

SAROD Ports

September 11, 2020

A dispute redressal mechanism SAROD Ports (**Society for Affordable Redressal of Disputes – Ports**) was launched to facilitate affordable and timely resolution of disputes for the maritime sector.

Features of SAROD Ports

- It has been established under the **Societies Registration Act, 1860** and has been put together by the concessionaire and the port association.
- It will cover **disputes between granting authority and licensee/ concessionaire/ contractor and also disputes between licensee/ concessionaire and their contractors** arising out of and during the course of execution of various contracts.
- The Union Cabinet had approved **amendments in the Model Concession Agreement** and the amendments had envisaged the constitution of SAROD-Ports as a dispute resolution mechanism for PPP projects in major ports.
- SAROD-Ports will consist of **members from the Indian Ports Association (IPA) and Indian Private Ports and Terminals Association (IPTTA)**.
- It will advise and assist in settlement of disputes through **arbitrations in the maritime sector**, including ports and shipping sector in major port trusts, non-major ports, including private ports, jetties, terminals and harbours.
- The mechanism is similar to provision available in the highway sector in the form of **SAROD-Roads constituted by NHAI**.

Advantages

- It will resolve the disputes in a fair and just manner while **saving a huge amount of legal expenditure and**

time.

- It will **inspire confidence among private players** working with major ports and will ensure the right kind of environment.
- It will **promote ease of doing business** in the maritime sector because of the fast, timely, cost-effective and robust dispute resolution mechanism.