



SCOPE Forum of Conciliation & Arbitration
(SFCA)

Rules of Conciliation & Arbitration, 2003

(As amended upto 2017)



SCOPE
PROMOTING EXCELLENCE

Standing Conference of Public Enterprises



OBJECT

The main object of SCOPE Forum of Conciliation and Arbitration (ADR) is to serve in settling disputes between Public Sector Enterprises and their Associates within shortest possible time at more economical and cheaper cost in comparison to other institutions. Forum has retired judges of Supreme Court, High Courts, retired Secretaries and Jt. Secretaries of Govt. of India, Chief Executives, Directors and senior officials of PSEs, besides Advocates, CAs and other professionals as Conciliators and Arbitrators on its panel.

The Forum has also its own infrastructure with a spacious Arbitration Hall, having sitting capacity of 15 persons and more with all the modern facilities such as projector for live projection of record of proceedings on a large screen with free service of mineral water, tea/coffee and biscuits.

High tea and lunch can also be arranged by the Forum on request in advance at the cost of the parties by authorized caterer of SCOPE.



Standing Conference of Public Enterprises

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SCOPE FORUM OF CONCILIATION AND ARBITRATION (SFCA)

CONCILIATION RULES

1. TITLE

These rules may be called SCOPE FORUM OF CONCILIATION RULES, 2003 (as amended from time to time) hereinafter called the SFCA Conciliation Rules.

It shall come into force on 1st January, 2017.

2. SCOPE AND APPLICABILITY

These rules shall apply where parties have agreed in writing that;

- a) a dispute which has arisen, or
- b) a dispute which may arise,

between them in respect of a defined legal relationship arising out of commercial contract should be resolved by conciliation under the SCOPE Forum of Conciliation Rules, 2003 as amended from time to time.

These rules shall not apply to disputes which by virtue of any law for the time being in force may not be submitted to conciliation.

3. CONCILIATION CLAUSE

The SCOPE Forum of Conciliation and Arbitration (SFCA) recommends to all parties desirous of making reference to conciliation by this Forum shall provide the following conciliation clause in their existing and future contracts if law applicable does not prohibit such reference.



"Any dispute or difference whatsoever arising between the parties relating to or arising out of contract, may be settled by the Rules of Conciliation of SCOPE Forum of Conciliation and Arbitration (SFCA) and the settlement so rendered between the parties in pursuance thereof shall be final and binding on the parties. If the dispute is not settled by conciliation within 30 days of the initiation of conciliation or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by Arbitration, in accordance with the Rules of Arbitration of SCOPE Forum of Conciliation and Arbitration".

4. DEFINITIONS

In these rules unless the context otherwise requires:

- a) "Act" means Arbitration and Conciliation Act, 1996 as amended from time to time
- b) "President" means ex-officio, Chairman, SCOPE
- c) "Vice President" means ex-officio, DG, SCOPE
- d) "Governing Body" means the Governing Body of the Forum (SFCA)
- e) "Forum" means SCOPE Forum of Conciliation and Arbitration
- f) "Panel of conciliation" means Panel of persons approved by the Committee consisting of Member Secretary and two other persons of the Governing Body .
- g) "Party" means a party to the agreement referred to in Rule 3.
- h) "Member Secretary" means ex-officio, GM, SCOPE
- i) "Settlement Agreement" means agreement as specified in Section 73 of the Arbitration and Conciliation Act 1996 as amended from time to time.

- j) "Rules" means SCOPE Forum of Conciliation Rules, 2003 (as amended from time to time).
- k) "Secretary" means the Secretary for the time being appointed by the Governing Body and includes such other persons as the Governing Body may nominate for carrying out the duties of the Secretary under these rules.
- l) "SCOPE" means Standing Conference of Public Enterprises, registered under the Registration of Society Act XXI of 1860, having its registered office at SCOPE Complex, 7- Lodhi Road, New Delhi-110003.

5. GOVERNING BODY

- i) There will be 15 members of the Governing Body of SFCA. The Governing Body of the Forum shall consist of the following:-

i)	President	Ex-officio Chairman, SCOPE
ii)	Vice President	Ex-Officio Director General, SCOPE
iii)	Member Secretary	Ex-Officio General Manager, SCOPE
iv- x)	Members	Members of Standing Legal Committee
xi-xv)	Members	Five members to be co-opted by the Governing Body from the field of Law, Commerce, Industry and Banking

- ii) The office bearers of the Governing Body from Sr. No. (i) to (iii) above are permanent. The term of members at Sr. No. (iv) to (x) shall be for two years. The President, however, shall have the full power to re-nominate them or nominate other member from any other PSEs and field



of Law, Commerce, Industry and Banking after expiry of their term.

- iii) The term of the Governing Body shall be for a period of two years. The first such term shall be effective from 1.6.2003.
- iv) The Governing Body may delegate such powers to President/Vice President/Member Secretary, as deemed it fit.
- v) The President/Vice President/Member Secretary may delegate to the Secretary of the Forum the power to take certain decision provided that such decision shall be reported to them as the case may be.

6. SECRETARIAT AND ITS ROLE

- i) There will be a Secretariat of the Forum, headed by a Secretary who will be appointed by the Governing Body and shall report to the Vice President.
- ii) The number of other officials of the Secretariat to assist the Member Secretary will be as per the requirement decided by the Vice President of the Governing Body from time to time.
- iii) The Secretariat shall receive applications for empanelment of conciliators, take all necessary steps for empanelment of conciliators and request for conciliation by the Forum, receive payment of fees and deposits etc.
- iv) The Secretariat shall also receive all communications made to the Conciliator by the parties and communicate to them the orders and directions of the Conciliators, keep a register of communications to the Forum and proper records of settlement made by the Conciliator, keep such other books or memoranda and make such other records or returns

as the Governing Body shall from time to time require and generally carry out the directions of a Conciliator so constituted under these rules and take such other steps as may be necessary to assist the Conciliator in carrying out of its functions and duties under the Act, and these rules.

- v) Member Secretary shall monitor the progress of each conciliation proceedings as also suggest measures for expeditious and cost effect conciliation.
- vi) The Member Secretary may delegate to any person(s) of the Forum/SCOPE/or any other suitable person to discharge such of the functions and duties of the Secretary, as may be deemed necessary, from time to time under intimation.

7. PANEL OF CONCILIATOR

- i) Secretary in consultation with two members of the Governing Body shall prepare and maintain a panel of Conciliators from amongst persons qualified and/or possessing knowledge/ or experience in their respective field/or profession and conciliation law and procedure and persons of integrity and impartiality and willing to serve as Conciliator.
- ii) All the members of the panel will have equal status and parties will not have any right to challenge the appointment of the Conciliator on the ground that its nominee conciliator has higher status than the other Conciliator.
- iii) The persons who have attained the age of 80 years will automatically cease to be on the panel of the Conciliators of the Forum

In case where Conciliator/Presiding Conciliator has been appointed and during the pendency of conciliation proceedings, he/she attains the age of 80 years, he/she will continue to be conciliator/Presiding conciliator till



completion of conciliation proceedings upto passing of final award.

8. QUALIFICATION OF PERSONS TO BE EMPANELLED AS CONCILIATOR

The following persons may be enlisted in the panel of Conciliators

- i) Retired Judges of the Supreme Court of India, High Courts, District Courts & officers of higher Judicial service & equivalent.
- ii) Retired Government officials of and above the rank of Joint Secretary and serving and retired PSUs employees of and above the level of GM of schedule 'A' PSU
- iii) Experts or other professionals with at least 20 years' standing in their fields viz., chartered accountants, Engineers and Maritime shipping.
- iv) Legal practitioners/Advocates having minimum experience of 15 years in High Courts and Supreme Court.

9. DISQUALIFICATIONS OF PERSONS TO BE EMPANELLED AS CONCILIATOR

The following persons shall be deemed to be disqualified for being empanelled as Conciliator.

- i) Any person who has been adjudged as insolvent.
- ii) Any person who has been convicted by a criminal court for any offence involving moral turpitude.
- iii) Any person against whom disciplinary proceedings have been initiated by the appropriate disciplinary authority which have resulted in a punishment.

10. PREFERENCE

The SFCA while nominating any person from the panel of conciliators shall consider his suitability for resolving the dispute(s) involved and shall give preference to those who have proven record of successful conciliation or who have special qualification or experience in the conciliation.

11. DUTY OF CONCILIATOR TO DISCLOSE CERTAIN FACTS

- (i) When a person is approached in connection with his proposed appointment as Mediator/Conciliator, he shall disclose any circumstance likely to give rise to a reasonable doubt as to his independence or impartiality.
- (ii) Every Conciliator shall from the time of his appointment and throughout continuance of the conciliation proceedings, without delay, disclose to the parties, about the existence of any circumstance referred to in Clause (i)

12. WITHDRAWAL OF APPOINTMENT

Upon information furnished by the Conciliator under Rule 11 or upon any other information received from the parties or other persons, if the SFCA, in which the suit or proceeding is pending, is satisfied, that the said information has raised a reasonable doubt as to the Conciliator's independence or impartiality, it may withdraw the appointment and replace him by another Conciliator.

13. REPRESENTATION OF PARTIES

The parties shall ordinarily be present personally or through constituted attorney at the session or meetings notified by the Conciliator. However, they may be represented by the counsel with permission of the Conciliator in such sessions or meetings.



The party not residing in India, may be represented by the constituted attorney at the session or meeting. However, it may be represented by the counsel with permission of the Conciliator in such sessions or meetings.

14. CONSEQUENCES OF NON-ATTENDANCE OF PARTIES AT SESSIONS OR MEETINGS ON DUE DATE

If a party fails to attend a session or a meeting notified by the Conciliator on account of deliberate or wilful act, the other party can apply to the Conciliator/SFCA in which the suit or proceeding is pending, in that case Conciliator/SFCA may impose appropriate cost having regard to the facts and circumstances of the case.

15. PARTIES TO ACT IN GOOD FAITH

All the parties shall commit to participate in the proceedings in good faith with the intention to settle the dispute(s), if possible.

16. PROCEDURE FOR CONCILIATION PROCEEDINGS

The party initiating conciliation shall send to the other party a written invitation and simultaneously approach the SFCA for conciliation alongwith payment of registration fees as per Clause 37 to conciliate under these rules, briefly identifying the subject matter of the dispute. If the other party rejects the invitation, there will be no conciliation proceedings at all.

17. COMPOSITION OF CONCILIATION TRIBUNAL

- i) There shall be Sole Conciliator, where claim does not exceed Rs. Five crores
- ii) Where the claim exceeds Rs. Five crores, the parties to the dispute unless otherwise agree to refer to a Sole Conciliator, the Conciliation Tribunal shall consist of three Conciliators or as decided and agreed by the parties.

18. APPOINTMENT OF SOLE CONCILIATOR

Unless there is a provision in the Agreement between the parties for appointment of Conciliator(s), the Secretary shall notify in writing to the parties of the dispute five names from the panel and ask for nomination of one common name as Sole Conciliator within thirty days. If the parties fail to nominate a common name from the panel within the specified period from the date of receipt of the communication from the Secretary, the Secretary in consultation with Vice President. shall appoint the Sole Conciliator from the Panel.

If there is a provision in the agreement between the parties for appointment of Conciliator, the appointment of Conciliator shall be in terms of agreement from the panel of Conciliators of SFCA.

19. APPOINTMENT OF THREE CONCILIATORS

Unless there is provision in the Agreement between the parties for Appointment of Conciliator(s), the Secretary shall notify in writing to the parties of dispute to appoint one Conciliator each from among the panel of Conciliators of the forum within 30 days from its receipt. If any party fails to nominate Conciliator within the said period, the Secretary in consultation with the Vice President, shall appoint the Conciliator from among the panel of Conciliators of Forum on behalf of the parties.

- i) On receipt of the nominations from the parties or on the appointment as aforesaid by the Secretary shall appoint the Presiding Conciliator from among the Panel of Conciliators of the Forum in consultation with the Vice-President.
- ii) If there is a provision in the agreement between the parties for appointment of Conciliator, the appointment of Conciliator shall be in terms of the agreement from the panel of Conciliators of SFCA.



- iii) The Parties and/or the Secretary, as the case may be, will obtain the consent of the Conciliator, who will be duly intimated about the appointment.
- iv) The appointment will take effect from the date of such intimation about the constitution of the Conciliation Tribunal.
- v) If any appointed Conciliator resigns or dies or is unable to perform his functions during the conciliation, the Secretary in consultation with Vice-President may terminate the appointment of such Conciliator and inform him and the parties accordingly. He shall also take further steps to fill the vacancies in accordance with the provisions of Section 15 of the Arbitration and Conciliation Act, 1996.
- vi) In case a party refuses to, fails to, deposit the prescribed Administrative and/or the conciliation cost and fees the non-defaulting party shall have the option to deposit such administrative and conciliation cost and other expenses and request the conciliation tribunal to proceed with conciliation reference. The defaulting party shall have no right to nominate the conciliator.

The conciliation tribunal will then proceed further with the reference.

20. SUBMISSION OF STATEMENTS TO CONCILIATOR

- i) The conciliator may, upon his appointment, request, each party to submit to him and a copy to the Forum a brief statement in writing describing the general nature of the dispute, the points at issue and the amount, if any, of the claim. Each party shall send a copy of such statement to the other party.
- ii) The conciliator may request each party to submit to him a written statement of his position and the facts and grounds

in support thereof, supplemented by any documents and other evidence that such party deems appropriate. The party shall send a copy of such statement to the other party.

- iii) At any stage of the conciliation proceedings the conciliator may request a party to submit to him such additional information as he deems appropriate.

21. REPRESENTATION AND ASSISTANCE

The parties may be represented or assisted by their authorized representatives. The names and addresses of such persons are to be communicated in writing to other party and to the conciliator. Such communication is to specify whether the appointment is made for the purposes of representation and assistance.

22. ROLE OF CONCILIATOR

- i) The Conciliator will assist the parties in an independent and impartial manner in their attempt to reach an amicable settlement of their dispute.
- ii) The Conciliator shall be guided by principles of objectivity, fairness and justice, giving consideration to, among other things their rights and obligations of the parties, the usage of the trade concerned and the circumstances surrounding the dispute, including any previous business practices between the parties.
- iii) The Conciliator may conduct the conciliation proceedings in such manner as he considers appropriate, taking into account the circumstances of the case, the wishes the parties may express, including any request by a party that the conciliator hear oral statements, and the need for a speedy settlement of the dispute.
- iv) The conciliator may, at any stage of the conciliation proceedings, make proposals for a settlement of the dispute. Such proposal need not be in writing and need not be accompanied by a statement of the reasons thereof.



23. ADMINISTRATIVE ASSISTANCE

Administrative/Secretarial assistance during the conciliation proceedings will be provided by the Forum at the applicable fees and charges.

24. COMMUNICATION BETWEEN CONCILIATOR AND PARTIES

The conciliator may invite the parties to meet with him or may communicate with them orally or in writing. He may meet or communicate with the parties together or with each of them separately.

Unless the parties have agreed upon the place where meetings with the conciliator are to be held, such place shall be determined by the conciliator, taking into consideration the circumstances of the conciliation proceedings.

Provided that where administrative assistance by the Forum is sought under rule 23, the place where meetings with conciliator are to be held shall be determined in consultation with the Forum.

25. DISCLOSURE OF INFORMATION

When the Conciliator receives factual information concerning the dispute from a party, he shall disclose the substances of that information to the other party in order that the other party may have the opportunity to present any explanation which he considers appropriate.

Provided that, when a party gives any information to the conciliator subject to a specific condition that it be kept confidential, the Conciliator shall not disclose that information to other party.

26. COOPERATION OF PARTIES WITH CONCILIATOR

The Parties will in good faith co-operate with the Conciliator and in particular, will endeavour to comply with request by the Conciliator to submit written material, provide evidence and attend meetings.

27. SUGGESTIONS BY PARTIES FOR SETTLEMENT OF DISPUTES

Each party may on its own initiative or at the invitation of the Conciliator, submit to the Conciliator suggestions for the settlement of the disputes.

28. AGREEMENT OF SETTLEMENT

- i) If the parties reach agreement on a settlement of the dispute, they may draw up and sign a written settlement agreement. If requested by the parties, the conciliator may draw up or assist the parties in drawing up the settlement agreement.
- ii) The parties by signing the settlement agreement put on end to the dispute and are bound by the Settlement Agreement.
- iii) The Conciliator shall authenticate the settlement agreement and furnish copy thereof to each of the parties.
- iv) The settlement agreement shall have the same status and effect as it is an arbitral award on agreed terms on the substance of the dispute rendered by Conciliation Tribunal under Section 30 of the Arbitration and Conciliation Act, 1996.

29. CONFIDENTIALITY

The Conciliator and the parties must keep confidential all matters relating to the conciliation proceedings. Confidentiality extends also to the settlement agreement, except where its disclosure is necessary for purposes of its implementation and enforcement.



30. TERMINATION OF CONCILIATION PROCEEDINGS

The Conciliation proceedings shall be terminated

- a) By signing of the settlement agreement by the parties on the date of the agreement; or,
- b) By a written declaration of the Conciliator, after consultation of the parties, to the effect that further efforts at conciliation are no longer justified, on the date of the declaration; or
- c) By a written declaration of the parties addressed to the Conciliator to the effect that the conciliation proceedings are terminated on the date of the declaration; or
- d) By a written declaration of a party to the other party and the Conciliator, if appointed, to the effect that the conciliation proceedings are terminated, on the date of the declaration.
- e) On failure of one party to deposit the costs.

31. RESORT TO ARBITRAL OR JUDICIAL PROCEEDINGS

The parties shall not initiate, during the conciliation proceedings, any arbitral or judicial proceedings in respect of a dispute that is the subject matter of the conciliation proceedings except that a party may initiate arbitral or judicial proceedings where, in its opinion, such proceedings are necessary for preserving his rights.

32. COSTS

The cost shall be borne equally by the parties unless the settlement agreement provides for a different. All other expenses incurred by a party shall be borne by that party.

33. DEPOSITS

The Secretary may require the parties before passing the case for

initiating conciliation proceedings, to deposit in advance in one or more instalments such sum of money as he deems necessary to defray expenses of conciliation including the administrative charges and Conciliator's fee. The deposits as a general rule shall be called for, in equal shares from the Claimants(s) and the Defendant(s).

All deposits towards costs and expenses shall be made with the Forum and no payment shall be released to the conciliator directly by the parties.

34. ROLE OF CONCILIATORS IN OTHER PROCEEDINGS

The parties and the Conciliator undertake that the Conciliator will not act as an Arbitrator or as a representative or counsel of a party in any arbitral or judicial proceedings in respect of a dispute that is the subject of the conciliation proceedings. The parties also undertake that they will not present the conciliator as a witness in any such proceedings.

35. ADMISSIBILITY OF EVIDENCE IN OTHER PROCEEDINGS

The parties undertake not to rely on or introduce as evidence in arbitral or judicial proceedings whether or not such proceedings relate to the dispute that is the subject of the conciliation proceedings.

- a) Views expressed or suggestions made by the other party in respect of a possible settlement of the dispute.
- b) Admission made by the other party in the course of the conciliation proceedings.
- c) Proposals made by the conciliator
- d) The fact that the other party had indicated his willingness to accept a proposal for settlement made by the conciliator



36. To facilitate the conduct of conciliation proceedings that the parties have agreed to conduct **UNDER THE RULES OF CONCILIATION**, the Forum will;

- (a) Perform the functions of the appointing authority whenever;
- i) the Forum has been so designated by the parties in conciliation clause of their contract or in a separate agreement, or
 - ii) the parties have agreed to submit a dispute to the Forum under the Rules of Conciliation without specifically designating it as appointing authority; and
- (b) Provide the administrative services herein specified when required by the agreement or when requested by all the parties, or by the Conciliator with the consent of the parties.

37. REGISTRATION FEE (NON REFUNDABLE)

The non-refundable Registration fee is Rs. 15,000/-+statutory taxes as applicable and shall be payable alongwth the request of conciliation through Demand Draft in favour of SCOPE payable at Delhi. Alternatively they may credit it to SCOPE’s designated Bank account through e-Banking.

38. ADMINISTRATIVE FEE

The Administrative Fee of the Forum will be with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.30,000/-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.30,000/- + Rs.1,500/- per lakh or part thereof subject to a ceiling of Rs.65,000/-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs.65,000 /- + Rs.2,000/- per lakh or part thereof subject to a ceiling of Rs.2,15,000/-

From Rs. 1 Crore one to Rs.5 Crore	Rs.2,15,000/- + Rs.25,000/- per crore or part thereof subject to a ceiling of Rs.3,15,000/-
From Rs. 5Crore one to Rs. 10 Crore	Rs.3,15,000/- + Rs.15,000/- per crore or part thereof subject to a ceiling of Rs.3,90,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.3,90,000/- + Rs.12,000/- per crore or part thereof subject to a ceiling of Rs.8,70,000/-
Over Rs. 50 Crore	Rs.8,70,000/- + Rs. 10,000/- per crore subject to a ceiling of Rs. 15.00 lakh

39. CONCILIATOR'S FEE

Each Conciliator's fee will be fixed with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.30,000 /-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.30,000 + Rs.2000/- per lakh or part thereof subject to a ceiling of Rs.70,000/-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs.70,000 + Rs.2,000/- per lakh or part thereof subject to a ceiling of Rs2,20,000/-
From Rs. 1 Crore one to Rs.5 Crore	Rs.2,20,000 + Rs.30,000/- per crore or part thereof subject to a ceiling of Rs.3,40,000/-
From Rs. 5Crore one to Rs. 10 Crore	Rs.3,40,000 + Rs.25,000/- per crore or part thereof subject to a ceiling of Rs.4,65,000/-



From Rs. 10 Crore one to Rs. 50 Crore	Rs. 4,65,000 + Rs. 20,000/- per crore or part thereof subject to a ceiling of Rs. 12,65,000/-
Over Rs. 50 Crore	Rs. 12,65,000/- + Rs. 10,000/- per crore, subject to a ceiling of Rs. 25.00 lakh

In addition to the above, each Conciliator will be entitled to receive fee for study of the pleadings, case material, writing of the award etc. with regard to the amount in dispute in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.10,000 /-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.20,000 /-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs 30,000 /-
From Rs. 1 Crore one to Rs.5 Crore	Rs.40,000/-
From Rs. 5Crore one to Rs. 10 Crore	Rs.50,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.60,000/-
Over Rs. 50 Crore	Rs.70,000/-

Note:- 1. In the event where the dispute does not involve monetary claim or disputed amount has not been quantified/indicated, Conciliator's fee will be consolidated Rs. 1.00 lakh inclusive of fee for study of the pleadings, case material and writing of the award etc.

Note:- 2. In the event where the dispute does not involve monetary claim or disputed amount has not been quantified/indicated, administrative fee will be Rs.65,000/-

Note:- 3. In the event, the Conciliation Tribunal is of a Sole Conciliator in place of three or more Conciliators, he shall be entitled to receive an additional amount of Rs. 25% on the fee payable as per the table set out above.

40. PLACE OF CONCILIATION

Unless otherwise agreed by the parties or as provided in the agreement the hearing of Conciliation shall be at New Delhi.

41. CHARGES FOR CONFERENCE HALL AND SECRETARIAL ASSISTANCE

“SFCA” will provide facilities for conference hall and Secretarial assistance and will charge a consolidated fee of Rs. 6500/-(inclusive of Secretarial Assistance, Mineral water, tea/ coffee/ biscuits etc) **in advance**. However, in case parties wish to arrange their own Secretarial assistance, the charges will be Rs. 5500/- payable in advance.

Lunch & high tea can be arranged by the Forum at the cost of the parties on request in advance. In case of cancellation of booking of SFCA hall is reported 10 days in advance from the date of meeting no deductions shall be made from the advance deposit, otherwise no refund will be made.

In case conciliation proceeding is held other than the SFCA Hall of the Forum or outside Delhi, the charges should be same or as agreed between the parties.

In case of conciliation is being held at the residential place of the conciliator, the expenses towards above will be 50% of the above per sitting payable directly to the Conciliator.

42. OTHER EXPENSES

The Conciliator will be paid an amount of Rs. 2000/- or actual Taxi fare towards local conveyance for attending each



conciliation hearing in the city of his residence. Payment of local conveyance will be made by the parties directly to the Conciliator(s) per hearing or in advance as per directions of the Conciliator(s). All the above expenses shall form part of the conciliation costs.

A Conciliator who has to travel shall be paid travelling expenses by air (economy class) or rail (air-conditioned 1st class whichever available) or actual taxi fare (where neither air nor rail facility is available) & local conveyance as above. Actual boarding, lodging subject to maximum of Four Star Hotel per day and in cases where Conciliator makes his own arrangement for boarding, lodging and local transport etc. may be paid out of pocket expenses at the rate of Rs.10500/- per day exclusive of local conveyance without production of vouchers. The limit for stay & local conveyance of the Forum officials will be those applicable to Conciliator.

Member Secretary in consultation with other two members of Governing Body will amend the TA & DA and other expenses from time to time keeping in view the prevailing circumstances.

- 43.** No party is entitled as a right for copies of proceedings before the Conciliator. In case the Secretary is required to furnish copies of depositions and/or documents which have been taken or proved before the Conciliator, a charge as demanded by the Secretary shall be paid by the party requiring such copies.

44. AMENDMENT OF RULES

The Governing Body of the Forum may revise, amend or alter these Rules or the Schedule of Fees and other charges to be charged and paid as and when it may think necessary.

45. INTERPRETATION AND APPLICATION

If any question arises as to the interpretation or application of these rules or any procedural matters there under, the decision of the Governing Body shall be final and binding on the parties.

SCOPE FORUM OF CONCILIATION AND ARBITRATION(SFCA)

ARBITRATION RULES

1. TITLE

These rules may be called **SCOPE FORUM OF ARBITRATION RULES, 2003** (as amended from time to time) hereinafter called the SFCA Arbitration Rules.

It shall come into force on 1st January, 2017.

2. SCOPE AND APPLICABILITY

These rules shall apply where parties have agreed in writing that;

- a) a dispute which has arisen, or
- b) a dispute which may arise,

between them in respect of a defined contractual relationship, should be resolved by Arbitration under the SCOPE Forum of Arbitration Rules, 2003 (as amended from time to time).

These rules shall not apply to disputes which by virtue of any law for the time being enforce may not be submitted to Arbitration.

3. ARBITRATION CLAUSE

The SCOPE Forum of Conciliation and Arbitration (SFCA) recommends to all parties desirous of making reference to Arbitration by this Forum shall provide the following Arbitration clause in their existing and future contracts if law applicable does not prohibit such reference.

"Any dispute or difference whatsoever arising between the parties



relating to construction, interpretation, application, meaning, scope, operation or effect of this contract or the validity or the breach thereof, shall be settled by arbitration in accordance with the Rules of Arbitration of the “SCOPE” and the award made in pursuance thereof shall be final and binding on the parties”.

4. DEFINITIONS

In these rules unless the context otherwise requires:

- a) "Act" means Arbitration and Conciliation Act, 1996 as amended from time to time.
- b) "Arbitration Agreement" means an agreement referred to in Section-7 of the Arbitration and Conciliation Act, 1996.
- c) "Arbitration Award" includes an interim award.
- d) “Arbitral Tribunal” means a sole arbitrator or a panel of arbitrators as constituted under these rules.
- e) "International Commercial Arbitration" means an arbitration relating to disputes arising out of legal relationships whether contractual or not, considered as commercial under the law in force in India and where at least one of the parties is;
 - i) an individual who is a national of, or habitually resident in any country other than India; or
 - ii) a body corporate which is incorporated in any country other than India; or
 - iii) a company or an association or a body of individuals whose central management and control is exercised in any country other than India; or
 - iv) the government of foreign country.
- f) "Party" means a party to an arbitration agreement.

- g) "Forum" means "SCOPE FORUM OF CONCILIATION AND ARBITRATION (SFCA)".
- h) "Rules" means the SFCA RULES OF ARBITRATION
- i) "Governing Body" means the Governing Body of the Forum.
- j) "President" means ex-officio, Chairman, SCOPE.
- k) "Vice President" means ex-officio, DG. SCOPE.
- l) "Member Secretary" means ex-officio General Manager, SCOPE.
- m) "Secretary" means the Secretary for the time being appointed by the Governing Body and includes such other persons as the Governing Body may nominate for carrying out the duties of the Secretary under these rules.
- n) "Panel" means Panel of Arbitrators drawn and maintained by the Forum.
- o) "SCOPE" means Standing Conference of Public Enterprises, registered under the Registration of Society Act XXI of 1860, having its registered office at SCOPE Complex, 7- Lodhi Road, New Delhi-110003.

5. GOVERNING BODY

- i) There will be 15 members of the Governing Body of SFCA. The Governing Body of the Forum shall consist of the following:-

i)	President	Ex-officio Chairman, SCOPE
ii)	Vice President	Ex-Officio Director General, SCOPE
iii)	Member Secretary	Ex-Officio General Manager, SCOPE
iv- x)	Members	Members of Standing Legal Committee



xi-xv)	Members	Five members to be co-opted by the Governing Body from the field of Law, Commerce, Industry and Banking
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- ii) The office bearers of the Governing Body from Sr. No. (i) to iii) above are permanent. The term of members at Sr. No. (iv) to (x) shall be for two years. The President, however, shall have the full power to re-nominate them or nominate other member from any other PSEs and field of Law, Commerce, Industry and Banking after expiry of their term.
- iii) The term of the Governing Body shall be for a period of two years. The first such term shall be effective from 1.6.2003.
- iv) The Governing Body may delegate such powers to President/ Vice President/Member Secretary, as deemed it fit.
- v) The President/ Vice President/ Member Secretary may delegate to the Secretary of the Forum the power to take certain decision provided that such decision shall be reported to them as the case may be.

6. SECRETARIAT AND ITS ROLE

- i) There will be a Secretariat of the Forum, headed by a Secretary who will be appointed by the Governing Body and shall report to the Vice President.
- ii) The number of other officials of the Secretariat to assist the Secretary will be as per the requirement decided by the Vice President of the Governing Body from time to time.
- iii) The Secretariat shall receive applications for empanelment of Arbitrators, take all necessary steps for empanelment of arbitrators and request for Arbitration by the Forum, receive payment of fees and deposits etc.

- iv) The Secretariat shall also receive all communications made to the Arbitrator by the parties and communicate to them the orders and directions of the Arbitrator, keep a register of communications in the Forum and proper records of settlement made by the Arbitrator, keep such other books or memoranda and make such other records or returns as the Governing Body shall from time to time require and generally carry out the directions of the Arbitral Tribunal so constituted under these rules and take such other steps as may be necessary to assist the Arbitrator in carrying out of its functions and duties under the Act, and these rules. The Secretary shall monitor the progress of each arbitration proceedings as also suggest measures for expeditious and cost effective arbitration
- v) The Secretary may delegate to any person(s) of the Forum/ SCOPE/or any other suitable person to discharge such of the functions and duties of the Secretary, as may be deemed necessary, from time to time under intimation.

7. PANEL OF ARBITRATORS

- i) The Secretary in consultation with two members of the Governing Body shall prepare and maintain a panel of arbitrators from amongst persons qualified and/or possessing knowledge/or experience in their respective field/or profession and arbitration law and procedure and persons of integrity and impartiality and willing to serve as Arbitrator.
- ii) All the members of the panel will have equal status and parties will not have any right to challenge the appointment of the Arbitrator on the ground that its nominee Arbitrator has higher status than the other Arbitrator.
- iii) The persons who have attained the age of 80 years will automatically cease to be on the panel of the Arbitrator of the Forum. The Secretary shall ensure that the Panel is



regularly reviewed and updated after removing those who have attained the age of 80.

In case where Arbitrator/Presiding arbitrator has been appointed and during the pendency of arbitration proceedings, he/she attains the age of 80 years, he/she will continue to be arbitrator/Presiding arbitrator till completion of arbitration proceedings upto passing of final award.

8. QUALIFICATION OF PERSONS TO BE EMPANELLED AS AN ARBITRATOR

The following persons may be enlisted in the panel of Arbitrators

- i) Retired Judges of the Supreme Court of India, High Courts, District Courts & officers of higher Judicial service & equivalent.
- ii) Retired Government officials of and above the rank of Joint Secretary and serving and retired PSUs employees of and above the level of GM of schedule “A” PSU.
- iii) Experts or other professionals with at least 20 years standing in different fields viz., Chartered Accountants, Engineers and Maritime shipping.
- iv) Legal practitioners/Advocates having minimum experience of 15 years in High Courts and Supreme Court.

9. DISQUALIFICATIONS OF PERSONS TO BE EMPANELLED AS AN ARBITRATOR

The following persons shall be deemed to be disqualified for being empanelled as Arbitrator.

- i) Any person who has been adjudged as insolvent.
- ii) Any person who has been convicted by a criminal court for any offense involving moral turpitude.

- iii) Any person against whom disciplinary proceedings have been initiated by the appropriate disciplinary authority which have resulted in a punishment.

10. PREFERENCE

The SFCA shall, while nominating any person from the panel of arbitrators referred to in Rule 7, consider his suitability for resolving the dispute(s) involved and shall give preference to those who have proven record of successful arbitration or who have special qualification or experience in the arbitration.

11. DUTY OF ARBITRATOR TO DISCLOSE CERTAIN FACTS

- (i) When a person is approached in connection with his proposed appointment as Arbitrator, he shall disclose any circumstance like to give rise to a reasonable doubt as to his independence or impartiality.
- (ii) Every Arbitrator shall from the time of his appointment and throughout continuance of the arbitration proceedings, without delay, disclose to the parties, about the existence of any circumstances referred to in Clause (i).

12. WITHDRAWAL OF APPOINTMENT

Upon information furnished by the Arbitrator under Rule 11 or upon any other information received from the parties or other persons, if the SFCA, in which the suit or proceeding is pending, is satisfied, that the said information has raised a reasonable doubt as to the Arbitrator's independence or impartiality, it may withdraw the appointment and replace him by another Arbitrator.

13. REPRESENTATION OF PARTIES

The parties shall ordinarily be present personally or through



constituted attorney at the session or meetings notified by the Arbitrator/Arbitral Tribunal. However, they may be represented by the counsel(s) with permission of the Arbitrator in such sessions or meetings.

The party not residing in India, may be represented by the constituted attorney at the session or meeting. However, it may be represented by the counsel with permission of the Arbitrator in such sessions or meetings.

14. CONSEQUENCES OF NON-ATTENDANCE OF PARTIES AT SESSIONS OR MEETINGS ON DUE DATE

If a party fails to attend a session or a meeting notified by the Arbitrator/Arbitral Tribunal on account of deliberate or wilful act, the other party can apply to Arbitrator/Arbitral Tribunal/SFCA in which the suit or proceeding is pending, in that case Arbitrator/Arbitral Tribunal/SFCA may impose appropriate cost having regard to the facts and circumstances of the case.

15. PARTIES TO ACT IN GOOD FAITH

All the parties shall commit to participate in the proceedings in good faith with the intention to settle the dispute(s), if possible

16. PROCEDURE FOR ARBITRATION PROCEEDINGS

The party initiating Arbitration shall send to the other party a written invitation to arbitration under these rules, briefly identifying the subject matter of the dispute. Thereafter the party would approach the SFCA for Arbitration alongwith payment of registration Fees as per clause 23.

17. COMPOSITION OF ARBITRAL TRIBUNAL

- i) The Arbitral Tribunal shall consist of sole arbitrator, where claim, if any, does not exceed Rs. Five crores.

- ii) Where the claim exceeds Rs. Five crores, the parties to the dispute unless otherwise agree to refer to a Sole Arbitrator, the Arbitral Tribunal shall consist of three Arbitrators.

18. APPOINTMENT OF SOLE ARBITRATOR

Unless there is a provision in the Agreement between the parties for appointment of Arbitrator(s), the Secretary shall notify in writing to the parties of the dispute five names from the panel and ask for nomination of one common name as Sole Arbitrator within thirty days. If the parties fail to nominate a common name from the panel within the specified period from the date of receipt of the communication from the Secretary, the Secretary in consultation with Vice President shall appoint the Sole Arbitrator from the Panel thereafter.

If there is a provision in the agreement between the parties for appointment of Arbitrator, the appointment of Arbitrator shall be in terms of the agreement from the panel of Arbitrators of SFCA.

19. APPOINTMENT OF THREE ARBITRATORS

- i) Unless there is provision in the Agreement between the parties for Appointment of Arbitrator(s), the Secretary shall notify in writing to the parties of dispute to appoint one Arbitrator each from among the panel of arbitrators of the Forum within 30 days. If the parties fail to nominate Arbitrator within the said period, the Secretary in consultation with the Vice President, shall appoint the Arbitrator from among the panel of Arbitrators of the Forum on behalf of the parties.
- ii) On receipt of the nominations from the parties or on



appointment as aforesaid by the Secretary, the Secretary shall appoint the Presiding Arbitrator from among the Panel of Arbitrators of the Forum in consultation with the Vice President. In case of International Arbitration, unless parties agree, Presiding Arbitrator will be among the national of a country other than that of either of the parties.

- iii) If there is a provision in the agreement between the parties for appointment of Arbitrator, the appointment of Arbitrator shall be in terms of the agreement from the panel of Arbitrators of SFCA.
- iv) The parties and/or the Secretary, as the case may be will obtain the consent of the Arbitrator , who will be duly intimated about the appointment.
- v) The appointment will take effect from the date of such intimation about the constitution of the Arbitral Tribunal.
- vi) If any appointed Arbitrator resigns or dies or is unable to perform his functions, during the arbitration, the Secretary in consultation with Vice-President may terminate the appointment of such Arbitrator and inform him and the parties accordingly. He shall also take further steps to fill the vacancies in accordance with the provisions of Section 15 of the Arbitration and Conciliation Act. 1996.
- vii) In case a party refuses to, or fails to, deposit the prescribed Administrative and/or the Arbitration cost and fees the non-defaulting party shall have the option to deposit such Administrative and Arbitration cost and other expenses and request the Arbitral Tribunal to proceed with Arbitral reference. The defaulting party shall have no right to nominate the Arbitrator.

20. INITIATION OF ARBITRATION PROCEEDINGS

- i) Unless there is provision(s) in the agreement between the parties for initiation of arbitration proceedings, a party wishing to have recourse to arbitration proceedings under these Rules shall submit its request for Arbitration to the Secretariat of the Forum with a copy to the other side. The Secretariat of the Forum shall notify in writing to the claimant and the respondent, the receipt of the request and the date of such receipt. The request shall, inter-alia, contain the following information;
 - a) the name in full description and address including e-mail of each of the parties with copy to other party.
 - b) Statement of claim and facts supporting the claim, points at issue and relief or remedies sought with relevant details of the claimant's case with copy to other party.
 - c) Copies of the Arbitration agreement, and the Contract and such other documents and information relevant or relied upon with copy to other party.
 - d) Deposit the Advance cost of Arbitration as determined by Secretary of the Forum which will be finally adjusted towards Arbitration cost and expenses.
- ii) On receipt of an application alongwith the claim statement, the Secretariat of the Forum shall send to the other Party a copy of claim statement, if already not sent by the claimant and attached documents and ask such other party to furnish within thirty days or within an extended date, a defense statement and counter claim (if any) setting out his case accompanied by all documents and relevant information in support of or bearing on the matter. If the respondent party fails to communicate their statement of defence within



the time frame agreed upon the parties or determined by the Secretariat or arbitral tribunal, the Secretariat or the tribunal shall have the discretion to treat the right of the respondent party to file such a statement of defence as having been forfeited.

- iii) All statements replies and other documents and papers submitted by the parties and all appended documents must be supplied as indicated by the Secretariat. Where there is more than one arbitrator or more than one opposing party, the parties shall furnish to the Secretariat such number of additional copies as may be required by the Secretariat.
- iv) After completion of the pleadings, the Secretary will forward the complete set of documents to the Arbitrator/ Arbitral Tribunal minus what has already been supplied by the parties for further arbitration proceedings.
- v) If agreement between the parties contains provision regarding initiation of arbitration proceedings, the initiation will be done in terms of the said provisions.
- vi) If the court passes any interim measure under Section 9 (for example, a party may seek interim protection of goods, amounts, property, etc. that is the subject matter of the arbitration before a court), the arbitral proceedings must commence within 90 days of the court order.

21. PLACE OF ARBITRATION HEARING

Unless there is provision in the agreement or otherwise agreed by the parties, the hearings of the Arbitration shall be at New Delhi or any other place which the Arbitral Tribunal may decide in consultation with the Forum and the parties.

22. MODE OF COMMUNICATION/SERVICE NOTICE/ RECORDS

Any communication sent by the Secretariat under the Registered post A/D or by E.Mail or by messenger to the Respondent, Claimant or any other party on the address appearing in the Contract Agreement between the parties as per the information supplied to the Forum or at his place of business, habitual residence or mailing address last known will be deemed to be duly served on them.

23. REGISTRATION FEE (NON-REFUNDABLE) (DOMESTIC)

The Non-Refundable Registration Fee of Rs. 15,000/-+statutory taxes applicable, in each case shall be payable alongwith request of Arbitration through Demand Draft in favour of SCOPE payable at Delhi. Alternatively the Fee may be credited to SCOPE's designated Bank account through e-Banking

24. ADMINISTRATIVE FEE (DOMESTIC)

The Administrative Fee of the Forum will be with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.30,000/-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.30,000/- + Rs.1,500/- per lakh or part thereof subject to a ceiling of Rs.65,000/-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs.65,000 /- + Rs.2,000/- per lakh or part thereof subject to a ceiling of Rs.2,15,000/-



From Rs. 1 Crore one to Rs.5 Crore	Rs.2,15,000/- + Rs.25,000/- per crore or part thereof subject to a ceiling of Rs.3,15,000/-
From Rs. 5Crore one to Rs. 10 Crore	Rs.3,15,000/- + Rs.15,000/- per crore or part thereof subject to a ceiling of Rs.3,90,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.3,90,000/- + Rs.12,000/- per crore or part thereof subject to a ceiling of Rs.8,70,000/-
Over Rs. 50 Crore	Rs.8,70,000/- + Rs. 10,000/- per crore with a ceiling of Rs.15.00 lakh

25. ARBITRATOR'S FEE (DOMESTIC)

Each Arbitrator's fee will be fixed with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.30,000 /-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.30,000 + Rs.2000/- per lakh or part thereof subject to a ceiling of Rs.70,000/-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs.70,000 + Rs.2,000/- per lakh or part thereof subject to a ceiling of Rs2,20,000/-
From Rs. 1 Crore one to Rs.5 Crore	Rs.2,20,000 + Rs.30,000/- per crore or part thereof subject to a ceiling of Rs.3,40,000/-

From Rs. 5Crore one to Rs. 10 Crore	Rs.3,40,000 + Rs.25,000/- per crore or part thereof subject to a ceiling of Rs 4,65,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs. 4,65,000 + Rs. 20,000/- per crore or part thereof subject to a ceiling of Rs. 12,65,000/-
Over Rs. 50 Crore	Rs, 12,65,000/- + Rs. 10,000/- per crore, subject to a ceiling of Rs. 25 lakh.

In addition to the above, each Arbitrator will be entitled to receive fee for study of the pleadings, case material, writing of the award etc. with regard to the amount in dispute in each case to be shared equally by the parties as under:

Up to Rs.5 Lakhs	Rs.10,000 /-
From Rs.5 lakhs one to Rs. 25 lakhs	Rs.20,000 /-
From Rs. 25 lakhs one to Rs. 1 Crore	Rs 30,000 /-
From Rs. 1 Crore one to Rs.5 Crore	Rs.40,000/-
From Rs. 5Crore one to Rs. 10 Crore	Rs.50,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.60,000/-
Over Rs. 50 Crore	Rs.70,000/-

Note: 1. In the event where the dispute does not involve monetary claim or disputed amount has not been quantified/ indicated, Arbitrator's Fee will be consolidated Rs. 1.00 lakh inclusive of fee for study of the pleadings, Case material, writing of the award etc.



Note: 2. In the event where the dispute does not involve monetary claim or disputed amount has not been quantified/indicated, the administrative fee will be Rs. 65,000/-.

Note: 3. In the event, the arbitral tribunal is of a Sole Arbitrator, in place of three or more Arbitrators, he/she shall be entitled to an additional amount of Rs. 25% on the fee payable as per the table set out above.

26. REGISTRATION FEE (NON-REFUNDABLE) (INTERNATIONAL)

The Non- Refundable Registration Fee of US\$ 1500+statutory taxes applicable in each case shall be payable alongwith request of Arbitration in favour of STANDING CONFERENCE OF PUBLIC ENTERPRISES(SCOPE) through e-Banking.

27. ADMINISTRATIVE FEE (INTERNATIONAL)

The Administrative Fee of the Forum will be with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under;

AMOUNT OF CLAIM AND COUNTER CLAIM (In US Dollars)	ADMINISTRATIVE CHARGES (In US Dollars)
Upto 50,000	1800
From 50,001 to 1,00,000	1,800 plus 1.5% of amount over and above 50,000
From 1,00,001 to 5,00,000	2,500 plus 0.4% of amount over and above 1,00,000
From 5,00,001 to 10,00,000	8,500 plus 0.3% of amount over and above 5,00,000
Over 10,00,000	10,000 plus 0.3% of amount over and above 10,00,000

28. ARBITRATOR’S FEE (INTERNATIONAL)

Each Arbitrator’s fee will be fixed with regard to the amount in dispute including determined interest in each case to be shared equally by the parties as under;

AMOUNT OF CLAIM AND COUNTER CLAIM (In US Dollars)	ARBITRATOR’S FEE FOR EACH ARBITRATOR (In US Dollars)
Upto 50,000	3,500
From 50,001 to 1,00,000	3,500 plus 3% amount over and above 50,000
From 1,00,001 to 5,00,000	5,000 plus 5% of amount over and above 1,00,000
From 5,00,001 to 10,00,000	10,500 plus 1.5% of amount over and above 5,00,000
Over 10,00,000	18,000 plus 0.5% of amount over and above 10,00,000

Note: The Secretary in consultation with Vice-President shall fix charges for local conveyance, travelling, boarding, lodging and out of pocket expenses etc. over and above what has been prescribed above.

29. CHARGES FOR CONFERENCE HALL AND SECRETARIAL ASSISTANCE

“SFCA” will provide facilities for conference hall and Secretarial assistance and will charge a consolidated fee of Rs. 6500/- (inclusive of Secretarial Assistance, Mineral water, tea/coffee/ biscuits etc) **in advance**. However, in case parties wish to arrange their own Secretarial assistance, the charges will be Rs. 5500/- payable in advance.

Lunch & high tea can be arranged by the Forum at the cost of the parties on request in advance. In case of cancellation of



booking of SFCA hall is reported 10 days in advance from the date of meeting no deductions shall be made from the advance deposit, otherwise no refund will be made.

In case arbitration proceedings is being held other than the SFCA Hall of the Forum or outside Delhi, the charges should be same or as agreed between the parties.

In case of arbitration is being held at the residential place of the Arbitrator the expenses towards above will be 50% of the above per sitting, payable directly to the Arbitrator.

30. OTHER EXPENSES

The Arbitrator will be paid an amount of Rs. 2000/- or actual Taxi fare towards local conveyance for attending each arbitration hearing in the city of his residence. Payment of local conveyance will be made by the parties directly to the Arbitrator(s) per hearing or in advance as per direction of the Arbitrator(s). All the above expenses shall form part of the arbitration costs.

An Arbitrator who has to travel shall be paid travelling expenses by air (economy class) or rail (air-conditioned 1st class, whichever available) or actual taxi fare (where neither air nor rail connectivity is available) & local conveyance as above. Actual boarding, lodging subject to maximum of Four Star Hotel per day. An arbitrator who makes his own arrangement for boarding, lodging and local transport etc. may be paid out of pocket expenses at the rate of Rs.10500/- per day exclusive of local conveyance without production of vouchers. The limits for stay & local conveyance of the Forum officials will be those applicable to arbitrator. Payment shall be made by the parties directly to the Arbitrator(s) as per their directions.

Member Secretary in consultation with the other two members of Governing Body will amend the TA & DA and other expenses from time to time keeping in view of prevailing circumstances.

31. DEPOSITS

The Member Secretary may require the parties before passing the case for initiating arbitration proceedings, to deposit in advance in one or more instalments such sum of money as he deems necessary to defray expenses of arbitration including the administrative charges and arbitrator's fee. The deposits as a general rule shall be called for, in equal shares from the Claimants(s) and the Defendant(s).

All deposits towards costs and expenses shall be made with the Forum and no payment shall be released to the Arbitrator(s) directly by the parties other than indicated above or as directed by the Secretariat.

32. RESORT TO ARBITRAL OR JUDICIAL PROCEEDINGS

The parties shall not initiate, during the Arbitration proceedings, judicial proceedings in respect of a dispute that is the subject matter of the Arbitration proceedings except that a party may initiate arbitral or judicial proceedings where, in its opinion, such proceedings are necessary for preserving his rights.

- 33.** The Sole Arbitrator/Arbitral Tribunal proceedings shall make the award as expeditiously as possible preferably within six months but not later than one year from the date of receipts of complete set of pleadings from the Secretary. The arbitral tribunal shall not give adjournments to any party without sufficient reason and may impose an exemplary cost on those seeking adjournments without sufficient cause. If the circumstances are beyond the control of the parties and the Sole Arbitrator or Arbitral Tribunal is satisfied that reasons and circumstances are justified, Arbitrator/Arbitral Tribunal may grant adjournment.

However, if adjournments are sought beyond period of one year and even if the Arbitral Tribunal is satisfied that the reasons and circumstances are justified, Arbitral Tribunal may grant



adjournments and shall make order for recovering costs from one or both the parties, as the case may be in terms of Section 29(A) of the Arbitration and Conciliation Act, 1996.

- 34.** The award shall be signed by Sole Arbitrator/Arbitral Tribunal (by all members). The award shall be reasoned and shall be final and binding on the parties.

Interest, when not mentioned in award, to be charged @ 2% higher than current rate of interest (in interest Act).

- 35.** Disclosure of interest by Arbitral Tribunal in the subject matter of dispute referred to, by the parties for adjudication before entering upon reference as required under the Act.
- 36.** Stamp duties are to be paid by the parties in equal share in all cases in accordance with the scale of stamp duties for the time being in force.
- 37.** No party is entitled as a right for copies of proceedings before the Arbitrator. In case the Secretary is required to furnish copies of depositions and/or documents which have been taken or proved before the Arbitrator, a charge as demanded by the Secretary shall be payable by the party requiring such copies.

38. INTERPRETATION OF RULES

The decision of the Governing Body on any question relating to interpretation of these Rules or any other procedure/matter therein shall be final and binding on the parties.

39. AMENDMENT OF RULES

The Governing Body may revise, amend or alter these Rules or the Schedule of Fees and other charges to be charged and paid as and when expedient and necessary.



ARBITRATION HALL



SCOPE
Promoting Excellence

SCOPE

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