28+900 also, but the vehicle could not travel through it because of incomplete earthworks in the approach. All girders were erected and part of the deck slab cast in the Bridge at Km 27+800, and the girders were cast and waiting for pre-stressing for the Bridge at Km 27+600. The Mission was informed that all stages of pre-stressing of the girders are being carried out while the girders are on ground prior to lifting to their final position and no stage of pre-stressing is being carried out while the girders are at its final position after erection. The Mission was informed that the Design Wing of the OWD has confirmed that the design of the girders is adequate considering all stages of pre-stressing being carried out on ground prior to lifting to their final position.

14. The Mission was informed that the Design of the High Embankments in the Approaches to the Bridges including their Slope Stability has been reviewed. Considering that there could be failures in the stone pitching works caused by time-induced settlement in the high embankments, OWD is considering using more flexible and light-weight protection works such as Coir Mats or alternative. The OWD is required to introduce an arrangement for continuing movement of locals and cattle across the newly-constructed high embankment near the Bridge at Km 28+900. All parties confirmed to the Mission that all contract works would be completed in all respects by April 2016.

15. ***P02 (Balance) Chandbali - Bhadrak - Anandpur Road (88 kms)***. The Contract for the Balance works on 45 kms of SH-09 and 43 kms of SH-53, amounting INR 2481 million, had started on 01 November 2013 with 27 months works completion period ending on 31 January 2016. In view of unsatisfactory progress of this contract, the OWD and the Contractor have mutually agreed and signed an Amendment to the Contract on 15 December 2015 (of Revised Contract Amount of INR 1150 million to be completed by 31 December 2016) by deleting the remaining works on SH-09 from the scope of this contract. The Mission was informed that the physical progress of this contract has been 37% of the Revised Contract Amount until end-December 2015.

16. The Contractor has carried out only INR 46 million worth of works in last 3 months (October-December 2015) since the last Bank Mission, averaging only about 1.3% per month of the reduced Contract Amount during the working season, as against INR 215 million worth of works to be carried out in 4 months (October 2015 to January 2016), 4.7% per month on average of reduced Contract Amount, promised by the Contractor during the last Mission in early October 2015. The Contractor's procurement of aggregates continues to be poor. It has procured only 8,000 Metric Ton (MT) of aggregates during last 3 months (October-December 2015) as against 100,000 MT to be procured in 4 months (October 2015 to January 2016) promised by the Contractor during the last Mission. The Contractor informed that it could not procure any stone aggregate during last 1.5 months because the quarrying permission of its Supplier is pending with the statutory authority. The Contractor does not have any problem in procuring moorum and sand.

17. Although theoretically the full site has been handed to the Contractor, there are issues in respect to availability of work site at several places. The OWD assured that the land at Ganiganj and at Tillo would be resolved and handed to the Contractor by 31 January and 15 February 2016 respectively. In addition, reportedly, there are issues related to availability of required work areas at Km 29+000 to Km 29+150, Km 31+100 to Km 31+150, Km 32+400 to Km 32+450 and at Km 33+810. The OWD informed that the Structures at Bonth and at Anandapur would be removed / dismantled by 15 January 2016. The OWD assured that the remaining 63 electricity and 22 telephone poles would be removed by 31 January 2016 and the remaining 140 trees would be removed by 29 February 2016. Water Supply pipeline is being relocated at Km 19+300 to Km 20+000. In addition, OWD, CSC and the Contractor together are required to determine the need of relocating and OWD needs to arrange for relocation (if required) of the existing Water Supply pipelines at Km 29+190 to Km 30+490.

18. Safety arrangements at the construction sites are poor, especially the barricading of the construction areas to be made as required by the contract. The Road from Km 2+000 to Km 2+400 has been re-aligned (including construction of Box Culvert) covering an existing large Nullah. OWD needs to make satisfactory arrangement of flow of Nullah water in this stretch. Proper arrangement of road shoulder / slope / drain is required to be made around Km 8+400 on Left side at Barapada Village and at other places where the space is restricted due to parallel flowing water channel. Embankment and Side Slope need to be built up beyond the Saucer Drain around Km 13+350 on Left side.

19. The Contractor committed to carry out only INR 175 million worth of works during January-April 2016 working season, out of INR 726 million worth of works to be completed in 12 months which include 3 months of rainy season. The Contractor however committed to complete all contract works in all respects by December 2016, which appears optimistic considering the performance of this contract until now.

20. **P02A Bhadrak – Pirhat Road (27.5 kms) and P02B Pirhat - Chandbali Road (17.5 kms).** Bids for remaining works on these 2 stretches (deleted from P02 Balance contract) are scheduled to be received by and opened on 01 February 2016. Reportedly, 866 trees in P02A stretch and 411 trees in P02B stretch are remaining to be cut. The OWD should also review presence of any other encumbrances on these stretches and should arrange for removal of those (if any) prior to handing the work sites to the Contractors to be engaged.

21. **P03 (Balance) Berhampur – Taptapani Road (41.228 kms).** The Contract for the Balance works amounting INR 969 million, started on 24 January 2013 with 24 months works completion period ending on 23 January 2015, has been extended until 28 February 2016. The Mission was informed that the physical progress of the contract has been about 71% of estimated reduced Contract Amount (INR 837 million) until end-December 2015. The Contractor has carried out only INR 52 million worth of works in last 3 months (October-December 2015) since the last Bank Mission, averaging only about 2.1% per month of the estimated reduced Contract Amount, as against INR 202 million worth of works to be carried out in 4 months (October 2015 to January 2016) promised by the Contractor during the last Mission in early October 2015.

22. There are issues in respect of availability of work site at a few places. Works cannot be undertaken in some lengths at Km 0+000 to Km 3+000 because of presence of Water Supply pipelines, where commissioning of new pipelines is in progress. Construction of Drain could not be made at Km 4+560 to Km 4+900 pending resolution of land issue. The OWD assured that the issues would be resolved and construction works completed at Km 13+300 to Km 13+600 at Narayanpur by 31 January 2016. The OWD also assured that the land issues at Digapahandi would be resolved by 31 January 2016.

23. The Mission noted that the works for widening of the Minor Bridge across Rushikulya (Water Supply) Canal has started and presently expected to be completed by February 2016. Besides the pavement

works, the works related to Shoulders, Embankment Slopes, Turfing, Drains, Protection Works, Junctions, Road Appurtenances, Road Signs and Markings, Metal Beam Crash Barriers, Cat's Eyes, etc to satisfactory requirements are to be completed. Appropriate arrangements need to be made for access to / from and for safety for the properties close to the road.

24. Although all parties assured of completion of all works under this contract in all respects by April 2016, it requires considerable effort on the part of both the Contractor and the OWD (for making the work sites hindrance-free). The Contractor is required to carry out INR 246 million worth of works in 4 months (January-April 2016) in comparison to INR 52 million worth of works carried out in last 3 months (October-December 2015).

25. **P04A1 Jagatpur – Nischintakoili Road (25 kms).** Following termination of the Works Contract for 49 km long P04A in April 2015 with only 1% of the contract works carried out, the Contract for the works on 25 km thereof amounting INR 1074 million started on 01 January 2016 with 18 months works completion period. Although the OWD has handed 14 km long Section-I to the Contractor, there are some encumbrances (structures, electricity poles, water supply pipeline, trees) at the work sites in this Section which the OWD assured to remove by 31 January 2016. The OWD is also required to make the remaining 11 km long Section-II encumbrance-free prior to its scheduled handing to the Contractor by 01 April 2016.

26. The Contractor has just got possession of the land for its Site Camp at Km 12+300 at around middle of the contract stretch and presently is in the process of starting establishing the Camp. It has established a Testing Laboratory temporarily at a separate place. Reportedly, one Concrete Mixing Plant is readily available with the Contractor. The Contractor has planned its Wet Mix Macadam (WMM) plant to be established and function by end-February 2016. It has placed order for a new Hot Mix Plant (HMP), which the Contractor hopes to commission by end-March 2016. The Contractor informed that it has in its possession about 50,000 cubic meters of aggregates for Granular Sub Base (GSB) and WMM. The Contractor has identified Stone Quarry site and would apply for permission for quarrying. The Contractor assured to carry out INR 153 million worth of works by end-April 2016.

27. The Mission observed that the Lead Partner of the Joint Venture Contractor may be having nil or minimal participation in contract execution. The OWD may investigate into the matter to confirm whether the contract is being executed as required by the contract.

28. **P04A2 Nischintakoili - Duhuria Road (24 kms).** Following termination of the Works Contract for 49 km long P04A in April 2015 with only 1% of the contract works carried out, the Contract for the works on 24 km thereof amounting INR 979 million (7.8% lower than the estimated cost) started on 01 January 2016 with 18 months works completion period. Although the OWD has handed 14 km long Section-I to the Contractor, there are some encumbrances (structures, electricity transformer, water supply pipeline, tree) in the work sites in this Section which the OWD assured to remove by 31 January 2016. OWD is also required to make the remaining 10 km long Section-II encumbrance-free prior to its scheduled handing to the Contractor by 01 April 2016.

29. The Contractor has established its main Camp at Km 48+500 at one end of the contract stretch, where a Concrete Batch Mix Plant is operating. In addition, it's in the process of establishing another Concrete Batch Mix Plant and Staff Residences at Km 35 around mid-way of the contract stretch. The Contractor expressed its plan to carry mixed WMM and mixed bituminous materials from the Plants operating at a distance of about 50 kms from one end of the contract stretch. The Mission expressed its apprehension about ensuring quality works due to likely segregation and lack of temperature control of the mixes while transporting mixed materials from a maximum distance of about 75 kms and suggested that the Contractor should establish its WMM Plant and HMP nearer the work site and preferably within the contract stretch.

30. The Contractor has started works in the stretch Km 43-48. Traffic management and safety measures at the ongoing work sites are non-existent. The work sites are highly unsafe for the road-users. The Contractor is required to make adequate safety arrangements at the work sites as per the contract requirements. The Contractor assured to carry out INR 176 million worth of works by end-April 2016.

31. The Mission observed during the field visit that the Plants and Machinery of ARSS were deployed for execution of the works, whereas the Contractor is Varaha Infra Limited. Such observation, statement made by the Authorized Site Representative of the Contractor and review of the documents related to various Agreements signed by the Contractor Varaha led the Mission to believe that ARSS Infrastructure Projects Limited is effectively executing the contract works in totality. It's understood that the Contract does not permit back-to-back sub-contracting of the entire works and that no request was made by the Contractor to sub-let any part of the works to ARSS as permissible under the contract. The Mission observed that the operating practice adopted by the Contractor Varaha may be deemed as a breach of contract and construed to be fraud and corrupt practice. The Mission suggested the OWD to investigate into the matter urgently and ensure that the engaged Contractor Varaha itself executes the works as per the contract provisions.

32. **P04B Duhuria - Chandbali Road (56.5 kms).** The Works Contract amounting INR 1704 million started on 04 December 2013 with 27 months works completion period ending on 03 March 2016. The Mission was informed that the physical progress of the contract has been only about 6.3% of the contract amount in 25 months until end-December 2015.

33. Encumbrance-free Sections III and IV (totaling 28.6 kms), scheduled to be handed to the Contractor in August and December 2014 respectively, have not been handed to the Contractor as yet. The OWD is required to acquire land, get affected families relocated, dismantle structures, get electrical telephone and water supply utilities relocated and trees cut. Adjusted road stretches for Section III was notified by OWD in November 2015. OWD informed that joint verification of adjusted Section III with the Contractor would be made shortly and the Section would be handed to the Contractor in February 2016. OWD also informed that it would hand the Section IV to the Contractor in April 2016.

34. The contract suffered from cash flow, inadequate mobilization by the Contractor and inadequate supply of materials including inadequate and irregular supply of stone materials. The Contractor has not been able to resolve the issue of availability of stone materials until now. A Stone Quarry site was awarded by the GoO to the Contractor in August 2015. But, environment clearance for operating the quarry could not be obtained because of dissolution of State Environmental Impact Assessment Authority (SEIAA) in August 2015. The SEIAA has been re-constituted in December 2015. The Contractor is expecting to receive the SEIAA's clearance for quarry operation in January 2016. In the meantime, the Contractor had obtained in November 2015 temporary (short-term) permit for quarrying for 3 months. But, it could not carry out any quarrying reportedly due to local law and order problem. Erection of the Contractor's own Stone Crusher is ongoing.

35. The Mission was informed that the Contractor issued a Notice of Termination of the Contract on 29 December 2015, following which the OWD responded to the Contractor on 10 January 2016 rejecting the validity of the reasons cited by the Contractor and inviting the Contractor for discussion on the matter. Such discussion was yet to take place until the Mission left Odisha on 15 January 2016.

36. The Contractor has carried out only INR 14 million worth of works during 3 months (October-December 2015) since the last Bank Mission, as against its assurance of carrying out INR 70 million worth of works in 4 months (October 2015 to January 2016). Safety arrangements at work sites need to be



improved. The Contractor committed to carry out works worth INR 140 million during January-April 2016. It also informed that it expects to complete all contract works by as late as June 2018.

37. Such poor performance of the contract cannot be continued for indefinite period. The OWD and the Contractor together need to resolve the issue of materials availability and any other issue externally affecting performance of the contract. The OWD may have to take remedial action(s) if so warranted as per the contract. The OWD informed that the CSC has reported that the Lead Partner of the Joint Venture Contractor has no role in contract implementation. The OWD is now required to take appropriate action in this regard.

38. **Permanent Traffic Engineering and Safety Measures.** As suggested by the May 2015 Mission, the OWD mobilized traffic engineering expertise through the CSC in November 2015 to review and finalize all permanent traffic engineering measures including Road Signs, Road Markings, Junction Designs, Safety Measures like use of Crash Barriers and/or Guide Pillars, etc, for Contracts P01A, P01B and P03Balance contracts.

39. **Issues relating to Quality Assurance by the Contractors and Quality Control by the CSCs as well as Quality of Works.** In view of the issues raised by the Bank through its letter dated 26 March 2015 and as observed by the successive Bank Missions on the Quality of Works carried out, the OWD had agreed during the May 2015 Mission, as part of its follow-up Actions, to urgently engage a competent agency to undertake an Audit of the Quality Management systems as well as of the Quality of Works carried out under the Project. The Project Management Unit (PMU) of the OWD has engaged the Research, Development and Quality Promotion (RDQP) Wing of OWD for this Audit, which has started mobilizing in January 2016.

#### List of Key Agreed Actions

No.	Action Required	Agency	By Date
<b>Project Management and Civil works</b>			
1	Completion and taking over of Package P01A, P01B and P03	Contractor/PMU	April 30, 2016
2	INR 50 Cr. value of work done: P02 – INR 17 Cr. P04A1 – INR 15 Cr. P04A2 – INR 17.82 Cr.	Contractor	April 30, 2016
3	Award of P02 Balance work	PMU	February 29, 2016
4	Substantial turnaround of the progress on P04B contract	PMU/GOO	April 30, 2016
5	Encumbrances on all packages to be cleared	PMU	April 30, 2016
6	Speed Survey on package P01A and P03	CSC	May 30, 2016
<b>Institutional Strengthening and Results Framework</b>			
7	Update Results Indicators after End-of-Project stage	PMU	July 2016
8	RUSS – Mid-term Report submission	Consultant/PMU	February 15, 2016
9	Congestion Indices	PMU	January 31, 2016
10	Approval of Road Sector Policy	PMU/GOO	April 30, 2016

**Annex 1**

**ORISSA STATE ROADS PROJECT**

**Status of Road Corridor Improvement Component Civil Works, end-December 2015**

Contract	Road Stretch	Length (km)	Estimated Cost (Indian Rupees Million)	Contractor	Original Contract Value (Indian Rupees million)	Contract Start Date	Original Works Completion Date	Estimated Revised Contract Amount (Indian Rupees million)	Extended Works Completion Date*	Value of Works Done (Indian Rupees million)**	Physical Progress (% of Contract Amount)
P01	Bhawanipatna to Khariar (Km 2/00 to Km 70/00 of SH-16)	68	1034.4	Patel, Mumbai – ARSS, Bhubaneswar (Odisha) Joint Venture	1,055.1	Feb 20, 2009	Aug 19, 2011		Oct 28, 2011	342.6	32.5% <b>Contract Terminated on Nov 21, 2012</b>
P01A	Bhawanipatna to Khariar (Km 2/00 to Km 27/20 and Km 30/00 to Km 70/00 of SH-16)	65.2	856.2	Barbrik Project Limited, Chhatisgarh, India	845.1	Aug 21, 2013	Aug 20, 2015	832.3	Feb 28, 2016	788.0	<b>94.7%</b> of estimated reduced contract amount
P01B	Bhawanipatna to Khariar (Km 27/20 to Km 30/00 of SH-16) – Four Numbers of High Level Bridges Over River Tel with Approaches	2.8	272.8	Barbrik Project Limited, Chhatisgarh, India	289.7	Nov 14, 2013	Nov 13, 2015	362.5	Apr 30, 2016	253.1	<b>69.8%</b> of estimated increased contract amount
P02	Chandabali-Bhadrak-Anandapu	95	1943.1	Som Datt Builders, Delhi – ARSS,	2,162.3	Feb 03, 2009	Aug 02, 2011		May 28, 2013	455.3	21.1% <b>Contract</b>

Contract	Road Stretch	Length (km)	Estimated Cost (Indian Rupees Million)	Contractor	Original Contract Value (Indian Rupees million)	Contract Start Date	Original Works Completion Date	Estimated Revised Contract Amount (Indian Rupees million)	Extended Works Completion Date*	Value of Works Done (Indian Rupees million)**	Physical Progress (% of Contract Amount)
	r (Km 0/00 to Km 45/00 of SH-09 and Km 0/00 to Km 50/00 of SH-53)			Bhubaneswar (Odisha) Joint Venture							<b>Terminated on Nov 21, 2012</b>
P02 Balance Works	Chandbali - Bhadrak-Anandapur (Km 0/00 to Km 45/00 of SH-09 and Km 0/00 to Km 43/00 of SH-53)	88	2792.0	Corsan Corviam Construction S.A., Spain	2,481.2	Nov 01, 2013	Jan 31, 2016	1150.4 (45 kms of SH-09 deleted effective Dec 15, 2015)	Dec 31, 2016	424.7	<b>36.9%</b> of Revised Reduced Contract Amount
P02A	Bhadrak-Pirhat (Km 0/00 to 27/50 of SH-09)	27.5	695.2	Bids Invited. Last Date for Receipt of Bids Feb 01, 2016							
P02B	Pirhat-Chandbali (Km 27/50 to 45/00 of SH-09)	17.5	872.6	Bids Invited. Last Date for Receipt of Bids Feb 01, 2016							
P03	Berhampur to Taptapani (Km 0/00 to Km 41/00 of SH-17)	41	753.4	Backbone (Gujarat) - ARSS, Bhubaneswar (Odisha) Joint Venture	819.7	Nov 22, 2008	Nov 21, 2010		Oct 31, 2012	130.0	15.9% <b>Contract Terminated on Sep 15, 2011</b>

Contract	Road Stretch	Length (km)	Estimated Cost (Indian Rupees Million)	Contractor	Original Contract Value (Indian Rupees million)	Contract Start Date	Original Works Completion Date	Estimated Revised Contract Amount (Indian Rupees million)	Extended Works Completion Date*	Value of Works Done (Indian Rupees million)**	Physical Progress (% of Contract Amount)
P03 Balance Works	Berhampur to Taptapani (Km 0/00 to Km 41/228 of SH-17)	41.228	925.0	RKD Constructions Private Limited, Bhubaneswar (Odisha)	968.8	Jan 24, 2013	Jan 23, 2015	837.1	Feb 28, 2016	591.0	<b>70.6%</b> of estimate reduced contract amount
P04A	Jagatpur to Duhuria (Km 0/00 to Km 49/00 of MDR)	49	1728.0	Valecha Engineering Limited, Mumbai	1,513.1	Dec 24, 2013	Mar 23, 2016			14.4	<b>0.95% Contract Terminated on Apr 25, 2015</b>
P04A1	Jagatpur to Nischintakoili (Km 0/00 to 25/00 of MDR)	25	1081.9	Backbone Enterprises Limited, Rajkot (Gujarat) – Utkal Manufacturing Services Limited, Bhubaneswar (Odisha) Joint Venture	1073.9	Jan 01, 2016	Jun 30, 2017			Nil	Nil
P04A2	Nischintakoili to Duhuria (Km 25/00 to Km 49/00)	24	1061.8	Varaha Infra Limited, Jodhpur (Rajasthan)	979.0	Jan 01, 2016	Jun 30, 2017			Nil	Nil
P04B	Duhuria to Chandbali (Km 49/00 to	56.5	1927.5	D P Jain, Nagpur (Maharashtra) – NKC,	1,704.3	Dec 04, 2013	Mar 03, 2016			106.8	<b>6.3%</b>

Contract	Road Stretch	Length (km)	Estimated Cost (Indian Rupees Million)	Contractor	Original Contract Value (Indian Rupees million)	Contract Start Date	Original Works Completion Date	Estimated Revised Contract Amount (Indian Rupees million)	Extended Works Completion Date*	Value of Works Done (Indian Rupees million)**	Physical Progress (% of Contract Amount)
	Km 99/00 of MDR and Km 45/00 to Km 51/50 of SH-09)			Gurgaon (Haryana) Joint Venture							

\*with extension of time agreed

\*\*as per the information provided to the Bank Mission