



ASSOCHAM International Council of Alternate Dispute Resolution

(Draft Rules of Domestic Commercial Arbitration and Conciliation of AICADR, 2023)



THE ASSOCIATED CHAMBERS OF COMMERCE AND INDUSTRY OF INDIA

4th Floor, YMCA Cultural Centre, and Library Building, 01 Jai Singh Road, New Delhi - 110001

Rules of Domestic Commercial Arbitration and Conciliation of AICADR, 2023

Preliminary

Sections

1. Short title, extent and commencement

PART I

Arbitration

General Rules

2. Definitions
3. Arbitration Committee & Rules Applicable
4. Panel of Arbitrators
5. Appointment, Duties and Powers of the Registrar
6. Initiation of Arbitration
7. Rejection of Arbitration application
8. Defence Statement
9. Counter-claim and reply to Counter- Claim
10. Copies of Statements, Documents and Replies
11. Constitution of Arbitral Tribunal
12. Appointment of Arbitrator/s
13. Disclosure by the Arbitrator
14. Challenging the appointment of the Arbitrator
15. Vacancy of the seat of Arbitrator
16. Deposits
17. Fee and Expenses
 - a. Additional Cost
18. Submission of the case to arbitral tribunal
19. Notifications and/ or Communications from the Registrar
20. Amendments of Claims
21. Place of Arbitration
22. Proceedings before Arbitral Tribunal- conciliation
23. Fast track Arbitration
24. Emergency Arbitration
25. Representation in person
26. Function and powers of the arbitral tribunal
27. Witness
28. Arbitral Award
29. Arbitral Proceedings
30. Waiver of Rules
31. Return of documents
32. Challenging an Award
33. Filing of Award
34. Correction, Interpretation and Remission of Awards
35. Incidental Expenses
36. Stamp duties
37. Copies of Proceedings
38. Cases withdrawn

39. Indemnity of secretariate and arbitrators
40. Costs
41. Amendment of Rules.

PART II

Rules for conciliation

Preliminary

1. Short title and scope
2. Definitions
3. Commencement of Conciliation proceedings
4. Number and appointment of conciliators
5. Submission of Statement of Conciliator
6. Representation and Assistance
7. Role of Conciliator
8. Administrative Services
9. Communication between Conciliator and Parties
10. Disclosure of Information
11. Cooperation of parties with conciliator
12. Suggestion by parties for settlement of dispute
13. Settlement Agreement
14. Confidentiality
15. Termination of Conciliation Proceedings
16. Resort to Arbitral or Judicial Proceedings
17. Costs
18. Deposit
19. Role of conciliator in other proceedings
20. Admissibility of evidence in other proceedings
21. Interpretation and application

PART III

Services for Procedure under the Rules of Conciliation

22. Conciliation services
23. Services as the Registry
24. Services as recommending or appointing authority
25. Administrative Services
26. Fee and Expenses
27. Schedule of Fees
28. Amendments of Rules

In exercise of the powers conferred by Article 3 in its Memorandum of Association and Articles of Association Article 30(d) (ii) of the Articles of Association and the 11th Meeting of ASSOCHAM held on 10th June, 2015, has considered and approved establishment of ASSOCHAM International Council of Alternate Dispute Resolution (AICADR) aiming at resolution of commercial disputes through ADR. ASSOCHAM International Council of Alternate Dispute Resolution (AICADR, or the Council) has made these Rules of Domestic Commercial Arbitration and Conciliation of the AICADR, 2023.

Preliminary

1- Short title, extent and commencement-

- (1) These rules shall be called the "Rules of Domestic Commercial Arbitration and conciliation of the AICADR, 2023".
- (2) These rules shall come into force from 5th Day January, 2023
- (3) These Rules shall apply where parties have agreed in writing that:
 - i. a dispute has arisen, or
 - ii. a dispute which may arise between them in respect of defined legal relationship whether contractual or not, shall be settled under these Rules, and
 - iii. to all disputes submitted for Arbitration and or Conciliation.
- (4) The Council recommends that all parties desirous of referring their dispute(s) to ASSOCHAM International Council of Alternate Dispute Resolution ("AICADR") for Arbitration should insert the following Model Clause in their contracts:
 - a. *"Any dispute arising out of or in connection with this contract shall, at first instance, be referred to a mediator for resolution. The parties shall attempt to agree upon the appointment of a mediator, upon receipt, by either of them, of a written notice to concur in such appointment. Should the parties fail to agree within fourteen days, either party, upon giving written notice, may apply to the Registrar, for the time being, of the AICADR, for appointment of the mediator.*
 - b. *Should the mediation fail, in whole or in part, either party may, upon giving written notice, and within twenty eight days thereof, apply to the Registrar, for the time being, of the AICADR, for the appointment of the single arbitrator or a panel of two/three arbitrators, for final resolution. The arbitrator shall have no connection to the mediator or the mediation proceedings, unless both the parties have consented in writing. The arbitration shall be governed by both the Arbitration Act, 1996 and the AICADR Rules, or any amendments thereof.*
 - c. *The Arbitral Tribunal shall comprise of (please enter Sole Arbitrator or Three Arbitrators).*
 - d. *The seat of Arbitration shall be at ASSOCHAM, Head Office at New Delhi, India.*
 - e. *The language of the Arbitration shall be English.*
 - f. *The Laws applicable shall be the Indian Laws."*
 - g. *The Parties agree that the Arbitration shall be conducted as Fast Track and the relevant Clauses under these Rules shall be applicable for Fast Track Arbitration."*
- (5) These Rules have been framed in conformity with the Arbitration and Conciliation Act, 1996 ("the Act"), as amended up to date.
- (6) The administrative functioning of the Council shall be carried out under the supervision and direction of its ADR Committee headed by the chairperson.
- (7) In the case where the Arbitral Tribunal has been constituted and, in so far as these Rules are silent on any matter concerning the arbitral proceedings and where the parties have not agreed otherwise, the Arbitral Tribunal shall conduct the arbitral proceedings in the manner it considers appropriate, and in accordance with these Rules and the Act.

- (8) The Arbitral Tribunal's and the committee's interpretation of these Rules and /or related documents shall be final and binding.
- (9) The Arbitral Tribunal shall conduct the proceedings in such manner as it considers judicious and proper.
- (10) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

PART I
Arbitration
General Rules

RULE 2- Definitions

- i. **"Act"**: means the Arbitration and Conciliation Act, 1996, as amended update.
- ii. **"Arbitration"**: means any Arbitration whether or not administrated by permanent arbitral institution and includes in-person, Online Dispute Resolution (ODR) and Hybrid forms.
- iii. **"Arbitral Award"**: means and includes a partial, interim or final award, as well as awards of the Fast Track Arbitration and Emergency Arbitration.
- iv. **"Arbitral Tribunal"**: means a sole Arbitrator and includes one or more Arbitrators for determining a particular dispute or difference in accordance with these Rules.
- v. **"Arbitrator"**: means and includes a sole Arbitrator and shall also where the context requires mean one or more Arbitrators.
- vi. **"Committee"**: means the ADR Committee of the Council that shall be responsible for performing the ADR functions under the Rules. The ADR Committee shall consist of a Chairman, who shall normally be ex-officio Secretary-General of ASSOCHAM, a Director General nominated by the Secretary-General of ASSOCHAM and maximum of eight other members from different disciplines/Ministries, such as, Director General, Foreign Trade, Ministry of External Affairs, Ministry of Finance, Shippers Body, Ministry of Commerce, Ministry of Law, EU Commission, Public Sector Corporation etc. subject to their suitability and consenting to be a member.
- vii. **"Council"**: means the ASSOCHAM International Council of Alternate Dispute Resolution (AICADR) constituted under the aegis of ASSOCHAM comprising of the "committee" and the ADR panel.
- viii. **"Emergency Arbitration"** means Arbitration in accordance with the procedure laid down in these Rules.
- ix. **Guidelines**: means the guidelines for arbitrators and the parties to arbitration for expeditious conduct of the arbitration proceedings, given in the Annexure to these Rules.
- x. **"Domestic Arbitration"** means Arbitration other than International Commercial Arbitration.
- xi. **Online Dispute Resolution (ODR)**: means arbitration in virtual mode.
- xii. **"Party"** means a party to an Arbitration agreement, including Claimant, Respondent and any Additional party joined to the Arbitration in a Statement of Claim.
- xiii. **"Panel"**: means the Panel of Arbitrators maintained by the Council.
- xiv. **"Registrar"** means the Registrar of AICADR who shall act and shall perform functions as stipulated in Rule 5 of these Rules to conduct Arbitration proceedings.
- xv. **"Rules"** means the Rules of Arbitration of the Council.
- xvi. **"Rules of Conciliation"** means the Conciliation in accordance with PART 2 &3 of these Rules.
- xvii. **"Fast Track Arbitration"** means arbitration in accordance with Rule N0. 24 of these Rules.

RULE 3

Arbitration Committee & Rules Applicable

- a) The ADR committee of the Council shall perform the functions prescribed under these Rules. The Committee shall be headed by the chairman, who shall normally be ex-officio Secretary-General of ASSOCHAM, a Director General nominated by the Secretary-General of ASSOCHAM and maximum of eight other members from different disciplines/Ministries, such as, Director General, Foreign Trade, Ministry of External Affairs, Ministry of Finance, Shippers Body, Ministry of Commerce, Ministry of Law, EU Commission, Public Sector Corporation etc. subject to their suitability and consenting to be a member.
- b) The Committee shall hold office for a year.
- c) The Secretary-General, ASSOCHAM may be authorized to invite additional members of the Committee from different Ministries/Departments etc. from time to time on the committee.
- d) The Committee may co-opt not more than two persons to be additional members of the Committee during its terms of office. Persons who are not members of the Governing Body may also be co-opted to be members of the Committee.
- e) The Committee or the Chairman of the Committee may delegate to the Registrar the power to take certain decisions, provided that any such decision shall be reported to the Chairman or the Committee as the case may be.
- f) Any dispute relating to any commercial matter including shipping, sale, purchase, banking, insurance, building construction, engineering, technical assistance, know-how, patents, trademarks, management consultancy, commercial agency, or labour, arising between two or more parties in India who agree or have agreed for arbitration by the Council, or under the Rules of Arbitration of the Council, shall be determined and settled in accordance with these Rules. The proceeding before the Arbitral Tribunal shall be governed by applicable laws in India.
- g) The Council shall also be competent to administer the conduct of arbitration in any dispute or difference relating to a commercial transaction between parties who have agreed to have their dispute arbitrated under any other Rules of Arbitration and have agreed to have such arbitration administered by the Council, wholly or in respect of some matters arising out of such arbitration.
- h) In case the parties have provided different procedure for appointment of arbitrator or schedule of cost including the arbitrator's fee, the Council shall not be bound to process the case unless both the parties agree to follow the entire procedure of arbitration under Rules of Arbitration of the AICADR Council.
- i) The Council shall be competent to function as Appointing Authority as contemplated under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).
- j) Wherever the Parties have provided or agreed for arbitration by the or for arbitration under the Rules of Arbitration of the Council, these rules or any amendment thereof, in the form obtaining at the time the dispute is referred to arbitration of the Council, shall apply.

RULE 4

Panel of Arbitrators

- a) A Panel of Arbitrators shall be appointed & maintained by the Committee from amongst persons who are qualified and possess knowledge and experience in their respective fields of profession as well as arbitration law and procedures and are willing to serve as arbitrators, generally or in specific fields, and who are from time to time recommended by the members of the Council or any other person or organisation.

- b) All the members of the Panel will carry 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 Presiding Arbitrator.
- c) The Registrar shall prepare and maintain an up-to-date Panel of Arbitrators together with adequate information as to their qualifications and experience. Separate lists may be kept and maintained of arbitrators included in the Panel for disputes in general and for each of the fields of international trade and/or business transactions in which the Governing Body decides that the Council will offer arbitration facilities under the Rules.
- d) The parties to a dispute or the Registrar where he appoints the arbitrator may choose any person from the panel with reference to any dispute. If any party appoints a foreigner/person residing abroad, as arbitrator from the panel, that party will have to meet the travel & stay expenses of the person appointed as arbitrator at the venue of arbitration. The arbitral tribunal may, however, make any order in regard thereto in the award. The panel of Arbitrators shall be open to inspection by all persons with the permission of the Registrar.
- e) The Committee may at any time add the name of any person to the list of arbitrators included in the Panel or delete the name of any person from the panel.
- f) The Chairman of the Committee may include the name of any person in the panel, in case it is required in any particular case. His continuance in the Panel will be decided by the Committee.

RULE 5

Appointment, Duties and Powers of the Registrar

- a) A registrar shall be appointed by the ADR Committee of the council to manage day to day affairs of the committee and the arbitration in addition to any other duties and responsibilities stipulated under these rules and other adjoining regulations.
- b) The Registrar shall receive applications for arbitration by the Council, receive payment of fees and deposits, appoint, in consultation with the Chairman of the Committee, and in his absence in consultation with the member of the Governing Body designated by him, an arbitrator or arbitrators as hereinafter provided. The Registrar 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 applications to the Council and of awards made by the arbitral tribunal, keep such other books or memoranda and make such other records or returns as the Committee 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 such arbitral tribunal in the carrying out of its functions.
- c) The Registrar may delegate to any officer of the Council, Chambers of Commerce or Trade Association at the premises of which the arbitration proceedings are taking place, to discharge such of the functions and administrative duties of the Registrar as are deemed proper and necessary from time to time, with reference to a particular case or cases.
- d) Where there are two or more applications for arbitration by the Council and the issue involved in the dispute arises out of same transactions, the Registrar may, if he thinks proper to do so and with the consent of the Parties, fix the hearings of the disputes to be heard jointly or refer the applications to the same Tribunal. The awards, however, shall be given separately in each case.

RULE 6

Initiation of Arbitration

- a) Any Party wishing to commence arbitration proceedings under these rules (Claimant) shall give a notice of request for arbitration to the Registrar of AICADR and to the Respondent.

- b) The notice of request (application) for arbitration to the Registrar shall be accompanied by:-
- 1) the names and full addresses of the parties to the dispute including emails, phone numbers, hand/mobile phone numbers, fax nos. of the parties to the dispute and their legal representative, if any.
 - 2) statement of the claim and facts supporting the claim, points at issue and relief or remedies sought with other details of the Claimant's case.
 - 3) original or duly certified copies of the arbitration agreement, any contract or agreement out of or in connection with which the dispute has arisen and such other documents and information relevant or relied upon.
 - 4) Non-Refundable Registration Fee of Rs.15,000/- plus any applicable tax for claims up to Rs. Two Crore and Rs. 30,000/- plus any applicable tax for claims more than Rs. Two Crore.
 - 5) The Arbitral proceedings in respect of dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the Respondent.
 - 6) In the event that the Claimant fails to comply with any of the requirements referred to herein above, the Registrar may fix a time limit not exceeding 15 days within which the Claimant must comply, failing which the file shall be closed without prejudice to the Claimant's right to resubmit the same claims at a later date in another notice of request for arbitration.
 - 7) If any Court makes an order directing that an arbitration be held under these Rules, in addition to the documents listed in Rule 6, the order of that Court or a copy thereof shall accompany the application for arbitration.

RULE 7

Rejection of Arbitration Application

- a) On receipt of an application for arbitration, the Registrar shall have absolute discretion to accept or reject the said application. The Registrar is not bound to give reasons for the exercise of his discretion. Before deciding on the acceptability of an application for arbitration, the Registrar may ask the parties for further information and particulars of their claims.
- b) Similarly, if any information or particulars regarding the arbitration agreement furnished by Claimant with the application for arbitration are found to be incorrect or false, at any time subsequently, the Registrar shall have the power to reject the application for arbitration.
- c) Any Party aggrieved by the decision of the Registrar, in accepting or rejecting an application for arbitration as above, may apply to the Court for suitable directions.

RULE 8

Defence Statements

- a) On receipt of the application together with the claim statement, the Registrar shall send to the other Party (Respondent) a copy of the claim statement and attached documents and ask such other party to furnish within thirty days or within any extended date not exceeding thirty days, a defense statement setting out his case accompanied by all documents and information in support of or bearing on the matter.
- b) Any communication sent by the Registrar under Registered Post to the Respondent on the address appearing in the Arbitration Agreement/the contract between the parties, as per the information supplied to the Council, will be deemed to be duly served on the Respondent, if it is delivered to the addressee personally or at his place of business, habitual residence or mailing address last known, even if the Respondent refuses to accept the said communication or if it is returned to the Council by

the postal authorities as unclaimed by the said party. The Registrar may proceed further with the arbitration proceedings as per the rules as if such communication had been duly served on the concerned party. The Registrar may in such cases make an additional communication to the Parties by Registered Letter or by other means which may provide a record of attempts to deliver it.

- c) A copy of the defence statement and all appended documents, if any, shall be sent to the Claimant for information.
- d) The communication is deemed to have been received on the day it is so delivered.

RULE 9

Counter-claim and Reply to Counter-claim

- a) The Respondent may make a counter-claim against the Claimant provided the counter-claim arises under the same transaction as the original claim. He must submit the counter claim with full details supported by all documents and information as in the case of the claim under Rule 8 within the period laid down for the defence statement to the claim and the Claimant may within twenty one days of the notification of the counter claim or within such extended time not exceeding thirty days submit a statement in reply to the counter claim. The arbitral tribunal appointed to adjudicate upon the original claim shall also adjudicate upon the counter-claim and there will be no change in the number of members of arbitral tribunal already constituted on the basis of original claim.
- b) Copy of the reply of the Claimant to the counter-claim and all appended documents, if any, shall be sent to the Respondent for information.

RULE 10

Copies of Statements, Documents and Replies

All statements, claim, counter-claim, affidavit, 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 within the time specified furnish to the Registrar such number of further copies as may be required by the Registrar.

RULE 11

Constitution of Arbitral Tribunal

- a) On receipt of the application for arbitration, the Registrar shall take necessary steps to have the arbitral tribunal constituted for the adjudication of the dispute or difference as provided hereunder.
- b) Where the claim including determination of interest, if any, being claimed upto the date of commencement of arbitration in terms of Rule 6, does not exceed Rs. Two crore and where the arbitration agreement does not specify three arbitrators, the reference shall be deemed to be to a sole arbitrator.
- c) Where the claim including determination of interest, if any, being claimed upto the date of commencement of arbitration in terms of Rule 6 exceeds Rs. Two crore the dispute will be heard and determined by three arbitrators, unless the agreement provides otherwise or the parties to the dispute agree to refer the dispute to a sole arbitrator within thirty days from the date of notification of the request for arbitration.

RULE 12

Appointment of Arbitrator/s

- 1) In case a Sole Arbitrator has to be appointed, the Registrar shall, by a notice in writing, call upon the parties to the dispute to forward the name of an agreed arbitrator from among the Panel of Arbitrators. The said notice shall specify the period within which the nomination shall be made which shall not be more than thirty days from the date of the said notice to the respective parties. If the parties fail to agree on the person to be appointed as sole arbitrator within the time granted by the Registrar, the Registrar in consultation with the Chairman of the Committee and in his absence in consultation with the member of the Committee designated by the Chairman, shall appoint the sole arbitrator from among the Panel of Arbitrators. The sole arbitrator so nominated shall constitute the arbitral tribunal to hear the dispute and shall be appointed as such in writing by the Registrar. The Registrar shall give notice to the Parties of the constitution of the arbitral tribunal.
- 2) Where the reference is to three arbitrators, the Registrar shall in the first instance call upon the parties to nominate one arbitrator each from among the Panel of Arbitrators by a notice in writing, sent to them. The said notice shall specify the period within which the nomination shall be made which shall not be more than thirty days from the date of the said notice to the respective Parties. If a Party to the dispute refuses or neglects to appoint an arbitrator on his behalf within the period specified or if he requests the Registrar to nominate an arbitrator on behalf of that party, the Registrar in consultation with the Chairman of the Committee and in his absence in consultation with the members of the Committee designated by the Chairman shall appoint the arbitrator from the Panel of arbitrators on behalf of that party.
- 3) On receipt of the nominations from the respective parties or on the appointment as aforesaid by the Registrar, the Registrar shall appoint another person as the Presiding Arbitrator of the arbitral tribunal in consultation with Chairman of the Committee and in his absence in consultation with members of the Committee designated by the Chairman, from among the panel of arbitrators to be additional arbitrator to act as Presiding Arbitrator of the arbitral tribunal.
- 4) The parties will obtain the consent from the persons nominated by them as arbitrator and intimate the Council accordingly. The Registrar will obtain the consent from person(s) nominated by him. After a person gives his consent for appointment as arbitrator, he will be duly intimated about his appointment to decide the dispute, by a Memo in writing under the hand of the Registrar about the constitution of the arbitral tribunal. The appointment of the arbitrator will take effect from the date of such intimation about the constitution of the arbitral tribunal.

RULE 13

Disclosure by the Arbitrator

- 1) Before accepting his nomination the prospective arbitrator shall disclose any circumstances such as financial, business, professional or other kind in the outcome of the award, likely to disqualify him as an impartial arbitrator. Upon receipt of such information, the Registrar shall disclose it to the parties, who if willing to proceed under the circumstances disclosed, shall advise the Registrar accordingly. If either party declines to waive the presumptive disqualification, the prospective arbitrator shall be disqualified from acting as arbitrator and the vacancy so created shall be filled, in accordance with the applicable provision of these Rules.

- 2) The arbitrator while making the aforesaid disclosure should take notice of the grounds enumerated in the Fifth Schedule of the Act or such other schedule or amendment as may be made from time to time in respect thereof.
- 3) Any person, whose relationship with the parties or counsel or the subject matter of the dispute falls under any of the categories specified in the Seventh Schedule of the Act, shall be ineligible to be appointed as an arbitrator provided that the parties may waive the applicability of the categories provided in the Seventh Schedule or such other schedule or amendment as may be made from time to time by an express agreement in relation to the appointment of arbitrators.

RULE 14

Challenging the appointment of the Arbitrator

Any Party shall have the right to challenge the appointment of an arbitrator on receipt of the notice of his appointment for reasons which disqualify the arbitrator. The Challenge of an arbitrator shall be made within 15 days after his appointment has been communicated to the challenging party or within 15 days of his becoming aware of the reasons for which the challenge is made. Copies of the communication of challenge shall be sent to the other Parties and the arbitrators. The Committee shall be the sole judge of the grounds of challenge and its decision shall be final and binding on the Parties as well as the arbitrator.

RULE 15

Vacancy of the seat of Arbitrator

- 1) If any appointed arbitrator resigns or dies or becomes incapable of acting or neglects or fails to act expeditiously, prior to or during the arbitration hearings, or if he fails to make the award within the time and/ or extended time prescribed under Rule 33, the Registrar in consultation with the Chairman of the Committee may terminate the authority of such an appointed arbitrator and inform him accordingly. In the event of such termination, the arbitrator or arbitrators as the case may be, and whose authority has been terminated, shall not be entitled to any fee.
- 2) In case of the resignation or death or termination of authority of an appointed arbitrator under Sub-Rule above, a new arbitrator will be appointed in his place by the Registrar in consultation with the Chairman of the Arbitration Committee in case they had appointed the original arbitrator. Where the appointment was made by the parties, the Registrar shall call upon the party who had appointed the arbitrator to nominate another arbitrator in his place. If any Party refuses or neglects to nominate an arbitrator within 15 days of the date of notice requiring him to nominate the arbitrator or within such extended time not exceeding thirty days, the Registrar in consultation with the Chairman of the Arbitration Committee shall nominate the arbitrator on behalf of that Party from among the Panel of Arbitrators.
- 3) The arbitrator (s) appointed as above will be informed about the reconstitution of the arbitral tribunal and the reconstituted arbitral tribunal shall make the award expeditiously within the time prescribed under Rule 33 from the date when the reconstituted arbitral tribunal enters on the reference. The reconstituted arbitral tribunal shall proceed with the arbitration with the liberty to act on the record of evidence and proceedings as then existing or to commence the proceedings de novo.

RULE 16

Deposits

- 1) The Registrar may require the Parties before passing the case on to the arbitrators under Rule 19, to deposit in advance such sums of money as he deems necessary to defray expenses of the arbitration including the administrative charges, arbitrator's fee and stamp duties. As a general rule, the deposits shall be called for in equal shares from the Claimant(s) and the Respondent(s). The arbitral tribunal may, during the course of the arbitration proceedings or in the arbitration award, require further sums to be deposited by the Parties or any one of them to meet the expenses of the arbitration. When one of the Parties neglects or refuses to make the deposit, the Registrar or the arbitral tribunal, as the case may be, may require such deposit whether in relation to a claim or a counter-claim, to be made by the other Party to the dispute (Claimant or Respondent as the case may be). Should the whole or part of the deposit be not made by the Parties or any one of them, the Registrar shall inform the Parties or the Party concerned that the claim or counterclaim, as the case may be, will not be the subject matter of the reference. The arbitral tribunal shall proceed only in respect of those claims or counter-claims for which the deposits has been duly paid to the Council and otherwise may order the suspension or termination of the arbitral proceedings.
- 2) All deposits towards costs and expenses shall be made with the Council and no payment shall be released to the arbitrators directly by the parties. The deposit made shall be taken into account by the arbitral tribunal in apportioning the cost while making the award. Any deposit made in excess shall be refunded to such of parties as the arbitral tribunal may direct. The Council shall have a lien for the arbitral award on any unpaid cost of the arbitration.

RULE 17

Fees and Expenses

- 1) The arbitral tribunal shall be entitled to allow fees and expenses of witnesses, expenses connected with the selection and carriage of sample and examination of goods, Licensed Measure's Department charges, conveyance, hire, cost of legal or technical advice or proceedings in respect of any matter arising out of the arbitration incurred by the arbitral tribunal, and any other incidental expenses and charges in connection with or arising out of the reference or award as the arbitral tribunal shall, in its absolute discretion, think fit.
- 2) The costs of the reference and the award including charges, fees and other expenses shall be in the discretion of the arbitral tribunal, which may direct to and by whom, and in what proportion, such charges, fees and other expenses and any part thereof shall be borne and paid, and may tax and settle the amount of costs to be so paid or any part thereof and may award costs to be paid as between solicitor and client. In the event, any administrative fees and expenses are due to the Council, the arbitral tribunal may award them in favour of the Council.
- 3) The fees, costs and expenses incidental to the reference and the award shall include the following:
Add GST @ 18%

3.1)

Registration of ADR case	Rs.15,000/ for cases upto Two crore and Rs. 30,000/ for cases above two crores payable in advance. (non-refundable)
Administrative fees	2% of amount in dispute including counter claim(s) if any payable in advance
All other facilities on cost	On each occasion from time to time

3.2) The Administrative fee (of AICADR) and Arbitrator's fee (for each arbitrator) may be taken as a composite amount before initiation of the arbitration, although fixed separately with regard to the amount in dispute in each case, as under: add GST @ 18%

3.4) Additional fee as stipulated chargeable under Fast Track and Emergency Arbitrations.

3.5) Additional fee applicable for appointment of the Experts

3.6) Additional cost as applicable.

Note: In addition to the Arbitrator's Fee and the Administrative Charges referred to hereinbelow, the parties shall also deposit in advance any applicable taxes thereon including requisite stamp duties.

(i) Sum in dispute (Rs.)	Fees (Each ADR Panel Member)	Administrative Fee
Upto Rs. 5,00,000/-	Rs. 45,000/-	Rs. 40,000/-
Above Rs. 5,00,000/- and upto Rs. 20,00,000/-	Rs. 45,000/- + 3.5% of the claim amount over and above Rs. 5,00,000/-	Rs. 40,000/- + 1.0% of the claim amount over and above Rs. 5,00,000/-
Above Rs. 20,00,000/- and upto Rs. 1,00,00,000/-	Rs. 97,500/- + 3% of the claim amount over and above Rs. 20,00,000/-	Rs. 55,000/- + 0.75% of the claim amount over and above Rs. 20,00,000/-
Above Rs. 1,00,00,000/- and Upto Rs. 10,00,00,000/-	Rs. 3,37,500/- + 1.5% of the claim amount over and above Rs. 1,00,00,000/-	Rs. 1,15,000/- + 0.50% of the claim amount over and above Rs. 1,00,00,000/-
Above Rs. 10,00,00,000/- and Upto Rs. 20,00,00,000/-	Rs. 16,87,500/- + 1.00% of the claim amount over and above Rs. 10,00,00,000/-	Rs. 5,65,000/- + 0.35% of the claim amount over and above Rs. 10,00,00,000/-
Above Rs. 20,00,00,000/-	Rs. 26,87,500/- + 0.5% of the claim amount over and above Rs. 20,00,00,000/- with a ceiling of Rs. 30,00,000/-	Rs. 9,15,000/- + 0.25% of the claim amount over and above Rs. 20,00,00,000/- with a ceiling of Rs. 30,00,000/-

RULE 18

Additional Cost

- 1) The Council will be entitled to receive a Special Fee of Rs.7,500/- plus applicable taxes per hearing for providing facilities of hearing rooms, secretarial assistance etc. in advance initially for ten sittings. Such expenses shall be deposited by the parties in advance as demanded by the Registrar from time to time.
- 2) Notwithstanding the provisions in Rule 17 (3.2), the Committee/Chairman of the Committee may prescribe the Arbitrator's fee, expenses and the Administrative fee of the Council at a figure higher than those prescribed in the said Sub-Rules, if in the exceptional circumstances of the case this appears to be necessary.
- 3) In the event any foreign national is appointed as an arbitrator, in that event, the Registrar in consultation with the Arbitration Committee, shall be entitled to fix additional fee and travelling & out of pocket expenses over and above what has been prescribed under Rule 17(3.2), 18(4) and 18(5) for such arbitrator.
- 4) The arbitrator may be paid an amount of Rs. 2,500/- towards local conveyance for attending each arbitration hearing in the city of his residence. The cost shall be jointly borne by the parties and invoices of the travel along with supporting shall be raised by the arbitrator within 15 days of incurring the cost. The registrar shall affix the invoice along with other expenses to be settled by the parties jointly. In respect of joint trial, the hearing will be treated as one irrespective of the number of cases. Any traveling and other expenses incurred by the arbitrator or the Registrar for attending the arbitration hearings in a city other than the place of residence shall also be reimbursed to him as provided hereinafter. All the above expenses shall form part of the arbitration costs.
- 5) An arbitrator who has to travel shall be paid traveling expenses by air or rail (air conditioned wherever available) or car (when neither air nor rail transport is available) at actuals. In addition, he may be paid out-of-pocket expenses at actuals for boarding, lodging and local transport subject to maximum of Rs. 20,000/- per day in metropolitan cities and Rs. 12,000/- in all other cities. An arbitrator who makes his own arrangements for boarding, lodging, local transport etc. may be paid out of pocket expenses at the rate of Rs. 10,000/- per day, without production of vouchers. The limits for stay of the Registry officials will be of those applicable to arbitrators.
- 6) The cost to be incurred on payment of expenses referred to in 18 (5) to an arbitrator nominated by a party will be borne and paid by the party nominating recommending his appointment as the arbitrator. However, if an appointed arbitrator changes his residence after his nomination by a party, he will not be entitled to reimbursement of any enhanced expenses for attending the arbitration hearing, unless the party nominating him agrees to reimburse the same to him. The expenses payable to the third arbitrator or sole arbitrator appointed by the Council under will be borne and paid by both the parties in equal proportion or in such other manner as may be determined by the Arbitral Tribunal.
- 7) Where the arbitration proceedings under an adhoc arbitration or under the rules of arbitration of any other arbitral organisation or otherwise are administered by the Council wholly or in respect of some matters arising out of such arbitration, the Council may charge an appropriate fee for such administration and other services.
- 8) Where the sum under dispute is not stated or in arbitration proceedings where the relief claimed is other than a money claim, viz., a declaratory claim, the Registrar and the Arbitral Tribunal under Rule 16, 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.

RULE 19

Submission of the Case to the Arbitral Tribunal

- 1) The Arbitral Tribunal shall be deemed to have entered on the reference on the day on which the arbitrator or all the arbitrators, as the case may be, have received notice in writing of their appointment by the Registrar after disposal of the challenge to their appointment, if any, made.
- 2) The Registrar shall send copies of all papers relating to arbitration such as claim statement, defence statement, counter claims, reply, statements, or other documents received from the parties to the dispute to the Arbitrator/Arbitrators constituting the Arbitral Tribunal with a request to proceed with the arbitration.
- 3) If the Claimant does not file all the requisite documents, papers, etc. or does not deposit the appropriate fees as per the Rules after having been given due opportunity for the purpose by the Registrar or the arbitral tribunal, the Registrar or the arbitral tribunal may dismiss/close the case on file for lack of pursual by the Claimant. Similarly, if the Respondent fails to produce any requisite documents, papers including the statement of defence or information or fails to deposit administrative fees, or arbitrators fees etc. after having been given due opportunity for the purpose by the Registrar or the arbitral tribunal, the Registrar or the arbitral tribunal may proceed further with the arbitration proceedings as per the Rules, notwithstanding such failure or refusal by the Respondent.

RULE 20

Notifications and/ or Communications from the Registrar

All applications which the parties desire to make to the arbitral tribunal and all notices to be given to the Parties before or during the course of arbitration or otherwise in relation thereto shall be made through and sent by the Registrar who shall communicate the orders and directions of the Arbitral Tribunal thereon to the Parties.

RULE 21

Amendment of Claims, etc.

Amendments of the claim, defence statement, counter-claim or reply submitted to the Arbitral Tribunal must be formulated in writing by the Party so desiring. The Arbitral Tribunal will decide whether such amendments should be allowed or not. The Administrative fee and Arbitrator's fee (for each Arbitrator) shall get revised to the extent of increase for such additional claims/counter-claims. The party making such additional claim/counter-claim shall deposit the entire fees payable in respect of such increase of additional claim as set out in the schedule of fees in Rule 17 (3.2).

RULE 22

Place of Arbitration

The place or venue of arbitration shall be India. The Arbitration proceedings shall be held at such place or places in India as the Arbitral Tribunal may determine having regard to the convenience of the Arbitrators and the Parties.

RULE 23

Proceedings before the Arbitral Tribunal - Conciliation

Optional Conciliation:

1. The parties may opt for conciliation and request the arbitral tribunal before the commencement of the arbitration proceedings unless they have already agreed otherwise, to settle their dispute through conciliation as per Rules of Conciliation of the Council.
2. Provisions under Sections 61-to- 81 of the Arbitration and Conciliation Act shall be additionally applicable.
3. Provisions of these rules shall *motus mutandis* apply to Conciliation also.

RULE 24

Fast Track Arbitration

The Parties may opt for Fast Track Arbitration and request the arbitral tribunal, before the commencement of the arbitration proceedings, to decide the reference in a fixed time frame of 3 to 6 months or any other time agreed between the Parties, according to the Fast Track Arbitration procedure, as under:

- 1) The arbitral tribunal will be authorized to decide the dispute on the written pleadings, documents and written submissions filed by the Parties without any oral hearings.
- 2) The arbitral tribunal shall have power to call for any further information/clarification from the parties in addition to the pleading and documents filed by them.
- 3) An oral hearing may be held if both the parties make a joint request or if the Arbitration tribunal considers an oral hearing necessary in any particular case.
- 4) If an oral hearing is held, the arbitral tribunal may dispense with any technical formalities and adopt such procedure as it deems appropriate and necessary for.

RULE 25

EMERGENCY ARBITRATION

1. If a party is in requirement of urgent, interim measures, it may make an application to the Registrar for Emergency Arbitration, with simultaneously furnishing a copy thereof to the other parties. The application should also contain a copy for the Emergency Arbitrator.
2. The party making such an application shall describe the circumstances giving rise to and the nature of the urgency and the underlying dispute. The application must also specify the following:
 - a) The names in full, addresses and other contact information of each of the parties to the Arbitration.
 - b) The names in full, addresses and other contact information of the persons (if any), representing the applicant.
 - c) A statement describing the reasons for seeking the emergency relief as well as a detailed representation of the measures sought through the emergency Arbitration.

- d) A copy of the contract(s) and the Arbitration agreement(s) between the parties.
 - e) Any other documents or information, which in the opinion of the applicant would be important for the consideration of the application.
 - f) A payment of the emergency Arbitration costs and fees.
3. After due consideration of the application, if the AICADR accepts the request for emergency proceedings, it shall notify the other parties of the same. The Registrar with the consent of the Chairman of the AICADR shall appoint the Emergency Arbitrator within three days of making of such request.
 4. The Emergency Arbitrator so appointed shall schedule a hearing including filing of pleadings and documents by the parties within five business days of his appointment. The Emergency Arbitrator shall provide reasonable opportunity of being heard to all the parties before granting any urgent interim or conservatory measures and proceed to make an Order by giving reasons. The parties shall comply with any order made by the Emergency Arbitrator. The Emergency shall conduct the proceedings in a manner that he thinks appropriate, keeping in mind the urgency of the parties' situation.
 5. The Emergency Arbitrator shall rule on his own jurisdiction. The procedure to challenge the appointment of the Emergency Arbitrator shall be in accordance with Rule 9 of these Rules. In case of the removal, dismissal, resignation, illness or death of the Emergency Arbitrator, a substitute Emergency Arbitrator shall be appointed within two days to continue the emergency proceedings.
 6. The emergency proceedings shall be conducted in accordance with these Rules. The Emergency Arbitrator shall pass an award after considering all evidence and submissions of the parties. The award will be duly signed by the Emergency Arbitrator and shall contain the date on which it was made as well as the reasons for it. Copies of the interim award(s) so made shall be given to the Registrar as well as the parties and two copies shall be kept for the perusal of the Arbitral Tribunal consequent to its constitution.
 7. After the parties have submitted to these emergency proceedings, they will be bound by the interim award(s) passed by the Emergency Arbitrator until the constitution of the Arbitral Tribunal.
 8. Once the Arbitral Tribunal has been constituted, the role of the Emergency Arbitrator ceases. The interim measures passed by the Emergency Arbitrator shall not bind the Arbitral Tribunal on the merits of any issue or dispute that the said Arbitral Tribunal may be required to determine. The Arbitral Tribunal can modify, substitute, vacate or extend the measures passed by the Emergency Arbitrator.
 9. The language of the Emergency Arbitration application and the emergency proceedings shall be English language.
 10. Appointment of Emergency Arbitrator:
 11. If a party is in requirement of urgent interim or conservatory measures, that cannot await formation of the Tribunal, it may make an application for emergency interim relief. The party shall notify the

Registrar with a simultaneous copy thereof to the other parties to the arbitration agreement for such measures.

12. The party making such an application shall:
 - i) describe the circumstances and the nature of the urgency and the measures sought
 - ii) file proof of service of such application upon the opposite parties.
13. The party invoking the provision of Emergency Arbitrator shall deposit the necessary fees, administrative charges and expenses decided by the Registrar in consultation with the Chairman of the Arbitration Committee within 7 days from the date of demand made by the Registrar.
14. The Emergency Arbitrator so appointed shall schedule a hearing including filing of pleadings as soon as possible but not later than seven days of his appointment. The Emergency Arbitrator shall provide reasonable opportunity of being heard to all the parties and upon being satisfied shall have the power to pass an interim order.
15. The Registrar shall ensure that the entire process from the appointment of the Emergency Arbitrator to making the Order shall be completed within thirty days (excluding non-business days).
16. The Emergency Arbitrator shall become functus officio after the Order is made.
17. The order for urgent interim or conservatory measures passed by the Emergency Arbitrator shall not bind the Tribunal on the merits of any issue or dispute that the said Tribunal may be required to determine.
18. An order pursuant to the appointment of Emergency Arbitrator shall be binding on the parties when rendered. By agreeing to arbitration under these Rules, the parties undertake to comply with such an order or award without delay.
19. The order passed by the Emergency Arbitrator shall remain operative unless modified, substituted or vacated by the Tribunal.
20. Emergency arbitrator for all purposes shall be treated as ad hoc Arbitral Tribunal and shall have all the powers vested in the Arbitral Tribunal referred to in Rule 33(4).

Rule 26

Representation in person

At a hearing, a party shall be entitled to appear by counsel, attorney, advocate or a duly authorised adviser or representative or personally. However, where the dispute is purely of a commercial nature, the parties shall have no right to be represented by lawyers except where, having regard to the nature or complexity of the dispute, the arbitral tribunal considers it necessary in the interest of justice that the parties should be allowed to be represented by counsel, attorney or advocate.

Rule 27

Function and Powers of the Arbitral Tribunal

- 1) The arbitral tribunal may proceed with the reference notwithstanding any failure by a party to comply with any of the directions of the arbitral tribunal and may also proceed with the arbitral proceedings in the absence of any or both the Parties who fail or neglect to attend at the time and place appointed by the arbitral tribunal, in spite of due notice.
- 2) The parties shall do all acts necessary to enable the arbitral tribunal to make an award expeditiously and shall not do or cause or allow to be done, any act which will delay the proceedings or prevent arbitral tribunal from making an award expeditiously, and if any party does cause or allow to be done any such act, that party shall pay such costs as the arbitral tribunal deems reasonable.
- 3) The arbitration session will go on as far as possible on a day-to-day basis from 10.30 a.m. to 4.30 p.m. once the hearing begins after completion of all the formalities. The arbitral tribunal shall not ordinarily adjourn a hearing at the request of any party, except where the circumstances are beyond the control of the party provided the party seeking adjournment files a written request in advance and the arbitral tribunal is satisfied that reasons and circumstances for the adjournment are justified. While granting an adjournment, the arbitral tribunal may make such orders regarding payment of costs by one or both of the parties, including exemplary costs on the party seeking adjournment without any sufficient cause, as it deems fit and reasonable.
- 4) If the parties have agreed to submit their case to arbitration under these Rules and any party refuses or fails to take part in the arbitration proceedings, the arbitral tribunal may proceed with the arbitration notwithstanding such refusal or absence.
- 5) The arbitral tribunal may at its discretion at any time or times before making the final award and at the expense of the parties concerned, consult any person having special knowledge relating to the particular industry, commodity, produce or branch of trade concerned in the reference or any expert or qualified accountant and may also at the like expenses of the Parties, consult solicitors, counsel or advocates upon any technical question of law, evidence, practice or procedure arising in the course of the reference. If the parties agree, the arbitral tribunal may, at the expense of the Parties, appoint any expert, accountant, or lawyers to sit with as an assessor and take into account the advice of such assessor.

Rule 28

Witness

- 1) The Parties to the reference and any witness on their behalf shall, subject to the provisions of any law for the time being in force :
 - a) submit to be examined by the arbitral tribunal on oath or affirmation in relation to the matters in dispute.
 - b) produce before the arbitral tribunal all books, deeds, papers, accounts, writings and documents in their possession or power respectively which may be required or called for by the arbitral tribunal.
 - c) Comply with the requirements of the arbitral tribunal as to the production or selection of samples,
 - d) generally do all other things which, during the pendency of the reference, the arbitral tribunal may require.
- 2) The arbitral tribunal will consider, as far as possible, to receive the evidence of witnesses by affidavit.

Provided that the witness whose affidavit is admitted in evidence is made available for cross-examination at the request of the opposite Party, the Arbitral Tribunal may:

- a) administer oath or affirmation to the Parties or witnesses appearing and giving evidence;
- b) make any award conditional or in the alternative;
- c) correct in any award any clerical mistake or error arising from or incidental to any slip or omission;
- d) administer to the Parties to the arbitration such interrogatories as it may consider necessary;
- e) decide all objections to its jurisdiction including any objection regarding the existence or validity of the arbitration clause or the arbitration agreement, without prejudice to the right of the parties to have the matter decided by the Court of law;
- f) decide the law governing :
 - a) the contract or the matter in dispute,
 - b) the arbitration agreement, and
 - c) the arbitration procedure
- g) award interest including pendente lite interest.

Rule 29

Arbitral Award

- 1) The arbitral tribunal may by the award dismiss the application or claim:
 - a) if the Claimant does not prosecute the arbitration proceedings or file the papers within the time granted; or
 - b) neglects or refuses to pay the dues or deposits ordered to be paid by the arbitral tribunal or the Registrar.
- 2) The arbitral tribunal may make an *ex parte* award:
 - a) if the Respondent neglects or refuses to appear or make his defence or fails to file the papers within the time granted; or
 - b) neglects or refuses to pay the dues or deposits ordered to be paid by the arbitral tribunal or the Registrar.
- 3) When substantially the same dispute or questions of law and facts are likely to arise in more than one contract or agreement (Chain Contracts), the arbitral tribunal may invite all parties involved to agree to submit to an award in one arbitration between such two or more of the parties as are named for the purpose.
- 4) The Registrar shall make necessary arrangements for a stenographic record of evidence whenever such record is required by a Party. The cost of the stenographic record and all transcripts thereof, if any, shall form part of the costs of the reference.

Rule 30

Arbitral Proceedings

- 1) The language of the arbitration proceedings shall be English unless otherwise agreed by the parties. If any documents filed by a Party are in a language other than English, the Party filing such documents shall simultaneously furnish an English translation of the documents. The Registrar may make arrangements for the service of an interpreter at the request of one or more of the parties and costs thereof shall form part of the costs of the reference.
- 2) Any party may, during the arbitral proceedings or at any time after the making of the arbitral award but before its enforcement, apply to the arbitral tribunal –
 - a) for the appointment of a guardian for a minor or person of unsound mind for the purposes of

arbitral proceedings; or

- b) for an interim measure of protection in respect of any of the following matters, namely-
 - i. the preservation, interim custody or sale of any goods which are the subject matter of the arbitration agreement;
 - ii. securing the amount in dispute in the arbitration;
 - iii. the detention, preservation or inspection of any property or thing which is the subject matter of the dispute in arbitration, or as to which any question may arise therein and authorising for any of the aforesaid purposes any person to enter upon any land or building in the possession of any party, or authorising any samples to be taken, or any observation to be made, or experiment to be tried, which may be necessary or expedient for the purpose of obtaining full information or evidence;
 - iv. interim injunction or the appointment of a receiver;
 - v. such other interim measure of protection as may appear to the arbitral tribunal to be just and convenient.
- 3) Any order issued by the arbitral tribunal shall deem to be an order of the Court for all the purposes and shall be enforceable under the Code of Civil Procedure or any other law for the time being in force, in the same manner as if it were an order of the Court.

Rule 31

Waiver of Rules

Any party who proceeds with the arbitration with the knowledge that any provision or requirement of these rules has not been complied with and who fails to state his objection thereto in writing, shall be deemed to have waived his right to object.

Rule 32

Return of Documents

Unless required to be filed in a Court of law, the arbitral tribunal shall have full discretion to retain/to return all books, documents or papers produced before it and may direct at any time that the books, documents or papers produced before it or any of them may be returned to the parties producing them on such terms and conditions as the arbitral tribunal may impose.

Rule 33

Challenging an Award

- 1) No award shall be made by the arbitral tribunal unless the case of the party applying for arbitration has been brought to the notice of the other party and until after the lapse of such specified time within which he has been asked to submit his defence statement under Rule 8.
- 2) Whenever there is more than one arbitrator, the award of the majority shall prevail and be taken as the decision of arbitral tribunal. Failing a majority, the Presiding Arbitrator of the arbitral tribunal alone shall make the award.
- 3) Should the Parties arrive at a settlement of the dispute by common agreement before the Arbitral Tribunal and the Arbitral Tribunal is satisfied that such agreement is genuine and not to defeat the purpose of any law, the arbitral tribunal shall render an award as per agreement of the Parties. Otherwise, the arbitral tribunal shall make the award on the basis of the documents, evidence, etc. filed before it by the Parties.

- 4) The Arbitral Tribunal shall make the award as expeditiously as possible, preferably within six months, from the date of the reference subject to a maximum limit of twelve months from the date on which arbitral tribunal entered into reference in terms of Rule 19.
- 5) The parties mutually agree to waive their right of consent and confer upon the Registrar the right to extend the time for making of an award for a further period of six months, if applied for, by any of the parties, provided such request is found to be reasonable and necessary.
- 6) If the award is not made within the aforesaid period of 12 months or 18 months, as the case may be, the mandate of the arbitrator shall terminate unless the Court has either prior to or after the expiry of the period further extended the period for passing of award.
- 7) In the event, the arbitrators are substituted by the Court under the Act, the arbitration proceedings may continue from the stage it has reached and on the basis of the evidence and material already on record and the arbitrator(s), so appointed, shall be deemed to have received the said evidence and material. The Arbitral Tribunal, so reconstituted, shall be deemed to be in continuation of the previously appointed Arbitral Tribunal.
- 8) The arbitrators shall not be entitled to any fees in the event of cancellation of their mandate for not making of the award within the time specified.
- 9) After the constitution of the arbitral tribunal and during the arbitral proceedings if any party makes a challenge as to the independence and impartiality of the arbitrator, the arbitral proceedings shall remain suspended during the period such challenge is decided.
- 10) If such challenge is rejected, the arbitral tribunal shall be at liberty to impose such exemplary cost on the party making challenge as it may be decided by the arbitral tribunal.
- 11) In the event such challenge is upheld, the arbitrators so challenged shall stand discharged and shall not be entitled to any fees.
- 12) The period during which the arbitral proceedings remain suspended shall be excluded from the period within which the award is to be made in terms of Rule 33 (4)
- 13) In the event the Appellate authority / authorities finally holds that the Arbitral Tribunal had jurisdiction to proceed with the arbitration and do not change the composition of the Arbitral Tribunal, the Registrar shall call upon the Arbitral Tribunal to resume and adjudicate the dispute between the parties and that the Arbitral Tribunal and the Council, upon passing of the award, shall be entitled to the balance 50% of the Arbitrator's fees and Administrative charges. In the event the Appellate authority / authorities finally holds that the Arbitral Tribunal had jurisdiction to proceed with the arbitration but reconstitutes the Arbitral Tribunal either fully or partly, in that event, the arbitration proceedings shall start de novo and the parties shall not be entitled to any deduction and/or abatement of the arbitrator's fees and administrative charges deposited earlier with the Council.
- 14) The arbitral award shall state the reasons upon which it is based, unless :
 - a) the parties have agreed that no reasons are to be given, or
 - b) the award is an arbitral award on agreed terms.
- 16) The arbitral award shall state its date and the place of arbitration and the award shall be deemed to have been made at that place.
- 17) The arbitral tribunal may make an interim award, and may, by an award, determine and order what shall be done by either or any of the Parties, respecting the matters referred.
- 18) The arbitrators constituting the arbitral tribunal or the Presiding Arbitrator where Rule 33(2) is applicable, shall sign the award and the Registrar shall give notice in writing to the Parties of the making and signing thereof and of the amount of fees & charges payable in respect of the arbitration and the award. The arbitrators fee shall be payable by the Council on receipt of the award and requisite deposit made by the parties.
- 19) When an award has been made, the Registrar shall furnish a true copy of the award to the parties by registered post provided the arbitration costs have been fully paid to the Council by the parties or by

one of them.

- 20) The Registrar may require either Party to notify him of the compliance with the award.
- 21) The arbitral tribunal and the Registrar of the Council shall assist the parties in complying with any formalities that may be necessary for the enforcement of the award or for other purposes.
- 22) The Council may print, publish or otherwise circulate any award made under its rules or under its auspices, in any arbitration journal, magazine, report, etc. for the purpose of creating arbitration jurisprudence or precedents for the benefit and guidance of future arbitrations. No party to the arbitration shall have any objection to the publication of awards as above provided that the names and addresses of any Party to the dispute will be omitted from such publication and its identity duly concerned if so desired by such party.
- 23) Additional copies of the award certified true by the Registrar shall be made available to the parties but to no one else, at all times at request and on payment as fixed by the Registrar.
- 24) Party shall in all things abide by and obey the award which shall be binding on the Parties and their respective representatives, notwithstanding the death of any party before or after the making of the award and such death shall not operate as revocation of the submission or reference. To avoid delays and further litigation, the arbitrators/Registrar shall ask the Parties to agree that the award made by the arbitrators/s shall be final and binding on the Parties and neither Party shall be entitled to challenge it in the Court of law.

Rule 34

Filing of Award

The arbitral tribunal shall at the request of any of the Parties to the proceedings or of any person claiming under a Party or if so directed by the Court and upon payment of fees and charges due in respect of the arbitration and award and of the costs and charges of filing the award, cause the award or a signed copy thereof together with the deposition or documents which may have been taken and proved before it to be filed before the Court.

Rule 35

Correction, Interpretation and Remission of Awards

- 1) Within thirty days from the receipt of arbitral award, a party, through the Registrar, may request the Arbitral Tribunal to correct any computation errors, any clerical or typographical errors or any other errors of similar nature occurring in the Award.
- 2) The Registrar shall thereafter forward the request to the Tribunal with a copy to the other party.
- 3) A party, through the Registrar, may request the Tribunal to give an interpretation of a specific point or part of the award.
- 4) If Tribunal considers the request made under sub-section (3) to be justified, it shall make the corrections or give the interpretation within thirty days from the receipt of such request and interpretation shall form part of the arbitral award.
- 5) The Tribunal may also correct any error of the type referred to under sub-section (1), on its own initiative, within thirty days from the date of the arbitral award.
- 6) A party, through the Registrar may request, within thirty days from the receipt of the arbitral award, the Tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the arbitral award. The Registrar shall forward the request to the Tribunal with the copy to the parties.
- 7) If the Tribunal considers the request made under sub-section (6) to be justified, it shall make the additional arbitral award within sixty days from the receipt of such request.

- 8) The Tribunal may extend, if necessary, the period of time within which it shall make a correction, give an interpretation or make an additional arbitral award under sub-sections (1), (3) and (6).

Rule 36

Incidental expenses

A fee of Rs. 5,000/- plus incidental expenses at actuals in addition to the court fees, on the scale for the time being in force is payable by the party requiring the award to be filed.

Rule 37

Stamp Duties

- 1) Deficient stamp duties, if any, 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 imposed by law.
- 2) In case of an ex-parte Award, the entire stamp duty shall be paid by the Claimant in accordance with the scale of stamp duties for the time being imposed by law.

Rule 38

Copies of Proceedings

- 1) No party is entitled as of right to copies of proceedings before the arbitral tribunal. In case the Registrar 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 Registrar shall be paid by the party requiring such copies.
- 2) The Registrar shall, upon the written request of a party, furnish to such party at his expense certified facsimile of any documents filed in the arbitration proceedings.

Rule 39

Cases Withdrawn

- 1) When the party instituting a case desires to withdraw it before an arbitral tribunal has been constituted, the Registrar shall return to him any deposits made by him, under Rule 16, after deducting such charges as he might have incurred in connection with the cases. The registration fee, however, shall not be refundable.
- 2) If the arbitration is terminated by the act or default of any parties after constitution of the arbitral tribunal and before the award is made, any fee, charges, deposited by the Parties shall not be refunded.

Rule 40

Indemnity of Secretariat and Arbitrators

- 1) The ASSOCHAM, its Council, the Arbitration Committee, President, and officers of the Council shall not be liable for any act or omission in whatever capacity they may have acted in connection with or in relation to an arbitration under these Rules. Parties are themselves required to contest the proceedings regarding the validity of the arbitration agreement before the court.
- 2) No party shall bring or prosecute any suit or proceedings whatsoever against the Council, arbitral tribunal, or any member thereof, for or in respect of any matter or thing purporting to be done under these Rules nor any suit or proceedings in respect thereof (save for enforcement of the award) against the other party.

Rule 41

Costs

- 1) If the arbitral tribunal decides to make an order as to the payment of costs with interest on costs – the general rule is that the unsuccessful party shall be ordered to pay such costs with interest as may be determined by the arbitral tribunal to the successful party or the arbitral tribunal may make different orders for reasons to be recorded in writing.
- 2) In determining the costs, the arbitral tribunal shall refer to all the circumstances including:-
 - a) the conduct of all the parties;
 - b) whether a party has succeeded partly in the case;
 - c) whether the party had made a frivolous counter claim leading to delay in disposal of arbitral proceedings;
 - d) whether any reasonable offer to settle the dispute is made by a party and refused by the other party

Rule 42

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.

PART II

Rules for Conciliation

Preliminary:

Parties to a contract who agree to resolve their contractual disputes in accordance with the AICADR Rules of Conciliation and to have the AICADR Rules as appointing authority and/or to provide administrative services, may use the following clause:

“If a dispute arises out of or in connection with this contract, or in respect of any defined legal relationship associated therewith or derived therefrom, the parties agree to seek an amicable settlement of that dispute by conciliation under the AICADR Rules of Conciliation. The authority to appoint the conciliator/conciliators shall be the Assocham International Council of Alternate Dispute Resolution (AICADR). The AICADR will provide administrative service in accordance with the AICADR Rules of Conciliation.”

In furtherance the parties shall communicate following to AICADR:

- 1- The number of conciliators
- 2- The language of the conciliation proceedings
- 3- Specific qualifications of the conciliator along with relevant experience and technical qualification
- 4- Language

RULE 1

Short title and scope

1. (1) These rules may be called the AICADR Rules of Conciliation.
(2) These rules shall apply where the 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 AICADR Rules of Conciliation.
- (3) 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.

RULE 2

Definitions

2. In these unless rules, the context otherwise requires
 - a) “Arbitration Committee” means the Arbitration Committee of AICADR;
 - b) “Chairman” means the Chairman of the AICADR Arbitration Committee;
 - c) “Rules of Conciliation” or “rules” means the AICADR Rules of Conciliation
 - d) “Governing Body” means the Governing Body of AICADR;
 - e) “Panel of conciliators” means the panel of persons approved by the Arbitrator Committee to act as conciliators;
 - g) “Party” means a party to the agreement referred to in rule 1 (2);
 - h) “Schedule” means the Schedule to these rules.

RULE 3

Commencement of Conciliation Proceedings

- (1) The party initiating conciliation shall send to the other party a written invitation to conciliate under these rules, briefly identifying the subject of the dispute.
- (2) Conciliation proceedings shall commence when the other party accepts in writing the invitation to conciliate.
- (3) If the other party rejects the invitation, there will be no conciliation proceedings.
- (4) If the party initiating conciliation does not receive a reply within thirty days from the date on which he sends the invitation, or within such other period of time as specified in the invitation, he may elect to treat this as a rejection of the invitation to conciliate and inform the other party accordingly.

RULE 4

Number and appointment of Conciliators

- (1) These shall be one conciliator unless the parties have agreed that there shall be two or three conciliators.
- (2) The parties may agree to enlist the assistance of the AICADR in connection with the appointment of conciliator, and in particular: -
 - (a) A party may request the AICADR to recommend the names of suitable individuals to act as conciliator; or
 - (b) Where the agreement between the parties provides for the appointment of conciliator by the AICADR, a party may request the AICADR in writing to appoint a conciliator.
- (3) Where a request in pursuance of clause (a) or clause (b) of sub-rule (2) is made to the AICADR, the party making the request shall send to the AICADR.-
 - (a) A copy of the invitation to conciliate;
 - (b) A copy of the agreement, if any, between the parties providing for an amicable settlement of dispute between them by conciliation;
 - (c) A copy of the agreement, if any, between the parties providing for an amicable settlement of dispute between them by conciliation;
 - (d) Any qualifications required of the conciliator;
 - (e) Any additional information, if required, by the AICADR .
- (4) In recommending or appointing an individual to act as conciliator, the AICADR will follow the procedure specified in rule 24 and will have regard to
 - (a) Any qualifications required of the conciliator by the agreement of the parties;
 - (b) Such considerations as are likely to secure the appointment of an independent and impartial conciliator, and
 - (c) Where, the parties are of different nationalities, the advisability of appointing a conciliator of a nationality other than the nationalities of the parties.
- (5) A successor conciliator will be appointed in the manner in which his predecessor had been appointed.

RULE 5

Submission of Statement of Conciliator

- (1) Conciliator may, upon his appointment, request each party to submit to him and to AICADR within 30 days a brief statement in writing describing the general nature of the dispute, the points at issue and the amount, if any, of the claim including counter claim. Each party shall send a copy of such statement to the other party. Any party may file Defence Statement to Claim or Counter within 15 days of receipt of Statement of Claim or Counter Claim.
- (2) The conciliator may request each party to submit to him and to the AICADR a further statement in writing 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, documents and other evidence to the other party.
- (3) At any stage of the conciliation proceedings, the conciliator may request a party to submit to him and to the AICADR such additional information as he deems appropriate.

RULE 6

Representation and Assistance

Each party shall advise in writing, the other party and the conciliator of-

- (a) The name and address of any person who will represent or assist him, and
- (b) The capacity in which that person will represent.

RULE 7

Role of Conciliator

- (1) The conciliator shall 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, the rights and obligations of the parties, the usages 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 of the parties, including any request by a party that the conciliator hear oral statements, and the need for a speedy settlement of the dispute.
- (4) The conciliator may, at any stage of the conciliation proceedings, make proposals for a settlement of the dispute. Such proposals need not be in writing and need not be accompanied by a statement of the reasons therefore.
- (5) The Conciliator shall assist the parties to negotiate between themselves a mutually acceptable resolution of dispute by:-
 - (a) Helping the parties to identify and define the issues in dispute.
 - (b) Develop a procedure in consultation by the parties which is quick, fair and cost effective.
 - (c) Helping the parties in narrowing the issues.

RULE 8

Administrative Services

AICADR will arrange the administrative services specified in Part B if-

- (a) The parties designate the AICADR for arranging such services in the agreement to conciliate;
- (b) The parties, or the conciliator with the consent of the parties, request the AICADR to arrange such services.

RULE 9

Communication between Conciliator and Parties

- (1) The conciliator may invite the parties to meet 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.
- (2) 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 AICADR is sought under Rule 8, the place where meetings with conciliator are to be held shall be determined in consultation with the AICADR.

RULE 10

Disclosure of information

When the conciliator receives factual information concerning the dispute from a party, he shall disclose the substance 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 the other party.

RULE 11

Cooperation of parties with Conciliator

The parties shall in good faith to cooperate with the conciliator and, in particular, shall endeavour to comply with requests by the conciliator to submit written materials, provide evidence and attend meetings.

RULE 12

Suggestions by parties for settlement of dispute

Each party may, on his own initiative or at the invitation of the conciliator, submit to the conciliator suggestions for the settlement of the dispute.

RULE 13

Settlement Agreement

- (1) When it appears to the conciliator that there exist elements of a settlement which may be acceptable to the parties, he shall formulate the terms of a possible settlement and submit them to the parties for

their observations. After receiving the observations of the parties, the conciliator may reformulate the terms of a possible settlement in the light of such observations.

- (2) If the parties reach an agreement on the 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.
- (3) When the parties sign the settlement agreement, it shall be final and binding on the parties and persons claiming under them respectively.
- (4) The conciliator shall authenticate the settlement agreement and furnish a copy thereof to each of the parties.

RULE 14

Confidentiality

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

RULE 15

Termination of Conciliation Proceedings

- (1) The conciliation proceedings shall be terminated-
 - (a) By the signing of the settlement agreement by the parties on the date of agreement; or
 - (b) By a written declaration of the conciliator, after consultation with 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) If any of the parties fails to make deposit of cost, fee and expenses within the time specified.
- (2) The conciliator shall, upon termination of the conciliation proceedings, send an intimation thereof in writing to the AICADR.

RULE 16

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 his opinion, such proceedings are necessary for preserving his rights.

RULE 17

Costs

- (1) The fee of the conciliator and administrative fee shall be fixed by the AICADR in accordance with the Schedule, which may be amended from time to time. Provided that the AICADR may, on request from the conciliator, fix the fee of the conciliator at a figure higher than that set out in the Schedule if, in exceptional circumstances of the case, this appears to be necessary
- (2) For the purpose of sub-rule (1), “costs” means costs relating to-
 - (a) The fee and expenses of the conciliator and witnesses requested by the conciliator with the consent of the parties.
 - (b) Any expert advice requested by the conciliator with the consent of the parties;
 - (c) Any assistance provided pursuant to rule 4 (2) and rule 8;
 - (d) Any other expenses incurred in connection with the conciliation proceedings and the settlement agreement.
- (3) Where more than one conciliator is appointed, each conciliator shall be paid separately the fee set out in the Schedule.
- (4) The costs 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.

RULE 18

Deposit

- (1) The Registrar of AICADR, upon appointment of conciliator, call upon each party to deposit with the AICADR an equal amount as an advance for the conciliator and administrative fee and costs referred to in rule 17(1) to 17(4).
- (2) Subject to any settlement agreement, upon termination of the conciliation proceedings, the AICADR shall apply the deposits to the costs of the proceedings, render an accounting to the parties of the deposits received and applied and return any unexpended balance, to the parties.

RULE 19

Role of Conciliator in other proceedings

Unless otherwise agreed by the parties:-

- (a) The conciliator shall not act as an arbitration or as a representative or counsel of a party in arbitral or judicial proceedings in respect of a dispute that is the subject-matter of the conciliation proceedings;
- (b) The conciliator shall not be presented by the parties as a witness in any arbitral or judicial proceedings.

RULE 20

Admissibility of evidence in other proceedings

The parties shall not rely on or introduce as evidence in arbitral or judicial proceedings, whether or not such proceedings relate to the dispute that is the subject-matter of the conciliation proceedings:-

- (a) Views expressed or suggestions made by the other party in respect of a possible settlement of the dispute;
- (b) Admissions made by the other party in the course of 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.

RULE 21

Interpretation and application

If any question arises as to the interpretation or application of these rules or any procedural matters thereunder, the decision of the Arbitration Committee shall be final and binding on the parties.

Part C

Services for Procedure under the Rules of Conciliation

RULE 22

Conciliation Services

To facilitate the conduct of conciliation proceedings that the parties have agreed to conduct under the Rules of Conciliation, the AICADR will-

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

RULE 23

Services as the Registry

- (1) On receiving a request in pursuance of rule 4(2) (a) or 4(2) (b), the AICADR will register the request and intimate in writing to the parties, the registration number of the case which shall be quoted by the party while making any subsequent communication to the AICADR.
- (2) The AICADR will scrutinize every request and document, make necessary entries in the register and prepare a file of the case.

RULE 24

Services as recommending or appointing authority

- (1) On receipt of a request in pursuance of rule 4(2) (a), the AICADR 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.
- (2) On receipt of a request to appoint a conciliator in pursuance of rule 4(2) (b), the AICADR will follow the following procedure-
 - (i) The AICADR 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 list, a party may delete any name to which he objects and after renumbering the name in the order of his preference, return the list to the AICADR.
 - (iii) On receipt of the list returned by the parties, the AICADR will appoint the conciliator from the list 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 AICADR may, unless the parties recommended the name of the conciliator to be appointed by the AICADR, appoint the conciliator from the panel of conciliators.
- (3) In recommending or appointing a conciliator the AICADR will have regard to the matters referred to in rule 4(4) and will carefully consider the nature of the dispute in order to include in the list, persons having appropriate professional or business experience, language ability and nationality.
- (4) All appointments on behalf of the AICADR will be made by the Arbitration Committee.

RULE 25

Administrative Services

- (1) The AICADR may provide the administrative services specified in this part-
 - (a) Upon the request of the parties;
 - (b) Upon the request of the conciliator with the consent of the parties; or
 - (c) If the parties designate the AICADR for providing such services.
- (2) All oral or written communications from a party to the conciliator, except at meetings, may be directed to the AICADR which will transmit them to the conciliator and, where appropriate, to the other party.
- (3) Agreement by the parties that the AICADR will provide the administrative services, constitutes consent by the parties that, for purposes of compliance with any time requirements of the rules, any written communications shall be deemed to have been received by the addresses when received by the AICADR. When transmitting communications to a party, the AICADR will do so to the addresses provided by each of them to the AICADR for this purpose.
- (4) The AICADR will also assist in the exchange of information and settlement of proposals.
- (5) The AICADR will assist the conciliator to establish the date, time and place of meetings and will give the parties advance notice of such meetings.

- (6) The AICADR will provide a meeting room for the conciliator and the parties or their counsel in the offices of the AICADR on the charges set out in the Schedule. However, where these facilities are provided in any place other than the offices of the AICADR, the charges will be determined by the AICADR and billed separately in each case.
- (7) Upon request, the AICADR will make arrangements for reporter transcripts of meetings or hearing.
- (8) Upon request, the AICADR will make arrangements for the services of interpreters or translators. The cost of interpretation or translation will be determined by the AICADR and billed separately and is not included in the fee for administrative services.
- (9) (a) The AICADR will hold advance deposits to be made towards the costs of the conciliation proceedings.
- (b) On termination of the conciliation proceedings, the AICADR will apply the proceeds of the advance deposits towards any of its unpaid administrative fee and charges and the costs of the conciliation proceedings and will render an accounting to the parties of the deposits received and applied and return any unexpended balance to the parties.
- 10 (a) Upon request, the AICADR will provide other appropriate administrative services the cost of which will be determined by the AICADR and billed separately and are not included in the fee for administrative services.
- (b) The kinds of services which can be provided are as follows:-
- (i) Long distance and local telephone access and telex and telecopier facilities;
 - (ii) Photocopying and other usual office services.
- (11) (a) The AICADR may require the party requesting one or more of the services referred to in sub-rule (6), (7), (8) or (10) to deposit an amount specified by it as advance towards other cost of such services.
- (b) The AICADR may also require the parties to make supplementary deposits towards the costs of the services referred to in clause (a); (c) If the required deposit under clause (a) or clause (b) is not made in full within the time specified by the AICADR, the AICADR may not provide the services requested for.

RULE 26

Fees and Expenses

A. Registration Fee

A registration fee of Rs. 15,000/- plus applicable taxes shall be paid along with the application for reference to conciliation. The registration fee will not be refunded and will become the property of the Council.

B. Administrative Fee

- (1) The fee charged by the AICADR for appointing the conciliator and for providing administrative service, other than those specified in sub-rule(6), (7), (8) and (10) of rule 25, is based upon the amount in dispute, as disclosed when the statement of dispute is submitted to the AICADR in pursuance of sub-rule(a) of rule 5.
- (2) Where the AICADR is requested to act as appointing authority under rule 4(2), the requesting party shall pay the AICADR a sum of Rs. 4,000/- as a non-refundable fee at the time of the request.
- (3) The Rules of Conciliation provide that the costs of conciliation include the costs of the administrative and conciliators' fee. The Schedule of fee is given asunder. These costs are to be borne equally by the

parties unless the settlement agreement provides for a different apportionment [rule 14(4)].

RULE 27

Schedule of Fees

- (1) The Administrative fee (of AICADR) and the Conciliator's fee (for each conciliator) will be fixed separately with regard to the amount in dispute including determined interest in each case, as given in the box hereunder:
- (2) In addition to the above, the AICADR will be entitled to receive a Special Fee of Rs. 5,000/- per hearing for providing facilities of hearing rooms and secretarial assistance etc. at the conciliation hearings.
- (3) Notwithstanding, the provisions in Sub-Rule (1) of this Rule, the Arbitration Committee/Chairman of the Arbitration Committee may prescribe the Conciliator's fees and the administrative fees of the Council at a figure higher than those prescribed in the said Sub-Rules, if in the exceptional circumstances of the case this appears to be necessary.
- (4) **Other Expenses:** The conciliator may be paid an amount of Rs. 1500/- towards local conveyance for attending each conciliation hearing in the city of his residence. Any travelling and other expenses incurred by the conciliator or the Registrar for attending the conciliation hearings in a city other than the place of residence, shall also be reimbursed to him as provided hereinafter. All the above expenses shall form part of the conciliation costs. A conciliator who has travel shall be paid travelling expenses by air or rail (air conditioned wherever available) or car (when neither air nor rail transport is available) at actuals.

In addition, he may be paid out-of-pocket at actuals for boarding, lodging and local transport subject to maximum of Rs. 12,000/- per day in metropolitan cities and Rs. 8,000/- in all other cities.

A conciliator who makes his own arrangements for boarding, lodging, local transport etc. may be paid out of pocket expenses at the rate of Rs. 6,000/- per day, without production of vouchers. The limits for stay of the AICADR officials will be of those applicable to conciliators.

RULE 28

Amendments of Rules

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

Fees and Expenses

(i) Sum in dispute (Rs.)	Fees (Each ADR Panel Member)	Administrative Fee
Upto Rs. 5,00,000/-	Rs. 45,000/-	Rs. 40,000/-
Above Rs. 5,00,000/- and upto Rs. 20,00,000/-	Rs. 45,000/- + 3.5% of the claim amount over and above Rs. 5,00,000/-	Rs. 40,000/- + 1.0% of the claim amount over and above Rs. 5,00,000/-
Above Rs. 20,00,000/- and upto Rs. 1,00,00,000/-	Rs. 97,500/- + 3% of the claim amount over and above Rs. 20,00,000/-	Rs. 55,000/- + 0.75% of the claim amount over and above Rs. 20,00,000/-
Above Rs. 1,00,00,000/- and Upto Rs. 10,00,00,000/-	Rs. 3,37,500/- + 1.5% of the claim amount over and above Rs. 1,00,00,000/-	Rs. 1,15,000/- + 0.50% of the claim amount over and above Rs. 1,00,00,000/-
Above Rs. 10,00,00,000/- and Upto Rs. 20,00,00,000/-	Rs. 16,87,500/- + 1.00% of the claim amount over and above Rs. 10,00,00,000/-	Rs. 5,65,000/- + 0.35% of the claim amount over and above Rs. 10,00,00,000/-
Above Rs. 20,00,00,000/-	Rs. 26,87,500/- + 0.5% of the claim amount over and above Rs. 20,00,00,000/- with a ceiling of Rs. 30,00,000/-	Rs. 9,15,000/- + 0.25% of the claim amount over and above Rs. 20,00,00,000/- with a ceiling of Rs. 30,00,000/-