

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:1584
ANSWERED ON:28.11.2001
EXCESS PAYMENT TO CONTRACTORS BY CHENNAI PORT TRUST
ABUL HASNAT KHAN

Will the Minister of SHIPPING be pleased to state:

- (a) whether it is a fact that excess payment of Rs.10.09 crore was made by the Chennai Port Trust to a contractor for the construction of breakwater;
- (b) if so, the details and reasons therefor; and
- (c) the steps being taken by the Government to recover the excess payment to the contractor?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD Y. NAIK)

- (a) & (b): Yes, Sir. An amount of Rs.10.09 crores is considered as non-admissible to the Contractor in one of the contracts related to rock quarrying and transportation to the site for construction of breakwater in Ennore Port Project.
- (c): The Port took action for recovering this amount from the contractor by encashing the bank guarantees already furnished by the contractor. Meanwhile, the contractor approached the High Court and got an interim injunction restraining the Port from invoking the bank guarantee. This matter is now subjudice.