GOVERNMENT OF INDIA ROAD TRANSPORT AND HIGHWAYS LOK SABHA

UNSTARRED QUESTION NO:2846 ANSWERED ON:14.03.2011 PENDING DISPUTES OF NATIONAL HIGHWAYS Gowda Shri D.V. Sadananda;Shantha J.

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

(a) the number of National Highways disputes pending in courts/arbitration tribunals with status of each case, Statewise;

(b) the amount of money that has been locked in the process;

(c) the number of cases wherein the developers have asked for additional money indicating the total amount that has so far been asked for by the developers;

(d) whether it is proposed to work out some strategic action plan to control such kind of disputes and ensure proper execution of the road projects;

(e) if so, the details thereof; and

(f) the major recommendations of B.K. Chaturvedi Committee in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

(a) There are 536 disputes pending in Hon'ble Courts and 1099 disputes pending in Arbitration Tribunals relating to National Highways Development Projects (NHDP) being implemented by NHAI. State wise and project wise details are enclosed as Annex.

(b) Amount involved in disputes pending in Hon'ble Courts is Rs.865.40 crore and amount involved in Disputes pending in Arbitral Tribunal is Rs.10219.13 crore.

(c) There are a total of 1376 disputes amounting to Rs. 9236.03 crore where contractors/concessionaires have preferred claims against NHAI.

(d) to (f) Yes Madam. Government has appointed a Committee headed by Mr. B.K. Chaturvedi, Member, Planning Commission. Recommendations of Chaturvedi Committee were legally vetted by Solicitor General of India (SGI). The major recommendations of B.K. Chaturvedi are as under;

(i) One time settlement of pending disputes may be offered to Contractors adopting a bucket-based approach to drop all Category A cases (amount claimed is less than Rs. 10 Crores or 5% of contract price whichever is lower) after a review on case to case basis by an Independent Expert Group.

(ii) NHAI may carefully review the cases other than category A in general. The award of Arbitral Tribunal may be accepted in category B cases (amount involved is between Rs.10 crore to Rs. 100 crore).

(iii) Accountability and credibility of Dispute Resolution Board (DRB) recommendations may be ensured by way of a test check by a technical team.

(iv) The time for DRB recommendation and that for referring DRB recommendation to Arbitration may be raised.

(v) Review of Detailed Project Reports (DPR) may be made more intensive.

(vi) Cost associated with time extension may be duly quantified.

(vii) General conditions and COPA (Conditions of Particular Applications) may be standardized