



DRAFT

REPORT OF THE WORKING GROUP

ON

**QUALITY STANDARDS & ENVIRONMENT
ISSUE FOR CONSTRUCTION SECTOR**

12th PLAN

(2012-2017)

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1.0 Preface

In the context of the formulation of the Twelfth Five Year Plan, Planning Commission has set up a Steering Committee on Construction to study and analyze the Indian Construction Industry to suggest policy framework and to recommend the measures for self regulation for the constituents of the Construction Industry along with the mechanism for implementation of the recommendations.

For facilitating work by the Steering Committee, a working group on Quality standards & Environment Issues for the Construction Sector has been constituted as per CIDC Letter No.2253/12th-National Plan/WG2011 dated 22rd September, 2011 (Annexure-1). Composition of the Working Group is as below:

1. Shri Chander Verma, President,
International Council of Consultants - Co-Chairman
2. Mr. Lalit Kumar Jain, President , CREDAI - Co-Chairman
3. Shri Sunil Mahajan, Director, CIDC - Convenor
4. Dr. Shailesh Kumar Agrawal, Executive Director, Building Materials & Technology Promotion Council
5. Mr. Rustom Dadabhoy, Chief Technology Officer, Hirco Development Pvt Ltd
6. Shri P A Kapur, Director, Continental Construction Projects Ltd
7. Shri R Kumar Safaya, Executive Director (T), Housing & Urban Development Corporation Limited
8. Ms Tranjot , Sr Fellow, HSMI
9. Dr Prasad Modak, Executive President, Environmental Management Centre
10. Shri O P. Gupta, VSM, Sr. Advisor, ICC

This report of the Working Group has been prepared based on the discussions held during the working group meetings, Planning Commission document – Approach to 12th Plan and the study of similar initiatives being undertaken globally.

2.0 Overview

- The evolution of the Construction Industry in India was almost similar to the construction industry evolution in other countries: founded by Government and slowly taken over by enterprises. After independence the need for industrial and infrastructural developments in India laid the foundation stone of construction, architectural and engineering services.
- The period from 1950 to mid-60's witnessed the government playing an active role in the development of these services and most construction activities during this period were carried out by state owned enterprises and supported by government departments. In the first five-year plan, construction of civil works was allotted nearly 50 per cent of the total capital outlay.
- The Indian construction industry is highly fragmented, with a large number of small companies operating mostly in the unorganised sector. The organised sector, on the other hand, is dominated by a handful of large construction companies, while a few medium sized ones are also present. The exponential growth in construction activities over the past few years has however come to underscore the need for a mechanism to distinguish between suitable and unsuitable players in the field. The inefficiencies in the current system, more often than not, affect the quality of the delivered product and lead to **prolonged delays and time as well as cost overruns**.
- Significant contribution of the construction sector to the Indian Economy needs to be given more thrust in the 12th Five Year Plan.

3.0 Impediments faced by the Industry

- The investment in R&D is rather insignificant **bordering on nil and very little initiatives are taken by** Academia, R&D Institutes or Industry.
- Industry Academia is not intense enough.

4.0 Thrust Areas

The following thrust areas were outlined that need to be addressed by the Working Group on Quality Standards & Environmental issues for the construction sector for the 12th plan.

- Alignment of National & Global standards for construction.
- Surveillance of application of Industry standards
- Environment & Development
- Bharat IV in Construction **Plants &** Equipment.

5.0 Good Practices Recommended & Way Forward

- Construction Processes need to be environmental friendly and Institutions and processes need to be under constant audit mode for adherence to environmental provisions.
- **There is a pressing** need to implement already existing standards/ norms.
- There should be singular Code (of standards) of **the** Construction Industry of India
- Plans need to be developed at the State Government level, articulating the needs.
- The manufacturing process of Construction Materials need to conform to **the** latest emission norms.
- List of authorized accreditation agencies must be notified by the Govt. of India **and** CIDC should be made responsible to assess & make recommendations in this regard.