

भारतीय राश्ट्रीय राजमार्ग प्राधिकरण  
(पोत परिवहन, सड़क परिवहन और राजमार्ग मंत्रालय)  
**National Highways Authority of India**

(Ministry of Shipping, Road Transport and Highways)

जी-5 एवं 6, सेक्टर-10, द्वारका, नई दिल्ली-110 075

G-5 & 6, Sector-10, Dwarka, New Delhi-110075

No. 11041/217/2007-Admin.

दूरभाष / Phone : 91-11-25074100/25074200

फैक्स / Fax : 91-11-25093507 / 25093514

एक्स. / Extn. : 2223 / 2318 / 2468 / 2553

January 07, 2008

**POLICY MATTERS-ADMINISTRATION/FINANCE (21/2008)**

(Decision taken on DR & QA Cell's File No. NHA/DR & QA Cell/ARB/2005)

**Sub. Fee of Arbitrators in case of Civil Engineering Construction Contracts / Supervision Consultant.**

In supercession of Policy Circulars No. 37/2003 dated 27.03.2003, No. 86/2004 dated 31.05.2004 and No. 125/2006 dated 02-08-2006, it has been decided that the fee and other charges payable to an Arbitrator in arbitration case shall be as given in the schedule below:-

S. N.	Particulars of fee and other charges	Schedule Amount payable per Arbitrator / per case
1.	Arbitrator fee	Rs. 8000/- per day subject to a maximum of Rs. 2 lacs per case; or Rs. 1.5 lacs (lump sum) subject to publishing the Award within 12 months. 12 months will be reckoned from the date of first meeting.
2.	Reading Charges	Rs. 10000/-
3.	Secretarial Assistance and Incidental Charges (telephone, fax, postage etc.)	Rs. 15000/-
4.	Charges for Publishing / declaration of the Award	Maximum of Rs. 15,000/-
5.	Other expenses (As per actuals against bills subject to maximum of the prescribed ceiling given below)	
	Traveling Expenses	Economy class by air, first class AC by train, AC car by road.
	Lodging and Boarding	(i) Up to Rs. 10,000/- per day (metro cities) (ii) Up to Rs. 5000/- per day (other cities) (iii) Rs. 2000/- per day (own arrangement).
6.	Local Travel	Rs. 1000/- per day
7.	Extra charges for days other than hearing / meeting days (maximum for 2 days)	Rs. 2500/- per day
Note:-	1. Lodging, boarding and traveling expenses shall be allowed only for those members who are residing 100 kms. away from place of meeting. 2. Delhi, Mumbai, Chennai, Kolkata, Bangalore and Hyderabad shall be considered as Metro Cities.	

Cont...2

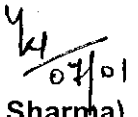
2. Since the fee structure has to be agreed to by both the parties (i.e. NHA and the Contractor / Supervision Consultant), the above fee structure may also be got accepted by the respective Contractors / Supervision Consultants through Supplementary Agreement. It has also been decided that in exceptional cases, such as cases involving major legal implications / wider ramifications / higher financial stakes etc., a special fee structure could be fixed in consultation with the Contractor / Supervision Consultants and with the specific approval of the Chairman, NHA before appointment of the Arbitrator.

3. A draft Supplementary Agreement incorporating the above provisions is enclosed as Annexure. The concerned Member / CGM may ensure that this is strictly adhered to.

4. The above fee schedule shall be applicable to all arbitration cases where the earlier Supplementary Agreement has been signed, and, where the Supplementary Agreement has not been signed, the fee schedule shall be applicable w.e.f. the date of issue of this Circular.

4. In case of future contracts, the fee structure may be included as part of the Bidding Documents / Contractor Documents and the acceptance of the above fee structure by the Contractors / Supervisions Consultants may be kept as a precondition for signing the contract.

5. This issues with the approval of the Chairman.

  
(V.K.Sharma)  
General Manager (Admn.)

To :

1. PS to Chairman
2. PS/PA to All Members / CGMs/ CVO
3. All GMs/DGMs/Managers
4. All PIUs/CMUs/SPVs
5. Librarian/Hindi Officer

**SUPPLEMENTARY AGREEMENT**

This Supplementary Agreement is made on this \_\_\_\_\_ day of \_\_\_\_\_, 2007 between the **National Highways Authority of India**, having its office at G5 & 6, Sector-10, Dwarka, New Delhi – 110 045 (hereinafter referred to as the NHAI), a body corporate constituted under section 3 of the National Highways Authority of India Act, 1988 (68 of 1988), which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators and assignees of the ONE PART.

AND

\_\_\_\_\_ having its office at \_\_\_\_\_, (hereinafter referred to as the CONTRACTOR) which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, assigns and heirs of the OTHER PART.

WHEREAS, the NHAI has entered into an Agreement dt \_\_\_\_\_ with the CONTRACTOR for \_\_\_\_\_ (hereinafter referred to as the CONTRACT).

AND WHEREAS the CONTRACT contains an arbitration clause for referring the dispute between the parties arising out of the said contract to the Arbitral Tribunal for resolution in accordance with the procedure laid down therein;

AND WHEREAS the said arbitration clause does not contain any provision regarding the remuneration to be paid to the Arbitrators by the parties thereby leaving the matter at the discretion of the Arbitral Tribunal;

AND WHEREAS the parties are desirous that the remuneration and other expenses payable to the Arbitrators should be fixed by the parties by mutual consent;

NOW, THEREFORE, the parties have mutually agreed as follows:

1. That each Arbitrator shall be paid a fee of Rs. 8000/- per day subject to a maximum of Rs. 2 lacs per case or Rs. 1.5 lacs (lump sum) subject to publishing the Award within 12 months. (the period of 12 months to be reckoned from the date of first meeting).
2. That each Arbitrator shall be paid reading charges of Rs. 10,000/- per case.
3. That, each Arbitrator shall be paid Rs. 15,000/- towards secretarial assistance and incidental charges (telephone, fax, postage, etc.) per case.
4. That the other expenses as per actuals, against presentation of bills, shall also be reimbursed to each Arbitrator subject to the following ceiling (applicable for the days of hearing only):

(i) Traveling expenses – Economy class (By Air), First class AC (By train) and AC car (By road).

(ii) Lodging and boarding – Up to Rs. 10,000/- per day in Metro cities (Delhi, Mumbai, Chennai, Kolkata, Bangalore & Hyderabad), up to Rs. 5000/- per day in other cities OR Rs. 2000/- per day in case the Arbitrator makes his own arrangement.

(iii) Local travel – Rs. 1000/- per day.

**Note:-** Lodging, boarding and traveling expenses shall be allowed only to those Arbitrators who are residing 100 km. away from place of meeting.

5. That each Arbitrator shall be paid the charges for publishing/declaration of the Award subject to a maximum of Rs. 15,000/-.
6. That each Arbitrator shall be paid extra charges of Rs. 2,500/- per day for days other than hearing / meeting days (up to a maximum of two days).
7. That in exceptional cases, such as cases involving major legal implications / wider ramifications / higher financial stakes, etc., a special fees structure shall be fixed in consultation with the Contractor / Supervision Consultant and with the specific approval of the Chairman, NHAI, before appointment of the Arbitrator.
8. That this Supplementary Agreement shall be deemed to be an integral part of the contract as if the parties had signed the same at the time of signing the Contract.

IN WITNESSES WHEREOF the parties have signed this Supplementary Agreement on the date above mentioned in the presence of the following witnesses.

For and on behalf of NHAI

For and on behalf of

Witnesses:

1.

2.

DIRECTOR (PROJECTS)

Witnesses:

1.

2.