

CIDC Has Recently Initiated To Set Up Chhattisgarh Nirman Academy. Also National Academy Of Construction With The Government Of A.P. Other States Should Adopt Similar Models



**Dr. P.R. Swarup,
Director General,
CIDC, in an interview
with CE&CR, reveals
some key facts about
domain of construction
activity, technology in
contract conditions,
institutional framework
to imparting training,
dispute resolution,
asset management
and 'Path Ahead'.**

CE&CR: Construction activity is an integral part of a country's infrastructure and industrial development. With reference to India, what all types of construction does it include: also urban infrastructure?

PRS: Yes indeed construction plays an important role in the growth and development of the physical infrastructure of the nation. CIDC has indentified 11 sectors where construction plays a major role. These are Buildings, Roads, Railways, Urban Infrastructure, Medium Industry, Mineral Plant, Dams, Power Plants, Transmission and Maintenance

CE&CR: MSRDC has incorporated Technology in Contract Conditions. What are your views on this? What all is required for India to achieve modernization in the construction activity?

PRS: Incorporation of technology in contract condition is one of the ways to help modernization of construction industry. Other ways are to create awareness of new and modern technologies which CIDC in doing in some of the areas. Schedule of Rates (SORs) should be updated in order to incorporate newer and better construction materials and modern construction practices. Model projects should be created which use modern construction materials and construction practices so that others can adopt them without any hesitation.

CE&CR: The construction industry is characterized by the predominance of migratory and unskilled labour. What should be the institutional framework to impart training and what could be a sustainable method for funding the skill upgradation of construction workers.

PRS: As the numbers workers are large and spread out in different states and migratory in nature, there is a need for each state to set special institutes for the training and skill upgradation of construction workers. This will also help each state to build its own infrastructure by providing skilled manpower. CIDC has recently started work with the Chhattisgarh Government to set up Chhattisgarh Nirman Academy that will

spearhead the training of construction workers in the State. This initiative was a sequel of CIDC's initiative to establish National Academy of Construction (NAC) with the Govt. of Andhra Pradesh. I believe that similar models should be adopted by other states.

CE&CR: High cost of construction has been one of the major problems. What would you suggest in this regards?

PRS: By better training of construction workers productivity will increase and cost will reduce. Skill upgradation of construction workers will facilitate adoption of modern and cost effective technologies and materials in a big way and reduce costs. As the world is moving towards globalization, importing new methods of construction is not difficult but its implantation in a proper way is the challenge.

CE&CR: A substantial amount of money is locked up due to disputes between contractors and clients. What is your on take on this crucial problem and what is the possible solution?

PRS: According to the survey of Construction Industry Development Council in 2005, approx. Rs. 80,000/- crores is blocked in the disputes in Construction Sector alone. The use of ad-hoc mode of arbitration is the basic reason for blockage of this alarming amount in disputes. Further, the ad-hoc arbitration results into judicial intervention, projects delay and cost overrun. Thus, consequently, adding to burden on the judiciary and on the economy of the country. The only possible solution is to switch over from ad-hoc to Institutional Arbitration for resolution of disputes. Institutional Arbitration as compared to ad-hoc arbitration is much more efficient, speedy and cost effective. CIDC has setup a body i.e Construction Industry Arbitration Council

for providing institutional mechanism for resolution of disputes in the construction industry.

CE&CR: What all needs to be done to match the high resource requirements of the construction industry, given the poor availability of finance situation?

PRS: On the representation made by CIDC, the Government of India has accorded Construction the Industry Status. With this the RBI has issued guidelines to Banks to remove the ceiling on credit to the construction industry. Further CIDC had formed a working group with Indian Bankers' Association to bring out a report to streamline the availability of finance from Banks. The Report has suggested common

lending norms for the construction industry. Some Banks have already brought out special schemes for lending to the construction industry.

CE&CR: Asset Management and maintenance creates wealth and sustains the growth of the economy. What are the key policies which need to be evolved in this regard?

PRS: Assets management and maintenance is indeed the need of the hour. As the country creates and upgrades its infrastructure its maintenance and management is important to get

maximum benefits of the created assets. Maintenance manuals should be developed and implemented to effectively maintain the assets.

CE&CR: Could you throw some light on what should be the 'Path Ahead' for upgrading technology to improve productivity and quality and timely completion of projects?

PRS: As already suggested by proper training of engineers and construction workers technology upgradation to improve productivity and quality and timely completion of construction works is the Path Ahead.

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