

**GOVERNMENT OF INDIA  
ROAD TRANSPORT AND HIGHWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:6153  
ANSWERED ON:04.05.2010  
CLAIMS BY PRIVATE DEVELOPERS  
Basavaraj Shri Gangasandra Siddappa

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

- (a) whether close to Rs. 10,000 crore are stuck at various levels within NHAI, on disputed claims by private developers for years;
- (b) if so, whether clearance of such cases was one of the demand of developers as a pre-condition to participate in future bids;
- (c) if so, the details thereof and the reaction of the Government thereto;
- (d) whether the B.K. Chaturvedi Committee has called for a bucket based approach to resolve disputes plaguing the road sector suggesting three buckets for the size of claims; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH)

- (a) Claims for an approximate amount of Rs. 9,200 crore are pending before various courts and arbitral tribunals.
- (b) No, Sir.
- (c) Does not arise.
- (d) & (e) The B. K. Chaturvedi Committee has submitted its report on Dispute Resolution Mechanism for National Highway projects with the following suggestions, viz., one time settlement of pending disputes may be offered to the contractors adopting a bucket-based approach to drop all category A cases (amount claimed is less than Rs. 10 crore or 5% of contract price whichever is lower) after a review of case to case basis by Independent Expert Group (IEG); National Highways Authority of India (NHAI) may carefully review the cases other than category A in general and the award of arbitral tribunal may be accepted in category B cases (amount involved is between Rs. 10 crore to Rs. 100 crore). The Committee has also suggested some course of action for reducing future disputes such as Dispute Resolution Board (DRB) recommendation should invariably be accepted; raising of time limit for DRB to issue its recommendation; review of Detailed Project Report (DPR) may be made more intensive; cost associated with time extensions may be duly quantified; appeals relating to decisions by the Variations Committee may be reviewed periodically by the Ministry of Road Transport & Highways, etc. The Committee has also recommended that both the general conditions and Conditions Of Particular Applications (COPA) may be standardised in future awards.