

Learning from past, Metro tweaks contracts to ensure speedy work

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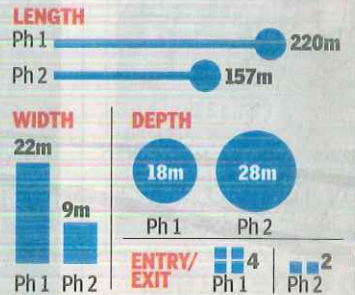
ALL THAT'S NEW

Smarter stations | The concourse level and two tunnels to be stacked one above the other to save space. These need less land and are cheaper to build

Use of tech to cut time | Computer simulation to forecast difficulties, inform contractors about changes in design or plan based on soil condition

Less traffic snarl during construction | Cantilever elevated stations are planned on OMR. These will rest on a row of columns. Elevated stations on 100ft Road were huge and covered the entire width of the road. This meant cordoning off the carriageway for construction

PHASE 1 VS PHASE 2 (STATION SIZE)



ON TRACK: Metro rail believes the new contracts will help it meet deadlines

New Clauses To Offload Work From Firms Behind Schedule, Keep Tabs To Avoid Fund Diversion

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After terminating contracts with four companies involved in the construction of phase-1 and phase-1 extension lines, Chennai Metro Rail Limited (CMRL) is tweaking its contracts with firms to ensure faster construction of the 118.9km phase-2 lines. The changes made in the contracts will help avoid additional cost of both the contractors and CMRL.

Wiser after building the 45km phase-1 over 10 years, CMRL thinks the new clauses would allow it to offload work from companies that are likely to not meet deadlines and, also keep a tab on contractors to avoid diverting metro rail funds for other projects they may be involved in. Revising clauses in construction contracts comes at a time when CMRL has started floating tenders for building tunnels for a portion of the phase-2 lines. Amending the guidelines is crucial as it will be awarding contracts to several companies. It plans to split the lines into portions and float tenders, unlike in phase-1 where big stretches were given to a single firm for construction.

So far, tenders to build twin-tunnels between Kellys and Taramani Road covering 12km and a 9km line from Venugopal Nagar to Kellys have been floated.

Awarding work on small stretches in phase-2 to firms also means that construction would not be affected on the entire corridor if work on a portion gets delayed.

A CMRL official said the option to offload work from one contractor, who may have a poor pace of construction or have other deficiencies, to another company involved in the same project at an already fixed rate, was introduced in phase-1 extension. This prevented loss of time in calling for new tenders to find a contractor.

"The clause made us work comfortably without the fear of time overrun. With a notice to the contractor, we can offload a particular work," an official said. "We mostly offloaded those crucial areas of work that need to be finished on priority and handed it over to other contractors for further work such as installation of signals, communication systems and electrical work."

The tweaks made to the contracts worked in favour of CMRL when it had to terminate the contract with IL&FS Transportation Networks Limited (ITNL) due to delay in construction of two underground stations at Sir Theagaraya College and Korukkupet. "We offloaded cut-and-cover work and gave it to one of our other contractors a year ago. Three months ago, we gave some portions of Theagaraya College station to another contractor. When we saw they were struggling with severe cash crunch for months and that work was slow, we didn't have an option but to end their contract," said another official.

CMRL officials said they ended contracts with four major companies involved in the construction of 45km phase-1 and 9km phase-1 extension, which included ITML, KMB JV, Gammon MMS Devi, CCCL and Lanco. "Termination of contracts also meant we won't be doing business with them anymore," the official said.

Construction of a major portion of the underground line on Anna Salai was stalled for nearly a year after a Russian contractor abandoned work citing financial crisis.

CMRL floated new tenders and awarded contract to companies to get the line ready for operations. Floating a fresh tender and awarding contract for the incomplete work takes time and new contractor may need time to procure equipment and materials. A metro rail official said they have brought in other changes like opening a common bank account to monitor use of funds by contractors and releasing of mobilisation funds in instalments to ensure contractors complete work on time.

"Earlier we released 10% of the funds at one go. We realised 10% is not required at the same time, so we decided to transfer it in three instalments. After the first instalment, they have to show us the progress before we release the rest of the money. If they don't perform, we have a clause to encash their bank guarantee. The contractor cannot use the surplus money without completing the work," the official said. "We also conduct checks every four months to ensure the company is not diverting funds."



“If they don't perform, we have a clause to encash their bank guarantee – METRO RAIL OFFICIAL