CONSTRUCTION FEDERATION OF INDIA

NEWSLETTER

CONSTRUCTION INFRASTRUCTURE UPDATES

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Early scrutiny of infrastructure contracts can save thousands of crores in disputes: Ex-CJI Lalit

The Hindustan Times,
March 13, 2026

Former chief justice of India UU Lalit said on Saturday that infrastructure contracts should undergo scrutiny by a specialised government agency before they are signed, as early examination could prevent costly arbitration disputes and save thousands of crores of public money.

Justice Lalit was speaking at a conference on 'Dispute Resolution and Arbitration Norms for Construction and Infrastructure Sector: An Indian and International Perspective' hosted by PHD Chamber of Commerce and Industry here in the national capital.

"According to me, all these construction and infrastructure project contracts must be screened by an agency in the ministry first before you sign on the dotted line in the contract.

This is one area that, if you are careful, you will be saving thousands and thousands of crores of public exchequer," he said.

Drawing on his experience of being associated with nearly 20 construction and infrastructure arbitrations over the past three years, Justice Lalit said many disputes arise because of gaps in contract drafting, project planning and coordination among government agencies.

He noted that arbitration claims in infrastructure projects often exceed the original project cost, creating a perception that the mechanism is sometimes used by contractors to seek higher compensation.

"If the project cost was about ₹800 crore, the claims are more than ₹1,000 crore. It gives an impression as if arbitration becomes the tool to get more and more profits and revenues for the contractors," he said.

The former CJI also cited the example of environmental restrictions such as GR-III and GR-IV measures imposed during severe air pollution, which frequently halt construction work.

"Contractors later claim compensation on the ground that their manpower and machinery remained idle during such periods," he said, noting that contracts rarely anticipate such recurring disruptions.

He also referred to disputes arising from inaccurate estimates at the tendering stage.

"At the stage of contract, perhaps not sufficient attention was paid, and it creates difficulties for the arbitral tribunal because there are no norms on the basis of which such claims can be assessed," he said.

Justice Lalit said that infrastructure projects must balance three objectives: quality construction, timely completion and benefits to society, while ensuring that costs do not spiral out of control.

The former top court judge also flagged a lack of coordination between government departments, particularly in projects involving railway overbridges, where design changes by the railways after contracts are awarded often lead to disputes.

"What happens is somebody gives you a design which may be for the existing railway line that may be about two years old, and suddenly the railways decide that, let there be a broader kind of you know network. If there has to be a broader network, then naturally, your road over bridge has to be of a different dimension, and there is a complete lack of correlation between these two departments," he said.

He also suggested creating mechanisms to address disagreements during the execution stage of projects instead of waiting for them to escalate into arbitration several years later.

Former Supreme Court judge Hema Kohli was also present among the dignitaries who spoke during the inaugural session of the event and said that India is witnessing large-scale investments in highways, railways, urban transport, energy and logistics that are reshaping the country's development landscape.

Citing official data, she said the National Infrastructure Pipeline currently identifies projects worth about ₹184 lakh crore , reflecting the scale of investment in the sector.

Justice Kohli underlined the importance of strong dispute resolution frameworks in supporting major infrastructure projects and sustaining investor confidence.

"The strength of an infrastructure ecosystem is measured not only by the scale of the projects that it undertakes, but also by the credibility of the legal architecture and institutional framework that sustains them," she said.

The former Supreme Court judge highlighted that efficient dispute resolution mechanisms are critical to ensuring that commercial relationships are stable even when disagreements arise in complex infrastructure projects involving multiple stakeholders.

"In a sector of such magnitude, disputes are not aberrations. They are structural possibilities inherent in complex commercial engagements," she said, adding that the real challenge lies in ensuring that conflicts are resolved with "efficiency, predictability and fairness."

The event was attended by other prominent dignitaries, including Delhi High Court Judge, Justice Tejas Karia, Former High Court judge, Justice Jayant Nath and others.

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Maharashtra Government Reviews Mahabaleshwar Tourist Road Upgrades, Kopargaon–Yeola–Manmad Highway And Yeola Bypass Projects

Swarajya,
March 13, 2026

Senior Maharashtra government ministers recently chaired separate review meetings in Mumbai to assess the progress of two major road infrastructure projects that would improve tourist access in the Western Ghats and ease traffic congestion in the Nashik region.

In one meeting, Minister of Public Works Shivendrasinh Bhosale reviewed road development works connecting major hill destinations such as Mahabaleshwar, Panchgani, Wai and Poladpur.

The meeting focused on speeding up work on key routes including Panchgani–Mahabaleshwar and the Surur–Yai–Mahabaleshwar–Poladpur highway.

Mahabaleshwar attracts a large number of domestic and international tourists every year, making reliable road connectivity critical for the region. Bhosale directed officials to ensure that the projects are completed swiftly while maintaining high construction standards.

The minister stressed the need for careful planning because the roads pass through hilly and ghat sections.

Authorities were instructed to widen the roads where necessary, install clear directional signage and improve safety infrastructure along sharp bends and steep stretches to ensure smoother and safer travel.

Given the region's heavy rainfall, Bhosale also called for durable road construction using modern technology so that the infrastructure can withstand monsoon conditions and reduce frequent damage to road surfaces.

In a separate meeting, Minister Chhagan Bhujbal reviewed progress on the proposed four-lane highway project connecting Kopargaon, Yeola and Manmad along National Highways 160H and 752G.

The minister instructed officials to complete the detailed project report for the four-lane concrete highway and the proposed Yeola bypass at the earliest so that construction work can begin promptly.

Authorities were asked to consider an alternative alignment while preparing the report to accommodate future urban expansion and traffic growth.

Local representatives highlighted severe traffic congestion in Yeola, particularly along the Yeola–Manmad corridor, where increasing vehicle numbers have led to regular bottlenecks.

Former MP Sameer Bhujbal urged authorities to divert heavy vehicles to alternative routes on priority to provide immediate relief to commuters.

Officials from the district administration, traffic police, and the National Highways Authority of India were asked to coordinate closely to address the congestion problem and accelerate planning for the bypass project.

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India Explores Using Iron Ore Tailings In Road Construction As CRRI Signs R&D Pact With AMNS

Swarajya,
March 13, 2026

India's premier road research institute has partnered with steel major ArcelorMittal Nippon Steel India (AMNS India) to transform mining waste into road-building material, a move that could advance green infrastructure development and circular economy practices in the country.

The CSIR–Central Road Research Institute (CRRI) has signed a research and development pact with AMNS India to explore the use of iron ore tailings in road construction.

Iron ore tailings are a by-product generated during the beneficiation of iron ore.

According to the Ministry of Science and Technology, around 18–20 million tonnes of such tailings are produced annually in India from beneficiation plants located mainly in Odisha, Chhattisgarh and Karnataka.

These tailings are typically stored in large dams and are commonly referred to as "slimes", posing both environmental and economic challenges due to the large volumes generated.

Highlighting the potential of the initiative, N Kalaiselvi, director general of CSIR and Secretary of the Department of Scientific and Industrial Research, said the the potential utilization of iron ore tailings in road construction can pave the way from mine waste to green roads.

The collaboration will focus on scientific evaluation of the material to determine whether iron ore tailings can be used in different layers of pavement construction.

Researchers from CSIR-CRRI will undertake laboratory investigations, material characterization and pavement design studies to assess the suitability of iron ore tailings in various pavement layers.

The initiative is expected to address the growing challenge of tailing management while also reducing dependence on natural aggregates used in road construction.

Chalumuri Ravi Sekhar, director of CSIR-CRRI, said the partnership would enable scientific validation and field demonstration of iron ore tailings for road construction.

The research initiative is being led by Satish Pandey, Head of the Flexible Pavement Division at CSIR-CRRI, who is also the inventor of Steel Slag Road Technology.

He highlighted that systematic research, laboratory characterization, and valorisation of iron ore tailings would be undertaken to establish it as a substitute of good earth and natural aggregates in road construction.

The partnership was announced during National Science Day celebrations at CSIR-CRRI, where several other sustainable road technologies were also showcased, including agri-waste-based bio-bitumen, steel slag-based rapid pothole repair technology ECOFIX, slag and fly ash-based thin TERASURFACING technology and waste plastic-based modular geocell systems.

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