

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

UNSTARRED QUESTION NO:6180
ANSWERED ON:04.05.2010
ONE TIME SETTLEMENT FOR NHAI PROJECTS
Siricilla Shri Rajaiah

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

- (a) whether one-time settlement policy for NHAI Projects may free Rs. 10,000 crore for 300 NHAI projects;
- (b) if so, the details worked out so far;
- (c) the guidelines in this regard; and
- (d) the response received so far?

Answer

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

(a) to (d) There is no one time settlement policy in National Highways Authority of India (NHA). However, 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 (NHA) 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.