



Item No: 10 / 5 / 2021-22	LEGAL - REVISED GUIDELINES ON CONCILIATION AND SETTLEMENT COMMITTEE (CSC) FOR ESTABLISHMENT OF A CONCILIATION AND SETTLEMENT MECHANISM FOR CONTRACTUAL DISPUTES UNDER THE CONTRACT / AGREEMENTS WITH THE CONTRACTORS / CONCESSIONAIRES / CONSULTANTS AT MAJOR PORTS AND RE-CONSTITUTION OF CONCILIATION AND SETTLEMENT COMMITTEE - APPROVAL - REQUESTED
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Chairman explained that the composition of the Conciliation and Settlement Committee shall be minimum three members drawn from the Independent experts constituted by IPA.

To a query from Shri Ajithkumar Sukumaran, Trustee that whether Port is required to constitute a Conciliation and Settlement Committee, when the arbitration mechanism is already available. FA& CAO informed that as per Major Port Authority Act under Section 71, Ministry has issued Master Plan and application of funds from non profit related Rules 2021 wherein constitution of Conciliation and Settlement Committee and reference of disputes to the Conciliation and Settlement Committee was mentioned. FA & CAO read the rule provision and stated that under clause 6 of the Rule it is mentioned that “upon commencement of Act, any existing or future disputes difference or claims arising out of any contract entered into by the Board in relation to the usage and development of Port assets and land appurtenant there to shall be referred per conciliation by a committee setup by the Board under Sub Rule (2)”.

Sub Rule (2) says “ for the purpose of conciliation of any dispute, difference or claims under Sub Rule (1), the Board shall constitute a Conciliation and Settlement Committee and approve the procedure for functioning and other terms and conditions of such committee in accordance with the guidelines issued in this regard by the Central Government from time to time”.

FA & CAO further, informed that in the event of any party to the dispute / difference or claims referred to Conciliation and Settlement Committee is not satisfied with the recommendation made by the Committee, then such party may refer such disputes, difference or claims for adjudicate to the Adjudicatory Board.

Extract from the Minutes of the Board Meeting No. 5 of 2021 - 22 held on 17th December 2021

Chairman informed that the five members constituted for CSC have expertise in Port, Finance and Logistics Sector. Out of five, the Committee shall be constituted with any three members and the conciliation is successful only if amicable agreement acceptable to both the parties can be worked out.

Resolution # 127:
Board after discussion, resolved to approve the proposal of the revised guidelines on the Conciliation and Settlement Committee issued by IPA vide letter dated 24.09.2021 and approved in IPA General Body meeting held on 28.09.2021 and for the Conciliation and Settlement Committee re-constituted vide IPA Order dated 04.10.2021.

/ True Extract /

Handwritten signature
31/1/2022
for SECRETARY

No. B1 / 7386 / 2021 / GA

Dated: 3 .01. 2022

Copy forwarded for taking necessary action. The Action Taken Report may be sent to this office latest by 07.01.2022 in order to incorporate the same in the action taken report to be placed before the Board at its next Meeting.

Handwritten signature
31/1/2022
for SECRETARY

✓ Sr.W.O(L)
Copy to FA & CAO