



**SCOPE FORUM OF CONCILIATION AND ARBITRATION
(SFCA)**

CONCILIATION RULES

1. TITLE

These rules may be called SCOPE Forum of Conciliation Rules, 2003 (as amended upto 01.04.2013).

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, whether contractual or not should be resolved by amicable settlement under the SCOPE Forum of Conciliation Rules, 2003 (as amended upto 01.04.2013).

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. And 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) “President” mean ex-officio, Chairman, SCOPE
- b) “Vice President” means ex-officio, DG, SCOPE
- c) “Governing Body” means the Governing Body of the Forum (SFCA).
- d) “Forum” means SCOPE Forum of Conciliation and Arbitration.
- e) “Panel of Conciliation” means Panel of persons approved by the Governing Body to act as Conciliator.
- f) “Party” means a party to the agreement referred to in Rule 3.
- g) “Member Secretary” means ex-officio, GM, SCOPE.
- h) “Settlement Agreement” means agreement as specified in Section 73 of the Act.
- i) “Rules” means SCOPE Forum of Conciliation Rules, 2003 (as amended upto 01.04.2013).
- j) “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.


- k) "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 -11003.

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) to vii)	Members	Members of Standing Legal Committee
viii)	Member	From Banking Sector
ix)	Member	From Private Sector
x)	Member	State PSEs
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 (xv) 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 Banks 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.

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- 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 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 awards 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.

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- v) Secretary shall monitor the progress of each conciliation proceedings as also suggest measures for expeditious and cost effective conciliation.
 - vi) 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. PROCEDURE FOR CONCILIATION PROCEEDINGS

Commencement of Conciliation Proceedings


The party initiating conciliation shall send to the other party a written invitation 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.

8. 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.
- iii) The persons who have attained the age of 75 years will automatically cease to be on the panel of the conciliators of the Forum.

In case where conciliator has been appointed and during the pendency of conciliation proceedings, he/she attains the age of 75 years, he/she will continue to be conciliator till completion of conciliation proceedings up to passing of final award.


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- iv) 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.

(A) Appointment of the Sole Conciliator (Domestic)

The Secretary shall notify in writing to the parties of the dispute three 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 within 15 days thereafter.

(B) Appointment of Three Conciliators (Domestic)

- i) Where the conciliation agreement provides that each party shall appoint one conciliator, 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. If the parties fail to nominate conciliators within the said period, the Secretary in consultation with the Vice President, shall appoint within 15 days thereafter, the conciliators from among the panel of Conciliators Forum on behalf of the parties.
- ii) On receipt of the nominations from the parties or on the appointment as aforesaid by the Secretary, the Secretary shall within 15 days, appoint the Presiding Conciliator from among the Panel of Conciliators of the Forum in consultation with the Vice President.
- 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.

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- iv) The appointment will take effect from the date of such intimation about the constitution of the Conciliation Tribunal.


(C) Appointment of Conciliators (International)

In case of international commercial conciliation unless otherwise agreed by the parties, the appointment of sole or three conciliators shall be made as per the provisions of clause “A” & “B” above which shall mutadis mutandis apply. The Sole or the Presiding Conciliator shall be appointed within 30 days by the Secretary from among the national of a country other than that of either of the parties.

- (D) If any appointed Conciliator resigns or dies or is unable to perform his functions, prior to or 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.
- (E) In case a party refuses to, or 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 Conciliators to proceed with conciliation reference. The Conciliators will then proceed further with the reference.

9. SUBMISSION OF STATEMENTS TO CONCILIATOR

1. 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.
2. 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.


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

10. 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 the other party and to the conciliator. Such communication is to specify whether the appointment is made for the purposes of representation and assistance.

11. ROLE OF CONCILIATOR

1. The conciliator will assist the parties in an independent and impartial manner in their attempt to reach an amicable settlement of their dispute.
2. 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.
3. 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.

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4. 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.

12. ADMINISTRATIVE ASSISTANCE

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

13. 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 12, the place where meetings with conciliator are to be held shall be determined in consultation with the Forum.

14. 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.

15. COOPERATION OF PARTIES WITH CONCILIATOR

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

16. 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.

17. SETTLEMENT OF AGREEMENT

- 1) 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.
- 2) The parties by signing the settlement agreement put on end to the dispute and are bound by the Settlement agreement.
- 3) The conciliator shall authenticate the settlement agreement and furnish copy thereof to each of the parties.
- 4) 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.

18. 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.

19. 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.

20. 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.

21. COSTS

Upon termination of the conciliation proceedings, the conciliator shall fix the costs of the conciliation and give written notice thereof to the parties. Fee of the conciliator and assistance provided shall become payable in accordance with the Schedule under these rules.

- i) Where more than one conciliator is appointed, each conciliator shall be paid separately the fee set out in the Schedule.
- ii) The cost shall be borne equally by the parties unless the settlement agreement provides for a different apportionment. All other expenses incurred by a party shall be borne by that party.

22. DEPOSITS

The Secretary may require the parties before passing the case for initiating conciliation proceedings, to deposit in advance in one or more installments such sum of money as he deems necessary to defray expenses of conciliation including the administrative charges and conciliator's fee. The deposits on general rule shall be called for, in equal shares from the Claimant(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 conciliators directly by the parties.

23. 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.


24. 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.

25. 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

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- 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.

26. SERVICES AS RECOMMENDING OR APPOINTING AUTHORITY

On receipt of a request the Forum will communicate to the party making the request a list containing the names, addresses, nationalities and a description of qualifications and experience of at least three individuals from the panel of conciliators.

On receipt of the request to appoint a conciliator in pursuance of rules, the Forum will follow the following procedure:

- i) the Forum will communicate to each party a list containing the names, addresses, nationalities and a description of qualifications and experience of at least three individuals from the panel of conciliators.
- ii) within thirty days following the receipt of the panel, a party may delete any name to which he objects and after renumbering the names in the order of his preference return the list to the Forum.
- iii) on receipt of the list returned by the parties, the Forum will appoint the conciliator from the panel taking into account the order of preference indicated by the parties.
- iv) if for any reason the appointment cannot be made according to the procedure specified in clauses (i) to (iii), the Forum may, unless the parties recommend the name of the conciliator to be appointed by the Forum, appoint the conciliator from the panel of conciliators.

- v) in recommending or appointing a conciliator the Forum will carefully consider the nature of the dispute in order to include in the panel persons having appropriate professional or business experience, language ability and nationality.

27. REGISTRATION FEE (NON REFUNDABLE)

The Non-Refundable Registration Fee is Rs.10,000/- + statutory taxes as applicable and shall be payable along with request of conciliation 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.

28. 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.10 Lakhs	Rs.12,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.12,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.52,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.52,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.1,02,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.1,02,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.1,32,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.1,32,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.2,52,000/-
Over Rs. 50 Crore	Rs.2,52,000/- + Rs.4,000/- per crore or part thereof.

29. 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.10 Lakhs	Rs.30,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.30,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.70,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.70,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.1,20,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.1,20,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.1,60,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.1,60,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.3,20,000/-
Over Rs. 50 Crore	Rs.3,20,000/- + Rs.4,000/- per crore or part thereof.

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.10 Lakhs	Rs.12,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.20,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.30,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.40,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.50,000/-
Over Rs. 50 Crore	Rs.60,000/-.

In the event any foreign national is appointed as a conciliator, in that event, the Secretary in consultation with two members of the Governing Body, shall be empowered to fix additional fee and travelling and out of pocket expenses over and above what has been prescribed.

Where the sum under the dispute is not stated or in conciliation proceedings where the relief claimed is other than a money claim, viz. a declaratory claim, the Secretary and conciliator / conciliators tribunal may require such deposits as may be deemed necessary to be paid by such of the parties as may be required subject to later adjustment.

PLACE OF CONCILIATION

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

30. CHARGES FOR CONFERENCE HALLS AND SECRETARIAL ASSISTANCE

“SFCA” will provide facilities for conference hall and Secretarial assistance and will charge a consolidated fee of Rs.5000/- (Rs.4000/- for conference hall and Rs.1000/- towards Secretarial assistance).

Tea, snacks and lunch will be arranged by Forum on request in advance at the cost of the parties.

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

In case of conciliation is being held in the residential place of the conciliator the expenses towards above will be 50% of the above per sitting.

31. OTHER EXPENSES

The conciliator will be paid an amount of Rs.1,500/- or actual Taxi fair towards local conveyance for attending each conciliation hearing in the city of his residence. 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 wherever available) or actual taxi fare (where neither connected by air or rail) & local conveyance as above. Actual boarding, lodging subject to maximum of Four Star Hotel per day and a conciliator who makes his own arrangement for boarding, lodging and local transport etc. may be paid out of pocket expenses at the rate of Rs.7,500/- per day exclusive local conveyance without production of vouchers. The limit for stay & local conveyance of the Forum officials will be those applicable to conciliator.

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 the prevailing circumstances.

- 32.** No party is entitled as a right for copies of proceedings before the conciliator. In the 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.

33. AMENDMENT OF RULES

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

34. 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 upto 01.04.2013).

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, whether contractual or not should be resolved by amicable settlement under the SCOPE Forum of Arbitration Rules, 2003 (as amended upto 01.04.2013)

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

3. ARBITRATION CLAUSE

The SCOPE Forum of Conciliation and Arbitration recommends to all parties desirous of making reference to Arbitration by this Forum shall provide the following Arbitration clause in their contracts.

“Any dispute or difference whatsoever arising between the parties and of or 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.
- 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 SCOPE Forum of Arbitration Rules, 2003 (as amended upto 01.04.2013).
- i) “Governing Body” means the Governing Body of the Forum..

- j) "President" mean ex-officio, Chairman, SCOPE
- k) "Vice President" means ex-officio, Director General, 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 -11003.

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) to vii)	Members	Members of Standing Legal Committee
viii)	Member	From Banking Sector
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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 (xv) 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 Banks 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.

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- iv) The Secretariat shall also receive all communications made to the Arbitral Tribunal by the parties and communicate to them the orders and directions of the Arbitral Tribunal, keep a register of communications to the Forum and proper records of awards made by the Arbitral Tribunal, 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 an Arbitral Tribunal so constituted under these rules and take such other steps as may be necessary to assist the Arbitral Tribunal in carrying out of its functions and duties under the Act, and these rules.
 - v) Secretary shall monitor the progress of each arbitration proceedings as also suggest measures for expeditious and cost effective Arbitration.
 - vi) 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 to Vice President.

7. PANEL OF ARBITRATORS

- i) Secretary with the approval of 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.

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- iii) The persons who have attained the age of 75 years will automatically cease to be on the panel of the arbitrators of the Forum.

In case where Arbitrator / Presiding Arbitrator has been appointed and during the pendency of arbitration proceedings, he/she attains the age of 75 years, he/she will continue to be Arbitrator / Presiding Arbitrator till completion of arbitration proceedings up to passing of final award.

8. COMPOSITION OF ARBITRATION TRIBUNAL

- i) The Arbitral Tribunal shall consist of a sole arbitrator, where claim, if any, does not exceed Rs. Five Crore.
- ii) Where the claim exceeds Rs. Five Crore, the parties to the dispute unless otherwise agree to refer to a Sole Arbitrator, the Arbitral Tribunal shall consist of three Arbitrators.

(A) Appointment of the Sole Arbitrator (Domestic)

The Secretary shall notify in writing to the parties of the dispute three 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 within 15 days thereafter.

(B) Appointment of Three Arbitrators (Domestic)

- i) Where the arbitration agreement provides that each party shall appoint one arbitrator, 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 arbitrators within the said period, the Secretary in consultation with the Vice President, shall appoint within 15 days thereafter, the arbitrators from among the Panel of Arbitrators 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 within 15 days, appoint the Presiding Arbitrator from among the Panel of Arbitrators of the Forum in consultation with the Vice President.
- iii) 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.
- iv) The appointment will take effect from the date of such intimation about the constitution of the Arbitral Tribunal.

(C) The Appointment of Arbitrators (International)

In case of international commercial arbitration unless otherwise agreed by the parties the appointment of sole or three arbitrators shall be made as per the provisions of clause "A" & "B" above which shall mutadis mutandis apply. The Sole or the Presiding Arbitrators shall be appointed within 30 days by the Secretary from among the national of a country other than that of either of the parties.

- (D) If any appointed Arbitrator resigns or dies or is unable to perform his functions, prior to or 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.

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- (E) 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 Arbitral Tribunal will then proceed further with the reference.

9. INITIATION OF ARBITRATION PROCEEDINGS

- i) A party wishing to have recourse to arbitration proceedings under these Rules shall submit its Request for Arbitration to the Secretariat of the Forum, which 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.
 - b) Statement of the claim and facts supporting the claim, points at issue and relief or remedies sought with relevant details of the claimant's case.
 - c) Copies of the Arbitration agreement, and the Contract and such other documents and information relevant or relied upon.
 - 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 along with the claim statement, the Secretariat of the Forum shall send to the

other Party a copy of claim statement and attached documents and ask such other party to furnish within thirty days or within any 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.

- iii) All statements, replies and other documents and papers submitted by the parties and all appended documents must be supplied in triplicate. 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 Arbitral Tribunal for further arbitration proceedings.

10. PLACE OF ARBITRATION HEARING

Unless 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.

11. 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.

12. REGISTRATION FEE (NON REFUNDABLE)

The Non-Refundable Registration Fee of Rs.10,000/- + statutory, taxes applicable, in each case shall be payable along with 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

13. 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.10 Lakhs	Rs.20,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.20,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.60,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.60,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.1,10,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.1,10,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.1,50,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.1,50,000/- + Rs.4,000/- per crore or part thereof subject to a ceiling of Rs.3,10,000/-
Over Rs. 50 Crore	Rs.3,10,000 /-+ Rs.4,000/- per crore or part thereof.

14. ARBITRATOR'S FEE

- i) 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.10 Lakhs	Rs.50,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.50,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.90,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.90,000/- + Rs.1,000/- per lakh or part thereof subject to a ceiling of Rs.1,40,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.1,40,000/- + Rs.5,000/- per crore or part thereof subject to a ceiling of Rs.1,80,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.1,80,000/- + Rs.5,000/- per crore or part thereof subject to a ceiling of Rs.3,40,000/-
Over Rs. 50 Crores	Rs.3,40,000/- + Rs.5,000/- per crore or part thereof.

- ii) 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.10 Lakhs	Rs.25,000/-
From Rs.10 lakhs one to Rs. 50 lakhs	Rs.35,000/-
From Rs. 50 lakhs one to Rs. 1 Crore	Rs.45,000/-
From Rs. 1 Crore one to Rs.10 Crore	Rs.55,000/-
From Rs. 10 Crore one to Rs. 50 Crore	Rs.65,000/-
Over Rs. 50 Crore	Rs.75,000/-.

In the event of any foreign national is appointed as a arbitrator, in that case, the Secretary in consultation with two members of the Governing Body, shall be empowered to fix additional fee and travelling and out of pocket expenses over and above what has been prescribed.

Where the sum under the dispute is not stated or in arbitration proceedings where the relief claimed is other than a money claim, viz. a declaratory claim, the Secretary and arbitrator / arbitrators tribunal may require such deposits as may be deemed necessary to be paid by such of the parties as may be required subject to later adjustment.

OTHER EXPENSES:


The Arbitrator will be paid an amount of Rs.1,500/- or actual Taxi fare towards local conveyance for attending each arbitration hearing in the city of his residence. All the above expenses shall form part of the arbitration costs.

A arbitrator who has to travel shall be paid travelling expenses by air (economy class) or rail (air-conditioned 1st Class wherever available) or actual taxi fare (where neither connected by air or rail) & local conveyance as above. Actual boarding, lodging subject to maximum of Four Star Hotel per day and a 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.7,500/- per day exclusive local conveyance without production of vouchers. The limits for stay & local conveyance of the Forum officials will be those applicable to arbitrator .

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.

15. CHARGES FOR CONFERENCE HALLS AND SECRETARIAL ASSISTANCE

“SFCA” will provide facilities for conference hall and Secretarial assistance and will charge a consolidated fee of Rs.5000/- (Rs.4000/- for conference hall and Rs.1000/- towards Secretarial assistance).



Tea, snacks and lunch will be arranged by Forum on request in advance at the cost of the parties.

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 by the parties.


In case of arbitration is being held in the residential place of the arbitrator the expenses towards above will be 50% of the above per sitting.

16. DEPOSIT

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

17. The Sole Arbitration / 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. 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, 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.

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18. The award shall be signed by Sole Arbitrator / Arbitral Tribunal (by all members). The award shall be reasoned Award. The Award shall be final and binding on the parties.
 19. 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.
 20. 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.
 21. No party is entitled as a right for copies of proceedings before the arbitrator. In the 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 paid by the party requiring such copies.

22. 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.

23. AMENDMENT OF RULES

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