

**Creating Value Ethically for Engineers** 







#### Dear Members and Friends,

As we navigate the complexities of the 21<sup>st</sup> century, there is urgency for affordable housing coupled with the compelling need to address and correct the human factors causing climate change. Both are global issues. The latter crisis, driven by human activities, is impacting ecosystems, weather patterns, and communities worldwide. Engineers are uniquely positioned to device solution to meet these challenges and contribute to a more sustainable future.

Climate change is not a distant threat; it is a present reality affecting our daily lives. Rising temperatures, sea level rise, and increased frequency of extreme weather events are just a few manifestations of this crisis. Immediate and sustained action is crucial to mitigate the worst impacts of climate change.

The engineering community plays a pivotal role in designing and implementing solutions that can mitigate the effects of climate change. Our expertise in building infrastructure, developing technologies, and creating sustainable systems is essential in this fight. Engineers can contribute in several ways, some of them are as under: WEBINAR ON BUSINESS ETHICS AND CORPORATE GOVERNANCE FROM THE DIRECTOR'S DESK FORTHCOMING EVENTS MEMBER NEWS VIEWPOINT FIDIC PUBLICATIONS

FIDIC TRAINING





- Incorporating green building practices, using sustainable materials, and prioritizing energy efficiency can significantly reduce the carbon footprint of new constructions.
- Promoting and implementing renewable energy sources such as solar, wind, and hydroelectric power can decrease our reliance on fossil fuels, thereby reducing greenhouse gas emissions.
- Investing in and developing technologies that enhance energy efficiency, such as smart grids, electric vehicles, and advanced materials, can drive significant reductions in carbon emissions.
- Designing infrastructure that can withstand extreme weather events and adapting existing structures to cope with climate impacts is crucial for minimizing damage and ensuring community safety.
- As thought leaders, we must advocate for policies that support sustainable practices and educate the public and policymakers about the importance of addressing climate change.

CEAI is committed to fostering a community of engineers who are not only aware of the climate crisis but are also equipped to take actionable steps. We encourage our members to engage in continuous learning, collaborate on innovative projects, and share best practices.

In conclusion, tackling climate change requires a concerted effort from all sectors of society. As engineers, we have the knowledge and the skills, but we also have the responsibility to lead the way to creating a sustainable future. Let us seize this opportunity to make a meaningful impact and demonstrate our commitment to the well-being of our planet.

Taking a step further CEAI is organizing a two days Seminar in New Delhi in August 2024 which is aimed at improving the quality of design and construction towards a sustainable environment. All are requested to actively participate in the conference, and also depute engineers from your organization and share knowledge.

Together, we can make a difference. So don't wait, join today.

Warm regards,

2migi+2212

### **R** S Sharma

# WEBINAR ON "BUSINESS ETHICS AND CORPORATE GOVERNANCE"

CEAI organised a webinar on "Business Ethics and Corporate Governance" on 14th June 2024.



**Mr. JVL Narayana**, Vice President CEAI welcomed all the speakers and the participants to the webinar. He briefed participants on the activities of CEAI and said that the Ethics & Quality Committee of CEAI works on advocating ethical principles and practices through various forums to create a value based culture amongst the consulting engineering fraternity.



**Mr. Umesh Shrivastava**, Chairperson of the Ethics Sub-committee of CEAI introduced the theme of the webinar. Business ethics refers to the principles and standards that guide the behaviour in the world of business. Corporate Governance





refers to the system by which companies are directed and controlled. It involves the company's management, its board, its shareholders, and other stakeholders. Corporate governance provides the structure through which the objectives of the company are set and the means of attaining those objectives and monitoring the performance are determined. It ensures accountability, transparency, and ethical practices.



**Prof. Rohit Varman**, Professor, Birmingham Business School, University of Birmingham, made a presentation on "**Corporate Social Responsibility and Ethical Challenges for Business**". He focussed on the issue of corporate social responsibility because it is at the heart of business ethics. He briefed about Corporate Social Responsibility and said that the idea of corporate responsibility according to the World Business Council in 2005 framed "the commitment of

business to contribute to sustainable economic development working with employees, their families, the local community and society at large to improve their quality of life".

Prof Varman focussed on how there is often a gap between some of these claims and what is being actually done and he shared case studies to illustrate his point.

One of the case studies he shared was the gap between the claim of Coca Cola and what they actually deliver to the community. The claim of being a frontrunner in corporate citizenship and sustainable development, making considerations for customers and employees striving to enhance the quality of life for the societies and neighbourhoods they operate in. He mentioned how in 1999, at a site near Varanasi, Coca Cola started a bottling plant in Mehandi Ganj. Initially villagers were very happy as they thought that they would get employment. But from 2002 onwards there was consistent and sustained protest against Coca-Cola due to heavy usage of water every day, as this region was primarily dependent on Agriculture and hence harmed their livelihood. Prof Varman said that such violence / protest does not come in media reports or in the Annual report of such corporations.

He reflected on Modern Slavery by Corporations. The Global Slavery Index's 2018 report, published by the Walk Free Foundation, states that \$127.7 billion worth of garments is imported annually by G20 countries, a group of nations which account for 80 percent of world trade. These imports help underwrite a global economy that traps 40.3 million people in modern slavery in their supply chain. In 2016, 71 percent of whom were women. There are more slaves today than ever in the last 500 years.

Further, we are witnessing a specific regime of sovereignty under neoliberalism in which management of different population groups requires varied modalities of government and rights of citizenship. Following the pandemic in 2019/ 2020, the bottom 50 percent of the population have continued to see their wealth chipped away. By 2020, their income share was estimated to have fallen to only 13 percent of the national income and have less than 3 percent of the total wealth. Its impact has been exceptionally poor diets, increase in debt and deaths etc. The wealthiest 10 percent own more than 72 percent of the total wealth, the top 5 percent own nearly 62 percent of the total wealth, and the top 1 percent own nearly 40.6 percent of the total wealth in India. The country still has the world's highest number of poor at 228.9 million. On the other hand, the total number of billionaires in India increased from 102 in 2020 to 166 billionaires in 2022.







**Prof A Venkat Raman,** Dean, Faculty of Management Studies, University of Delhi made a lecture on 'Values, ethics and managing people in organizations'. Ethics and governance are not just legal or technical aspects of doing business. They are human decisions reflective of personal values at the individual level and organizational values at the corporate level. Ethics, integrity, and societal concerns are shaped in the formative stages of an individual's life or early stages of their

corporate life.

High focus on performance and achievements and the adulation for only high achievers can sow seeds of unhealthy values. If there is a widespread belief that ends justify the means and all means are fair can become the death knell for an organization's health and sustainability. Even as society evolves, the younger workforce i.e., Millennials and Gen-Z, are often not in sync with the values with which successful organizations were built. But value based human resource management practices, can help nurture organizational values that can foster ethical behaviour among employees. Senior managers have to espouse and exemplify organizational culture and values of integrity in everything they do and every HR decision they take. Mere rhetoric on ethics and integrity will not suffice.

It is necessary to hire 'organizational culture fit' employees; onboard new employees while testing their value congruence; focus on consistency of communication and role modelling. If the performance appraisal system focuses on results and targets (KRAs) and penalizes those who 'don't cut corners' to achieve targets, then the system may be breeding unethical business practices. Management needs to ask itself if employees who 'cook books' are passively tolerated or even promoted?

Employee engagement strategies could also foster socially responsible behaviour among employees (e.g., volunteering for a social cause). Besides, organizations should promote gender parity, opportunities for socially discriminated groups, and have a humane approach towards contractual employees at project sites in order to promote organization wide behaviour that is ethical, humane, and socially mindful.



Mr. M Lakshmanan, Chief Human Resources Officer of L&T Technology Services (LTTS) made a presentation on "Building a Value-Centric Organization Culture: The LTTS Journey". In his presentation Mr Lakshmanan focused on building an ethical organization through strong values, particularly within LTTS, highlighting the transformative initiative known as Project Avatar. Project Avatar was launched to redefine LTTS's mission, vision, and values, creating a cohesive

and growth-oriented culture. The initiative aimed to internalize this culture among all employees, fostering a shared sense of purpose and ethical behaviour. LTTS successfully articulated its Vision, Mission, and Values, with active participation from all employees. One notable initiative was the creation of *Painting Value Walls* at each LTTS location, ensuring that every employee resonated with the newly defined values. The *Avatar Awards* were also instituted to recognize employees who exemplified LTTS's values, particularly Ethics and Integrity.

Mr Lakshmanan further discussed the role of leadership in emphasizing the importance of ethics, highlighting statements from leaders about ethical standards at LTTS. It then addresses the Ethics





Line, a dedicated communication channel for employees to report unethical behaviour confidentially. The number of whistleblowing cases from the previous year is reviewed, illustrating the effectiveness of the Ethics Line in maintaining transparency and accountability.

Mr Lakshmanan summarized the key points and reiterated the importance of maintaining an ethical culture; how LTTS inculcated ethical behaviour through its values, underscoring that a collective commitment to ethics is essential for the organization's success. This comprehensive approach ensures that ethics remain at the forefront of LTTS's operations, driving sustainable growth and integrity.

A lively Q&A and discussions followed.



**Ms Sayona Philip**, Chairperson of Ethics and Quality Committee of CEAI moderated the Webinar. In her concluding remarks she summarised that the objective of the webinar was to create an awareness amongst the professional fraternity about the importance of Ethics and Integrity; The webinar covered several aspects including corporate social responsibility, the need for sustainable economic development for all stakeholders including employees and the local

community; It cautioned that corporations are at the risk of evolving into self-servers for the interests of whoever controls them, at the expense of whoever does not.

Speakers lucidly brought out the need for a process to educate and train professionals through HR practices such that they imbibe the values of ethics and integrity in their professional formative years to take over as managers and ultimately top management in an organisation. The top leadership sets the tone for ethical behaviour and practice and the mid-level leadership is key to dissemination.

Responsible Corporates or business entities internalise an ethical culture in multi-phasic stages of diagnosing/ designing/cascading or disseminating and bringing to life an ethical culture. In the long run, socially responsible conduct by Individuals or Corporates and ethical practices pay off – it enhances credibility of the profession and organisation and engenders trust and will prove to be



indispensable for the success and longevity of the organisation.

The webinar was well received. The participants were appreciative of the speakers and described them as 'Excellent 'Very insightful' Informative', 'Amazing', 'Very lucid and very clear', 'forthright exposition of the issues', 'Very impactful', 'brilliant', 'bringing out the truth of many organisations', 'aptly brought out the underlying agendas', etc.

You Tube Link: https://youtube.com/live/qve6kOXGA54?feature=share





#### FROM THE DIRECTOR'S DESK

During the month of June 2024, the Committees that met to conduct their business were:

- Seminar Committee
- FIDIC Committee
- Steering Committee of CEAI Academy
- Foundation Committee
- Ethics & Quality Committee

CEAI has planned to increase its activities of trainings, conferences, workshops and seminars in the physical mode, for the benefit of consultancy profession.

## FORTHCOMING EVENTS OF CEAI

- July 19<sup>th</sup> and 20<sup>th</sup> 2024: Seminar on "Urban Mobility -Emerging Technologies" at Bhopal
- August 7<sup>th</sup> 2024: SAIL-CEAI Seminar on "Advantages of Parallel Flange Sections over Conventional Indian Steel Sections" at Mumbai
- August 12<sup>th</sup> and 13<sup>th</sup> 2024: Seminar on "Quality of Design and Construction for Sustainable Infrastructure", at New Delhi
- September 20<sup>th</sup> 2024: SEPC-CEAI Conclave, "Export of Services- Opportunities and Challenges" at New Delhi
- October 18th 2024: Seminar on "Legal Matters Relating to Construction" at Mumbai
- November 8<sup>th</sup> 2024: Seminar on "Environment and Climate Change Sustainability Challenges and Opportunities" at New Delhi

# **MEMBER NEWS**

# **CEAI GC Member appointed as FIDIC CC Member**



CEAI is happy to announce that Mr. Gagan Anand, a Member of the Governing Council of CEAI has been appointed as Member of FIDIC Contracts Committee (CC), Geneva for term of 3 years March 2024 – March 2027. He is the only Indian to have been appointed as a Member of the FIDIC Contracts Committee. Pursuant to his appointment as Member of FIDIC Contracts Committee, he has been appointed as the Contracts Committee Liaison for Task Group 18, which is working for developing FIDIC's PPP form of contract.

Mr. Gagan Anand, Managing Partner, Legacy Law Offices LLP, admitted as

solicitor of England & Wales and as an advocate in India, earlier worked as the Chief Legal Adviser of the Punjab Infrastructure Development Board headed by the Chief Minister of Punjab for a decade, and made immense contribution to establish the regulatory framework for infrastructure development including PPPs. During his tenure, the State started adopting FIDIC Lump-sum Turnkey based EPC mode of contracting.

Gagan's more than 28 years of work experience as a construction lawyer spans across projects in India, Bangladesh, Ghana, Kenya, Kingdom of Saudi Arabia, Mongolia, Vietnam, Yemen, Zambia and Zanzibar. He was awarded the National Law Day Award 2010, with the citation – *"remarkable"* 





achievements and leadership in the practice of corporate laws including immense contributions for the development of PPPs". Legacy Law Offices LLP under his guidance has continued to excel in the field of constructions laws and regularly executes work in relation to developmental projects under the aegis of World Bank, ADB, UNDP and JICA. As a fifth generation lawyer, he leads a team of lawyers to successfully represent clients in high-stakes construction arbitration and litigation cases and enjoys a high success rate.

## VIEWPOINT

The theme for the September 2024 issue of CEAI's quarterly magazine "*ViewPoint*" is "*Energy Transition*". The Guest Editor for the issue is Dr. S Sakthivel, Deputy General Manager, Technology Team, TATA Consulting Engineers Limited.

Energy is one of the biggest contributors to the carbon emission issue that is at the forefront as a cause for air pollution and climate change. To stem that, different ways and means have been developed to generate electricity from non-fossil fuels. These range from Nuclear and the renewable sources - Solar, Wind, Hydro, Tidal, Geothermal and Biomass. Other than electricity generation per se, sources of carbon emissions include buildings, transportation, and industries in the final energy demand. Energy efficiency is an important part of building design. Electric Vehicles are now replacing Internal Combustion Engine Vehicles. Electric traction through Metros and High-Speed Rails is on the upswing. Focus is now slowly shifting from just electricity generation to industrial decarbonization as well.

Consulting Engineers have been engaged on projects to produce energy from alternative sources. They are invited to share about their projects set up to decarbonization through any of the renewable sources.

Articles could also be on expressing one's thoughts on new ways of doing design, construction, repairs, maintenance, etc. or even on adoption or development of new technology.

A number of consulting engineers and smaller organisations are engaged in these works which do not receive the recognition they deserve since their works do not get publicized. CEAI's ViewPoint provides an opportunity to all those engaged in such activities to share case studies of their achievements, how they addressed the challenges faced, practical issues experienced and the solutions to those, etc. in the various disciplines of engineering. Photographs, charts, diagrams, drawings, etc. would benefit readers for a better appreciation of the issues encountered and the manner in which they were addressed.

The articles for an issue need to reach CEAI at least 3 weeks prior to the end of the month of the ViewPoint issue. Articles need to be in Times New Roman 12 with single line spacing with before and after 6 pt and normal margin, on A4 size. A recent clear and bright passport size photograph of the author(s) is to be sent along with the article. For details of formatting please refer to *"Format for Articles for CEAI Viewpoint"* on CEAI's website, under *'Publications'*.

We urge all Professionals to use CEAI's ViewPoint to showcase the capabilities and achievements of the Engineers in India plus educate and guide new engineers.

The theme for the December 2024 issue is "Recycling & Reuse of Building Materials in Construction Industry".

The articles for an issue need to reach CEAI at least 3 weeks prior to the end of the month of the ViewPoint issue. Articles need to be in Times New Roman 12 with single line spacing with before





VIEWPOINT

and after 6 pt and normal margin, on A4 size. A recent clear and bright passport size photograph of the author(s) is to be sent along with the article. For details of formatting please refer to *"Format for Articles for CEAI Viewpoint"* on CEAI's website, under *"Publications"*.

#### Advertisement in ViewPoint

ViewPoint is circulated to all CEAI Members, FIDIC, Ministries of the Government of India, Public and private Sector Undertakings, Construction Firms, Contractors, Consultants, Foreign Missions and Funding Institutions in India and other organisations related to or dealing with the engineering profession. Thus, all stakeholders partnering development and progress are its readers.

# **Catch the Customers Eye**

**Get Wide Exposure** 

# Improve Visibility

Support from CEAI members and stakeholders are sought for increasing the number of advertisements so that ViewPoint gains in its stature as a unique Technical Publication for the fraternity and the public at large to spread information about how Consulting Engineers are helping society for improving the quality of life and doing so sustainably. The rates for advertisements in *VIEWPOINT* with effect from 1<sup>st</sup> January 2023 are given below:

| Item                                | Rate Per    | Discounted rate at | Discounted rate at |
|-------------------------------------|-------------|--------------------|--------------------|
|                                     | issue* (Rs) | 10% for 2          | 20% for 4          |
|                                     |             | consecutive        | consecutive        |
|                                     |             | issues* (Rs)       | issues* (Rs)       |
| Back Cover                          | 25,000.00   | 45,000.00          | 80,000.00          |
| Inside Front Cover                  | 18,000.00   | 32,400.00          | 57,600.00          |
| Inside Back Cover                   | 18,000.00   | 32,400.00          | 57,600.00          |
| Full Page (Colour)                  | 12,000.00   | 21,600.00          | 38,400.00          |
| Full Page (Colour), if a specific   | 14,000.00   | 25,200.00          | 44,800.00          |
| page position is required.          |             |                    |                    |
| Full Page (B&W)                     | 8,000.00    | 14,400.00          | 25,600.00          |
| (such advertisements will be taken  |             |                    |                    |
| up for printing only when there are |             |                    |                    |
| 4 or multiple of 4 advertisements   |             |                    |                    |
| for an issue)                       |             |                    |                    |

*Notes:* \*GST @ 5% or as prescribed will be added to the above rates.



# FIDIC PUBLICATIONS

Please contact CEAI Secretariat for availability and price.

| 1  | FIDIC Contracts Guide (2 <sup>nd</sup> Ed. 2022)  |  |  |
|----|---|--|--|
| 3  | EPC Turnkey Contract 2 <sup>nd</sup> Ed 2017 Silver Book Reprinted 2022 with amendments                         |  |  |
| 4  | Construction Contract 2 <sup>nd</sup> Ed 2017 Red Book, Reprinted 2022 with amendments                          |  |  |
| 5  | Plant & Design Build Contract 2 <sup>nd</sup> Ed 2017 Yellow Book, Reprinted 2022 with amendments               |  |  |
| 6  | The Short Form of Contract (2 <sup>nd</sup> Edition, 2021).   |  |  |
| 8  | Conditions of Contract for EPC Turnkey Projects (First Edition, 1999).  |  |  |
| 9  | EPC/Turnkey Contract 2 <sup>nd</sup> Ed (2017 Silver Book)  |  |  |
| 10 | Conditions of Contract for Construction (First Ed. 1999).   |  |  |
| 12 | Construction Contract 2 <sup>nd</sup> Ed (2017 Red Book).   |  |  |
| 13 | Conditions of Contract for Plant & Design-Build (First Ed, 1999).   |  |  |
| 14 | Plant and design-build contract 2 <sup>nd</sup> Ed (2017 Yellow book)   |  |  |
| 15 | Dredgers Contract 2 <sup>nd</sup> Ed (2016 Blue-Green Book).  |  |  |
| 16 | Client/Consultant Model Services Agreement 5 <sup>th</sup> Ed (2017 White Book)                                 |  |  |
| 18 | GUIDE to Conditions of Contract for Design, Build and Operate Projects (2008 GOLD BOOK) 1st Ed 2011             |  |  |
| 19 | Conditions of Contract for Works of Civil Engineering Construction (4 <sup>th</sup> Ed. 1987<br>Reprinted 2011) |  |  |
|    | Conditions of Contract for Design-Build and Turnkey First Edition 1995 Reprinted 2011.                          |  |  |
| 21 | Conditions of Contract for Underground works (2019 Emerald Book)  |  |  |



CONSULTIN Association of India

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**CONSULTING ENGINEERS ASSOCIATION OF INDIA** 

# FIDIC TRAINING COURSES

- Module I : Practical Use of FIDIC Conditions of Contract
- Module II : Management of Claims and Disputes Resolution
- Module IV : Contract Management and Administration

The investment in infrastructure is growing and would continue to grow at an accelerated rate in the near and distant future across the Globe and especially in developing economy like India. The multilateral financial institutions are pouring in funds and want to be a part of the India growth story. These MDBs invariably use the FIDIC Conditions of Contract which are acclaimed as the Gold Standard of Conditions of Contract Globally.

The FIDIC Conditions of Contract are being used the world over where multi-lateral development banks provide the funding. And in large complex Government projects.

With a number of large and complex projects BOTH on-going and planned in the country, this training course will bring the participant the necessary detailed knowledge and insights as to the claim management and dispute resolution provisions under the FIDIC Conditions of Contract.

#### The comprehensive program on FIDIC Contracts led by accredited trainers

It covers the identification of project risks, their allocation, and the various causes of claim which can emerge over a construction contract and the way FIDIC addresses those. It details the way to handle claims – preparation, submission, assessment, determination under FIDIC Contracts, and how disputes are prevented or otherwise resolved.

#### Certificate

After completion of the training a Certificate will be distributed to the participants.

Contact for further query

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# Consulting Engineers Association of India

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