

Subject: Constitution of the Working Group on Construction Sector (Institutional Financing Working) in the Twelfth Five -Year Plan (2012 - 2017)

In the context of the formulation of the Twelfth Five Year Plan, it has been decided to set up a Working Group on Construction (Institutional Financing Working). The composition of the Working Group will be as follows:

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|----|---------------------------------------|-------------|
| 1. | CMD, HUDCO | Joint Chair |
| 2. | Chairman, IL&FS | Joint Chair |
| 3. | Chairman, IBA | Member |
| 4. | Members to be nominated by the Chair. | |
| 5. | Shri. Sunil Mahajan, Director, CIDC | Convenor |

II. Terms of the Reference for the Working Group.

1. To study and analyze the Indian Construction Industry, keeping in view the focus on creation of a world class infrastructure and rebuilding rural India through schemes such as Bharat Nirman and MNREGA. To make an assessment of qualitative and quantitative capabilities of the Indian Construction Industry in the background of category-wise projections for construction and allied supporting activities in the 12th Plan with a view to evolve strategies for overcoming deficiencies and bottlenecks and achieve time bound targets, by suggesting measures for better coordination among the stake holders.
2. To review the regulatory framework governing the sector including fiscal and other regulations and suggest any changes required to make the sector more efficient and productive.
3. To review the present procedures of the Government procurement including dispute resolution mechanisms for construction work and evolve measures for improvement, especially in view of increase in privatization in the infrastructure sector.
4. To review the present system for execution, supervision of progress and quality, release of funds, certification, billing and payment for work and suggest remedial measures for minimizing time and cost over-runs in projects undertaken by or on behalf of Government.
5. To review the state of present financing models for construction work; institutional financing from Banks / Financial Institutions and their lending norms, and recommend measures to enable access to finance at globally competitive rates.
6. To evaluate role of the Construction Sector in generating employment, keeping in view the qualitative & quantitative changes which have occurred in the recent past and to suggest measures for qualitative upgradation and more remunerative employment in the construction industry.

7. To review the status of asset management and evolve strategies for implementation at local/State/Central Government level.

8. To review the status of data base in the construction sector and to suggest ways and mean to upgrade, augment and effectively maintain the same on institutional basis.

9. To study the best practices adopted worldwide and draw lessons for the Indian Construction Industry.

10. To suggest a policy framework for the increase productivity and reducing construction costs, in order to ensure the healthy development of the construction sector after examining/ reviewing of the above mentioned areas and the existing regulating from work.

11. To recommend the measures for self-regulation for the constituents of the Construction Industry.


12. To evolve suitable mechanisms to ensure implementation of the recommendations of this group during the 12th plan period.

13. To examine any other matter considered important by the Working Group.

III. The Chair of the Working Group may co-opt officials or non-officials as Members. Representatives nominated, if any, by the Central Ministries/ Organization should not be below the level of Joint Secretary.

IV. The non-official Members of the Working Group will be paid TA/DA at the rates applicable for Grade-I officers of the Central Government for attending meetings of the Working Group.

V. The Working Group will submit its final report to the Planning Commission by 15th October and an interim report by 1st October


Dr. Manoj Singh
Advisor (Transport)

Copy to:

- a. Chairman, all Members and Convenor of the Working Group.
- b. PS to Deputy Chairman, Planning Commission
- c. PS to Minister of State (Planning)
- d. PS to all Members, Planning Commission
- e. PS to Member-Secretary, Planning Commission
- f. All Principal Advisor/Sr. Advisors/Advisors/HODs, Planning Commission
- g. Director (PCMD), Planning Commission
- h. General Branch I and II, Planning Commission
- i. Accounts-I Branch, Planning Commission
- j. Information Officer, Planning Commission
- k. Library, Planning Commission


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