

Action Taken Report on the decisions taken by the CCEA in respect of Construction sector up to 27.01.2017

1	Switching over to the provisions of amended Arbitration Act	Total		
(i)	No. of ongoing Arbitration proceedings	43		
(ii)	No. of cases in which communications have been sent to the contractors/concessionaires to seek their consents	32		
(iii)	No. of cases in which consent from the contractors/concessionaires have been received	1		
2	Release of 75% of the Arbitral amount against a bank guarantee	No. of cases	Total award Amount (in Rs. Cr.)	Release amount (75% of award amount (Rs. In cr.))
(i)	No. of cases along with amount involved in which the arbitral award has been challenged in the court by the Ministry/Department/PSU.	54	532.03	
(ii)	No. of cases along with amount involved in which communications have been sent to the contractors/concessionaires for opening of the Escrow Accounts and submission of the bank guarantee.	43	428.25	
(iii)	No. of cases along with amount involved in which the contractors/concessionaires have opened the escrow account and furnished the bank guarantee	2	249.37	187.04
(iv)	No. of cases along with the amount in which 75% of the arbitral award has been released.	1	93	69.76

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT & HIGHWAYS
(Project Zone-4)

Transport Bhawan
1, Parliament Street,
New Delhi 110001

Dated the 10th January, 2017

No. NH-12014/01/97/P5-4/GJ/Vol-III

To

The Secretary,
Roads & Building Department,
Government of Gujarat,
14, Sardar Bhawan, Sachivalaya,
Gandhinagar-382 010.

Subject: Arbitration between M/s L&T for the project of construction of two lane bridge cross river Watrak including, its approaches near village Kheda at km 33/430 to km 42/180 in Ahmedabad to Vadodara section of NH-8 under Build Operate and Transfer scheme with fee right in Gujarat-Release of 75% of Arbitration award in the Arbitral Award Escrow Account -Regarding.

Sir,

I am directed to refer to CE (NH) letter no. ARB/102012/570707/M dated 16.12.2016 forwarding therewith proposal for release of 75% arbitral award pending decision of Case No. Civil Misc. DC No. 110/2016 in the Court of 5th Addl. District Judge Court at Nadiad against bank guarantee in pursuant to Ministry's order no. NH-35014/10/2016-H dated 16.09.2016 and the letter no. L&T WIT/MORTH-Sec/Arbitral Award/2016-17/044 dated 22.12.2016 from L&T Western India Tollbridge Limited and convey the administrative and financial sanction of the President of India of Rs. 69,76,92,000/- Rupees Sixty nine crores seventy six lakhs ninety two thousand only), 75% of arbitral award, which includes interest upto 30th November, 2016. The amount shall be released in the Arbitral Award Escrow Account after signing of Arbitral Award Escrow Account Agreement in the format issued by Ministry vide letter No. NH-35014/10/2016-H dated 30.11.2016 and in compliance to SoP for Escrow Account Mechanism issued by Department of Financial Services, Ministry of Finance, Government of India vide their OM No. 15/16/2016-IF.I dated 23.11.2016 against the Bank Guarantee in conformity to the template issued vide letter no. 15/16/2016-IF.I dated 22.11.2016 following the Standard Operating Procedure laid down by NITI Aayog vide OM no. 14070/14/2016-PPPU dated 16.11.2016.

2. CE (NH) & AS shall ensure that the Bank Guarantee is duly verified and maintained in compliance to guidelines laid down in aforesaid letters.

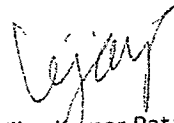
3. The expenditure is debitable to Major Head '5054' Capital Outlay on Roads & Bridges 03-National Highways (Sub Major Head), 01.337 Road Works (Minor Head), 03 Works under Roads Wing, 03.01 Other Schemes 03.01.53 Major Works (Plan) for which the corresponding Demand for the current financial year 2016-17 is '74' Ministry of Road Transport & Highways.

4. This sanction issues with the concurrence of the Finance Wing vide their U.O. No. 3798/TF-II dated 03.01.2017.

b/c

Issued

10-1-2017



(Vijay Kumar Patnayak)

Under Secretary to the Government of India

Tel:-011-23739250

Copy to:-

1. The Chief Engineer (NH) & AS, R&B Department, Gujarat, Block No.14, New Sachivalaya, Sardar Bhavan, GANDHINAGAR - 382 010
2. The Regional Officer, M/o Road Transport & Highways, New Sachivalaya, Block No. - 14, 4th Floor, GANDHINAGAR - 382 010 (Gujarat)
3. CE (P&M) MoRTH.
4. W&A Section, MoRTH for information.
5. Larsen & Toubro Limited, 1st Floor, TCTC Building, Mount Poonamallee Road, Manapakkam, P.B. No. 979, Chennai-600089.
6. The Secretary, Roads & Building Department, Government of Gujarat, 14, Sardar Bhawan, Sachivalaya, Gandhinagar - 382 010.
7. Ministry of Finance, North Block, New Delhi.

Cijam
10/1/17

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT & HIGHWAYS
(Project Zone-7)

Transport Bhavan,
1, Parliament Street,
New Delhi-110001

File No. RW/NH- 12024/8/2016 -TN(P-7)

Dated, the 24th January, 2017

To,

The Principal Secretary,
Government of Tamil Nadu,
Highway and Minor Ports Department,
Chennai-600009.

Subject: Arbitration between M/s L&T TIL and MoRT&H and Government of Tamil Nadu for the Project "Design, Construction, Maintenance and operation of 28 Km Coimbatore bypass on NH-47 at Km 141/0 on Salem side and rejoining at Km 171/200 on the Palghat side and an additional Two lane bridge across river Noyyal at Km 161/2 on NH-47 along with maintenance of existing bridge including approaches on BOT basis in Coimbatore.

Sir,

I am directed to refer to M/s L&T TIL letter no. L&T TIL/MORTH-Sec/Arbitral Award-TIL/CE-off/V/2016-17/015, date 26.09.2016 requesting therewith to release of 75% arbitral award pending decision of Case No. O.M.P. 289/2015 of Delhi High Court against bank guarantee in pursuant to Ministry's order no. NH-35014/10/2016-H dated 16.09.2016 and convey the administrative and financial sanction of the President of India of **Rs. 117.28 Crore (Rupees One Hundred Seventeen Crore and Twenty Eight Lakh)**. 75% of arbitral award includes interest up to 30th September, 2016. The amount shall be released in the Arbitral Award Escrow Account no.19080210006351 of UCO Bank (IFS Code: UCBA0001908) after signing of Arbitral Award Escrow Account Agreement in the format issued by Ministry vide letter No. NH-35014/10/2016-H dated 30.11.2016 and in compliance to SoP for Escrow Account Mechanism issued by Department of Financial Services, Ministry of Finance, Government of India vide their OM No.15/16/2016-TF.I dated 23.11.2016 against the Bank Guarantee in conformity to the template issued vide letter no. 15/16/2016-IF.I dated 22.11.2016 following the standard Operating Procedure laid down by NITI Aayog vide OM No.1470/14/2016-PPPU dated 16.11.2016.

2. CE(NH), Chennai shall ensure that the Bank Guarantee is duly verified and maintained in compliance to guidelines laid down in aforesaid letters.
3. The expenditure is debitable to Major Head '5054' Capital Outlay on Road & Bridges 03- National Highways (Sub Major Head), 01.337 Road Works (Minor Head), 03 Works under Roads Wing, 03.01 Other Schemes 03.01.53 Major Works (Plan) for which the corresponding Demand for the current financial year 2016-17 is '74' Ministry of Road Transport & Highways.

Contd... P-2/-



4. This sanction issues with the concurrence of the Finance Wing vide their U.O. No. 4022/TF-II dated 02.12.2016.

Yours faithfully,



(Uttam Prakash)

Under Secretary to the Government of India

Copy to: -

1. Chief Engineer (P&M), MORTH, New Delhi.
2. Section Officer(W&A), M/o Road Transport and Highway, New Delhi for information.
3. The Chief Engineer, National Highways, Gunidy, Chennai- 600 025.
4. The Pay & Accounts Officer, Ministry of R.T. & H, IDA Building, Jamnagar House, New Delhi.
5. Regional Officer, Ministry of Road Transport & Highways, C-1 A, Rajaji Bhavan, Besant Nagar, Chennai-600090.
6. Regional Pay & Accounts Officer (NH), Ministry of Road Transport and Highways, Quality Control Building, Errum Manzil, Hyderabad -500 082.
7. Larsen & Toubro Limited, 1st Floor, TCTC Building, Mount Poonamalle Road, Manapakkam, P.B. No.979, Chennai-600089.
8. The Chief Secretary, Govt. of Tamil Nadu, Secretariat, Chennai-600 009.
9. Ministry of Finance, North Block, New Delhi.



(Uttam Prakash)

Under Secretary to the Government of India