

**INTERNATIONAL ENERGY ARBITRATION
CENTER (IEAC) NEW DELHI
RULES OF ARBITRATION**

Established by Dr. Gopal Energy Foundation

JA – 120, DLF Tower A, Jasola District Center, New Delhi –110025,

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PREAMBLE

Dr. Gopal Energy Foundation is a non-profit organization working in the field of *inter alia* Energy Sector founded on 15th April 2015 with its corporate office at New Delhi, India. The trust was established with the object to provide a platform for Arbitration in the Energy sector.

The trustees of the Foundation vide resolution dated 8th June, 2016 decided to establish

“International Energy Arbitration Center with respect to Article 5(iii) which shall provide Arbitration facilities to the stakeholders in the Energy sector comprising but not limited to the following industries :

- (i) Power
- (ii) Petroleum & energy gas
- (iii) New & Renewable Energy
- (iv) Coal
- (v) Nuclear Energy
- (vi) International investments in energy sector etc. ”

This organization shall facilitate speedy and quick decisions and resolution of disputes in energy sector which in turn shall assist the progress of the industry in India.

INTERNATIONAL ENERGY ARBITRATION CENTER (IEAC) RULES

International Energy Arbitration Center

(Under the aegis of Dr. Gopal Energy Foundation)

Office: JA-120, DLF Tower - A, Jasola District Center, New Delhi-110025

Tel.: 88606356675 | Fax.: 91-11-26970075

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ARBITRATION CLAUSE

The IEAC recommends to all parties desirous of making reference to arbitration by the IEAC, the use of the following arbitration clause in writing in their contracts:

“Any dispute or difference or claim arising out of or in relation to this contract, including the construction, meaning, scope, operation, validity, performance or breach thereof, shall be settled and decided by arbitration in accordance with the Rules of Arbitration of International Energy Arbitration Center and the award made in pursuance thereof shall be binding on the parties.”

Rule 1

- (i) These Rules may be called the Rules of Arbitration of International Energy Arbitration Center (IEAC).
- (ii) These Rules shall apply where parties have agreed in writing that (a) a dispute has arisen or (b) a dispute which may arise between them in respect of a defined legal relationship, whether contractual or not, shall be settled under the Rules of Arbitration of IEAC.

DEFINITIONS

RULE 2

In these rules, the following words have the following meanings:

- (i) ‘Act’ means Arbitration and Conciliation Act, 1996.
- (ii) ‘Arbitral Award’ includes an interim award.
- (iii) ‘Arbitration Tribunal’ means an arbitrator or arbitrators appointed by the Foundation for determining a particular dispute.
- (iv) ‘Bench’ means the arbitrator or arbitrators appointed for determining a particular dispute or difference.
- (v) ‘Council’ means the Arbitration Council of the Foundation as provided for hereinafter.

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- (vi) 'IEAC' means the International Energy Arbitration Center .
- (vii) 'Court' means a Civil Court having jurisdiction to decide the questions forming the subject matter of the reference, if the same had been the subject matter of a suit
- (viii) 'Fast Track Arbitration' means arbitration in accordance with Rules specified.
- (ix) 'Foundation' means Dr. Gopal Energy Foundation.
- (x) 'Governing Body' means the Governing Body of the Foundation.
- (xi) '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.
- (xii) 'International Commercial Arbitration' means an arbitration relating to disputes arising out of legal relationships, whether contractual or not, considered as commercial under the law in force in India and where at least one of the parties is (a) an individual who is a national of, or habitually resident in, any country other than India; or (b) a body corporate which is incorporated in any country other than India; or (c) a company or an association or a body of individuals whose central management and control is exercised in any country other than India, or (d) the Government of a foreign country.
- (xiii) 'Panel' means the Panel of Arbitrators maintained by the Foundation.
- (xiv) 'Party' means a party to an arbitration agreement. It shall include any individual, firm, company, Government, Government organization or Government Undertaking.
- (xv) 'Reference' means any agreement to refer a difference or dispute, present or future, to arbitration under the Rules of the Tribunal
- (xvi) 'Registrar' means the Registrar for the time being appointed by the Foundation and shall also include persons nominated by the Council as Additional Registrars to discharge the functions of the Registrar and such other administrative work as may be delegated by the Registrar from time to time, with reference to a particular case or classes of cases
- (xvii) 'Rules' means the Rules of Arbitration of the Foundation.

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- (xviii) 'Tribunal' means the International Energy Arbitration Center Tribunal hereby constituted.
- (xix) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

CONSTITUTION OF INTERNATIONAL ENERGY ARBITRATION CENTER

Rule 3

(a) The Governing Body of the Foundation shall constitute an Arbitration Foundation for performing the functions prescribed under these Rules. The Council shall consist of the President of the Foundation, who shall be the ex officio Chairman of the Council and two members of the Governing Body of the Foundation elected by the Governing Body from amongst them. The Foundation shall hold office for a year.

(b) The Council may co-opt for not more than five persons to be additional members of the Council during its terms of office. Persons who are not members of the Governing Body may also be co-opted to be members of the Council.

(c) The Council or the Chairman of the Council may delegate to the Registrar the power to take certain decisions, provided that any such decision shall be reported to the Chairman or the Council as the case may be.

(d)(i) A Sub Council may be set up by the Council at any one or more Regional/State offices for the purposes of selection of Arbitrators.

(iii) The Chairman of the Regional office shall be the ex-officio Chairman of this Sub Council. The Sub Council shall hold office for a year.

(iv) The Chairman of the Sub Council, in consultation with the Chairman of the Council may co-opt not more than five members to be additional members of the Sub Council, during its term of office.

(v) Duties of the Sub Council, among others, as may be delegated by the Council, shall be to select Arbitrators from the common panel of the IEAC for dispute proceedings to be conducted in the respective Regional/State.

(e) The Council may revise or alter the rules of procedure of the Tribunal or the schedule of fees and other charges to be paid. However, such amendment shall not be to the detriment of the parties who have already submitted to Arbitration and shall be applicable only prospectively.

(f) The Council or the Chairman of the Council may delegate to the Registrar the power to take certain decisions, provided that any such decision shall be reported to the Chairman or the Council as the case may be.

OBJECTS OF THE TRIBUNAL AND ITS CONSTITUTION

Rule 4

(a) The objects of the Tribunal are determination, settlement and adjudication of disputes and differences relating to power, petroleum & energy gas, new & renewable energy, coal and nuclear energy, aforementioned international disputes relating to energy investments in India etc *inter alia* energy sector, arising between parties in India or a party in India and a party in a foreign country, who agree or have agreed in writing to submit such disputes and differences for arbitration under the Rules of the Tribunal.

(b) If one or both of the parties to a dispute, which is referred to arbitration by the Tribunal, belong to a country or countries other than India, in the absence of an agreement by the Parties on the substantive law to be applied, it will be determined by the Bench. The procedural law shall be the laws of India and parties shall be deemed to have submitted to the jurisdiction of the Courts in India.

(c) In every case where the arbitration clause of the IEAC is used, the Rules or any amendment thereof in the form obtaining at the time when the dispute is referred to arbitration of the IEAC, shall apply

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(d) In case the parties have provided different procedure for appointment of arbitrator or schedule of cost including the arbitrator's fee, the Tribunal 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 Tribunal.

(e) The Tribunal shall be competent to function as Appointing Authority as contemplated under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL). Rule 5 The Tribunal shall consist of such persons as are from time to time recommended by the members of the Federation and accepted by the Council and of such other persons as may be selected by the Council and who are willing to serve on the Tribunal.

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PANEL OF ARBITRATORS

Rule 6

The Council shall prepare or cause to be prepared by the Registrar a list of the members of the Tribunal and the list, complete for the time being, shall be kept by the Registrar and will be open to inspection by all persons at the discretion of the Registrar.

Rule 7

(a) 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. 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. 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.

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(b)The Council may at any time if it thinks proper to do so, add to the said list, the names of other persons or delete the names of any persons from the Panel list.

Rule 8

The persons who have attained the age of more than 75 years will automatically cease to be member of the Tribunal. In the case of a member, who has been appointed as Arbitrator before attainment of the age of 75 years, his panel membership will continue till the pronouncement of the Award in pending arbitration matters referred to him.

THE REGISTRAR

Rule 9

The Registrar shall be the chief administrative officer of the Tribunal. He shall receive applications to the Tribunal and shall receive payment of fees and costs, keep an up-to-date list of the Panel of the Tribunal, together with adequate information as to their qualifications and experience, appoint, as provided hereinafter, arbitrator or arbitrators who will constitute the Bench to deal with any dispute, receive all applications made to the Bench by the parties and communicate to them the orders and directions of the Bench, keep a register of such other books and memoranda and make such other returns as the Council shall from time to time require and generally carry out the directions of any Bench so constituted and take such other steps as may be necessary to assist any such Bench in the execution of its functions.

The Registrar may delegate to any member of the Council or, the Foundation 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.

INSTITUTION OF ARBITRATION

Rule 10

In every case where a dispute or difference has arisen between the parties who have agreed that such dispute or difference shall be referred for decision under the Rules of the Tribunal, an application for arbitration addressed to the Registrar together with the statement of the case instituted before the Tribunal containing such particulars as are desired under Rule 11

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may be submitted by either party to the Registrar. Along with the application the Registration fee of Rs. 10,000/- for claim upto Rs. one crore and Rs. 20,000/- for claims more than Rs. one crore as provided in Rule 61 shall be paid and no applications will be entertained unless accompanied by this fee.

Rule 11

The party or parties applying for arbitration shall, along with the application, submit to the Registrar the following:

- (a) The name and addresses in full of the parties to the dispute
- (b) Statement of Claim
- (c) The original or certified copies of such documents or information relevant or relied upon and on which the case is based.
- (d) 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
- (e) The arbitration shall be deemed to have commenced on the day the application for arbitration, registration fee and statement of claim are received in the office of the IEAC.

Rule 12

If any Court makes an order directing that arbitration be held under these Rules, in addition to the documents listed in Rules 11, the order of that Court or a copy thereof shall accompany the application for arbitration.

Rule 13

(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 a like 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.

REJOINDER TO THE CLAIM

Rule 14

On receipt of the application together with the statement, the Registrar shall send to the other party or parties, a copy of the statement and ask such other party or parties to furnish within the date specified or within any extended date a Rejoinder, setting out his or their case accompanied by the original or certified copies of such documents as may be relied upon or on which his case is based and information in support of or bearing on the matter.

Rule 15

A copy of the Rejoinder and all the appended documents, if any, shall be sent to the Claimant for information.

Rule 16

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 Tribunal, 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 Tribunal 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.

COUNTER-CLAIM AND REPLY TO COUNTER-CLAIM

Rule 17

In the Rejoinder referred to in Rule 14, the Respondent may make a counter-claim against the Claimant provided the counter-claim arises under the same transactions as the original claim. He must do so within the period laid down for the Rejoinder to the claim and the Claimant may, within twenty one days of the notification of the counter-claim or within such extended time, submit a statement in reply to the counter-claim. The Bench 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 the Bench already constituted on the basis of the original claim.

Rule 18

Copy of the reply by the Claimant to the counter claim and all appended documents, if any, shall be sent to the Respondent for information.

COPIES OF STATEMENTS

Rule 19

All statements, replies and other documents and papers submitted by the parties and all appended documents must be supplied in triplicate. Where there is more than one arbitrator or more than one opposing party, the party shall furnish to the Registrar such number of further copies as may be required by the Registrar.

CONSTITUTION OF THE BENCH

Rule 20

On receipt of such application, the Registrar shall proceed to constitute a Bench for the adjudication of the dispute or difference as provided hereunder.

Rule 21

The number of arbitrators to hear a dispute shall be either one or three, to be determined as under:

- (a) Where the claim, including determination of interest, if any, being claimed upto the date of commencement of arbitration in terms of Rule 11 (e), does not exceed Rs. One Crore and where the arbitration agreement does not specify three or more arbitrators, the reference shall be deemed to be to a sole arbitrator, unless the parties to the dispute agree to refer the dispute to three arbitrators, within 30 days from the date of notification of request for arbitration or within such extended time or the Registrar in his discretion thinks that an adjudication by three arbitrators is preferable in the particular case.
- (b) Where the claim, including determination of interest, if any, being claimed upto the date of commencement of arbitration in terms of Rule 11 (e) exceeds Rs. One Crore, the dispute will be heard and determined by three arbitrators, unless the parties to the dispute agree to refer the dispute to a sole arbitrator within 30 days from the date of notification of request for arbitration or within such extended time.
- (c) Where three arbitrators have to be appointed as per the above sub-rule and any of the parties to the dispute fails to make the necessary deposit towards the cost and expenses of arbitration, instead of three arbitrators, the Registrar may appoint a sole arbitrator, where the claim is up to One crore. Where the claim is for more than Rs. One crore, the Registrar may appoint arbitrator/s on behalf of the Respondent as well the as Presiding Arbitrator.

Rule 22

The appointment of a sole arbitrator or three arbitrators shall be made in the following manner:

- (a) In case a sole arbitrator has to be appointed, the Registrar shall by notice call upon the parties to forward the name of an agreed arbitrator from among the members of the Tribunal within a period which will not be less than thirty days from the date of the said notice from the Registrar. If the parties fail to agree on the person to be appointed as sole

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arbitrator within the time granted by the Registrar, the Registrar shall appoint him from among the members of the Tribunal. If one of the parties is a national or resident of a country other than India, the sole arbitrator shall, as far as possible, be chosen or appointed by the Registrar from among the nationals of a country other than that of the parties. The sole arbitrator so nominated shall constitute the Bench 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 Bench.

- (b) Where the reference is to three arbitrators, the Registrar shall, in the first instance, call upon the parties to the dispute to nominate one arbitrator each from among the members of the Tribunal 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 less 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 within the period specified or any extended period or if he requests the Registrar to appoint an arbitrator on his behalf, the Registrar shall nominate an arbitrator on behalf of that party. On receipt of the nominations from the respective parties or on the appointment as aforesaid by the Registrar, the Registrar shall appoint another person from among the members of the Tribunal to be an additional arbitrator. If one of the parties is a national or resident of a country other than India, the additional arbitrator shall, as far as possible, be chosen or appointed from among the nationals of a country other than that of the parties. The arbitrators so nominated or appointed shall constitute the Bench and shall be appointed as such in writing by the Registrar. The additional arbitrator nominated by the Registrar shall be the Presiding Arbitrator of the Bench. The Registrar shall give notice to the parties of the constitution of the Bench.

Rule 23

The arbitrator or arbitrators shall, as far as possible, be selected from among the members of the Tribunal ordinarily resident or carrying on business within the jurisdiction of a Court having jurisdiction to decide the questions forming the subject matter of a suit. However, the Registrar may, in a fit and proper case, permit a party to select an arbitrator who is a resident of some other place. The arbitration proceedings shall ordinarily be held within the jurisdiction of the Court referred to above. Upon the agreement of the parties or upon application by any party, the Bench may, however, fix the hearing at any other place.

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Rule 24

The consent to act as arbitrator shall be obtained by the Registrar from persons nominated by him or by the parties.

Rule 25

(a) Before accepting his nomination, the prospective arbitrator shall disclose any circumstances such as financial or personal interest 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.

(b) 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 30 days after his appointment has been communicated to the challenging party or within 30 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 Council shall be the sole judge of the grounds of challenge and its decision shall be final and binding on the Parties.

Rule 26

(a) 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 prescribed time and the Parties do not agree to extend the time for making the award, the Registrar in consultation with the Arbitration Council may terminate the authority of such an appointed arbitrator and inform him accordingly.

(b) In case of the resignation or death or termination of authority of an appointed arbitrator under Sub-Rule (a) above, a new arbitrator will be appointed in his place by the Registrar in case he had appointed the original arbitrator. Where the appointment was made by the

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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, the Registrar shall nominate the arbitrator on behalf of that Party from among the Panel of Arbitrators.

(c) 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 49 (a) 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

SUBMISSION OF THE CASE TO THE ARBITRAL TRIBUNAL

Rule 27

The Registrar shall send copies of all statements, replies, documents, etc. received from the parties to the dispute to the arbitrators of the Bench constituted under Rule 22 and the Bench shall be deemed to have entered reference on the day on which such statements, replies, documents, etc have been dispatched to the arbitrators. Intimation shall be given to the parties of the day on which the Bench is deemed to have entered on the reference.

Rule 28

(a) The Registrar may, before passing the case to the arbitrators under Rule 27, require the parties or any of them to pay to the IEAC such sum as he may deem necessary towards the costs and expenses of the arbitration. Such deposits shall be subject to final apportionment by the arbitrators.

(b) 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.

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(c) Similarly, if the Respondent fails to produce any requisite documents, papers including the statement of defense 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.

NOTIFICATION AND/OR COMMUNICATION FROM THE REGISTRAR

Rule 29

All notifications and communications of the Registrar shall be deemed to have been well and duly made if delivered by hand against acknowledgement or sent by registered post to the address given by the parties, or by any other means which may provide a record of attempts to deliver the same.

Rule 30

All applications, which the parties desire to make to the Bench 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 Bench thereon to the parties.

PLACE OF ARBITRATION

Rule 31

In the absence of a specific agreement between the parties with regard to the 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. In a case in which one or both the Parties are from overseas, the Arbitration proceedings may also be held at any place outside India at the discretion of the Arbitral Tribunal.

HEARING BY THE ARBITRAL TRIBUNAL

Rule 32

(a) A dispute will normally be decided by the Bench on the written statements of the parties and the documents accompanying them, unless one of the parties requests a hearing. The Bench shall have power, however, to call for any other documents or things and if it thinks fit to appoint a time and place for the hearing of the reference and to take any oral evidence, if necessary. The Registrar shall intimate the parties the time and place for the hearing.

(b) Amendments of the claim, defence statement, counter-claim or reply submitted to the Bench must be formulated in writing by the Party so desiring. The Bench 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 61(2).

Rule 33

(a) At a hearing, any party shall be entitled to appear by counsel, attorney, advocate or a duly authorized adviser or representative or personally.

(b) In any case of such formal hearing, any party intending to be represented by counsel, attorney, advocate or a duly authorized adviser or representative, shall notify the other party and file a copy of such notice with the Registrar at least three days prior to the date of such formal hearing at which such counsel, attorney, etc is first to appear. When the initiation of arbitration is made by counsel or the reply of the other party is by counsel, notice of the same shall be given to the other party by the Registrar.

RULES GOVERNING THE PROCEEDINGS

Rule 34

The Bench may at its discretion at any time or times before making the final award and at the expense of the parties concerned, refer to, act upon and adopt the advice, recommendations,

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suggestions, or reports of any person having special knowledge relating to the particular industry, commodity, produce or branch or trade concerned in the reference or of any expert or qualified accountant and may also at the like expenses of the parties, consult and adopt the advice of solicitors or counsel or advocates upon any question of law, evidence, practice or procedure arising in the course of the reference. The Bench may also, at its discretion, and at the expense of the parties concerned, appoint any expert, accountant or lawyer to sit with them as an assessor and may act upon the advice of such assessor.

Rule 35

(a) 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 in India:

- (i) Submit to be examined by the Bench on oath or affirmation in relation to the matter in dispute.
- (ii) Produce before the Bench all books, deeds, papers, accounts, writings and documents, in their possession or power, respectively, which may be required or called for by the Bench.
- (iii) Comply with the requirement of the Bench as to the production or selection of sample and
- (iv) Generally do all other things which, during the pendency of the reference, the Bench may require.

(b) 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.

Rule 36

The Bench may:

- (a) Administer oath or affirmation to the parties or witnesses appearing and giving evidence
- (b) State a special case for the opinion of the Court or give its award in the form of a special case for the opinion of the Court

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- (c) Make any award conditional or in the alternative
- (d) Correction in any award, any clerical mistake or error arising from or incidental to any slip or omission
- (e) Administer to the parties to the arbitration any interrogatories it may consider necessary
- (f) 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
- (g) Decide the law governing:
 - The contract or the matter in dispute,
 - The arbitration agreement, and
 - The arbitration procedure
- (h) Award interest including *pendente lite* interest.

Rule 37

When the parties have already agreed to submit their case to arbitration under these Rules, they shall be bound to submit to arbitration. Should any party refuse or fail to submit to arbitration, the Bench shall order that the arbitration be proceeded with, notwithstanding such refusal or absence.

Rule 38

The parties shall do all acts necessary to enable the Arbitral Tribunal to make a just award and shall not willfully do or cause or allow to be done, any act to delay or to prevent the Arbitral Tribunal from making an award, and if either or any party shall do or cause or allow to be done any such act, the party shall pay the other party such costs as the Arbitral Tribunal may deem reasonable.

Rule 39

Where a party wishes to have any question arising in any proceedings before the Bench referred to the opinion of the Court in the form of a special case, he shall apply in writing to the Registrar. If the Bench decides to accede to such request, the party applying shall also be

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responsible for all legal and other costs, charges and expenses that may be incurred by the Bench in respect of and incidental to the same and shall make such deposit on account thereof and within such time as the Bench may direct. In case of default in making the deposit as above, the reference shall not be made to the Court or if made, shall be withdrawn by the Bench and the arbitration proceeded with as if there has been no reference to the Court.

Rule 40

Where there are two or more disputes pending with the same Bench and the contesting parties are the same and the issues involved in the disputes arise out the same or similar transactions, the Bench may, if it thinks proper to do so and with the consent of the parties, order the hearings of the disputes to be held jointly. The awards, however, shall be given separately in each case.

Rule 41

The Bench shall have full discretion to retain and/ or return all books, documents or papers produced before it in any proceedings and may direct at any time that the books, documents or papers produced or any of them may be returned to the parties or either or any of them on such terms and conditions, if any, as the Bench may impose.

Rule 42

The Bench may proceed with the reference notwithstanding any failure to comply with any of the directions of the Bench and may also proceed with the reference in the absence or any or both of the parties who, being entitled to appear under Rule 33 refuses or neglects to attend at the time and place appointed by the Bench, in spite of due notice.

Rule 43

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 44

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 filling 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 be borne by the party/parties making the request.

Rule 45

The arbitral tribunal may issue such orders or directions as it may deem necessary for safeguarding, interim custody, preservation, protection, storage, sale or disposal of the whole or part of the subject matter of the dispute or for its inspection or sampling without prejudice to the rights of the Parties or the final determination of the dispute.

AWARDS**Rule 46**

No award shall be made by the Bench unless the case of the party applying for arbitration has been brought to the notice of the other parties and until after the lapse of such specified time within which they have been asked to submit their rejoinder under Rule 14. If for any reason any of the parties could not be served personally or by registered post, the notice shall be served by the Registrar in such other manner as he may deem fit and the parties shall be deemed to have been duly notified of the complaint.

Rule 47

Whenever there is more than one arbitrator, the award of the majority shall prevail and be taken as the decision of the Bench. Failing a majority, the Presiding Arbitrator of the Bench alone shall make the award.

Rule 48

If the parties settle their dispute during the course of the arbitration, the Bench may, upon the request, set forth the terms of the agreement in an award.

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Rule 49

(a) The Bench shall make the award as expeditiously as possible, preferably within six months from the date of the reference, subject to a maximum of two years from the date of commencement of the arbitral proceedings. If necessary, the maximum limit of two years for making the award may be extended by agreement between the parties to the dispute or by the Registrar.

(b) The arbitral award shall state the reasons upon which it is based, unless:

- (i) The parties have agreed that no reasons are to be given, or
- (ii) The award is an arbitral award on agreed terms.

Rule 50

The Bench may make an interim award, and may by any award, determine and order what shall be done by either or any of the parties, respecting the matters referred.

Rule 51

The arbitrator constituting the Bench or the presiding arbitrator, where Rule 47 is applicable, shall sign the award and shall cause notice in writing to be given 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 IEAC on receipt of the award and requisite deposit made by the parties.

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.

Rule 52

(a) The Bench, May by the award, dismisses the application or claim:

- (i) If the Claimant does not prosecute the arbitration proceedings or file papers within the time granted

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(ii) Or neglects or refuses to pay the dues or deposits ordered to be paid by the Bench or the Registrar.

(b) The Bench may make an ex-parte award:

(i) If the Respondent neglects or refuses to appeal or make his defence or fails to file the papers within the granted time.

(ii) Or neglects or refuses to pay the dues or deposits ordered to be paid by the Bench or Registrar.

Rule 53

(a) When completed, a copy of the award shall be sent by the Registrar to each of the parties by registered post, provided the arbitration costs have been fully paid by the parties or one of them. Additional copies, certified true by the Registrar shall be available to the parties at all times on request but to no one else, and on payment as fixed by the Registrar.

(b) The Registrar may request either party to notify him of compliance with the award.

(c) The award may be made public only with the consent of both parties.

FILING OF AWARD

Rule 54

The Bench 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 an 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 55

A party shall 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 a revocation of the submission or reference.

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Rule 56

Whenever an award directs that a certain act or things shall be done by one party to the reference eg. delivering or taking delivery of goods and such party fails to comply with the award, the party in whose favour the award is made may make a fresh application for a further award for determining the amount of damages or compensation payable by reason of such failure. The Registrar on receipt of such application shall proceed to constitute a new Bench, in the manner aforesaid, which may or may not consist of the same persons constituting the Bench which made the first award, and the new Bench shall proceed under these rules to arbitrate on the said application and the award thereon may be filed separately on the said application or together with the original award. Such proceedings before the new Bench shall be deemed to be a new arbitration and all Rules and Regulations herein including those relating to fees, costs and expenses, and deposits shall apply to such new arbitrations.

Rule 57

The cost of the reference and the award including costs, charges, fees and other expenses shall be in the discretion of the Bench, which may direct to and by whom, and in what manner and in what proportion such charges, fees and other expenses or 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. The Bench may also award such amount as may be determined by it to be paid to the IEAC by any or all of the parties.

FEES AND EXPENSES**Rule 58**

The Bench shall be entitled to allow fees and expenses of witnesses, expenses connected with the selection and carriage of samples and examination of goods licensed measurers' 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 Bench and any other incidental expenses and charges in connection with or arising out of the reference or award as the Bench shall in its absolute discretion think fit.

Rule 59

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The Bench may, from time to time, during the course of the arbitration prescribe that such sum as may be decided upon by it shall be paid by the parties to the dispute or such of the parties to the dispute in addition to such sum as may be required by the Registrar to be paid under Rule 28 as security for the costs and expenses incidental to the reference. In particular, where the Respondent neglects or refuses to make the deposit, the Bench may require such deposit to be paid by the Applicant himself, which IEAC shall be taken into consideration by the Bench in apportioning costs and expenses in the award.

Such sums and deposits as are ordered shall be made payable to the IEAC.

DEPOSITS

Rule 60

(i) The Registrar may require the Parties before passing the case on to the arbitrators under Rule 27, to deposit in advance in one or more installments such sums of money as he deems necessary to defray expenses of the arbitration including the administrative charges and arbitrator's fee. As a general rule, the deposits shall be called for in equal shares from the Claimant(s) and the Respondent(s). The Bench 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.

(ii) When one of the Parties neglects or refuses to make the deposit, the Registrar or the Bench, 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 Bench shall proceed only in respect of those claims or counter-claims for which the deposits have been duly paid to the Tribunal and otherwise may order the suspension or termination of the arbitral proceedings.

(iii) All deposits towards costs and expenses shall be made with the Tribunal and no payment shall be released to the arbitrators directly by the parties. The deposit made shall be taken into

account by the Bench in apportioning the cost while making the award. Any deposit made in excess shall be refunded to such of parties as the Bench may direct. The Tribunal shall have a lien for the arbitral award on any unpaid cost of the arbitration.

Rule 61

The fees, costs and expenses incidental to the reference and the award shall include the following:

(1) Registration Fee

A registration fee shall be paid along with the application for reference as under. The registration fee will not be refunded and becomes the property of IEAC.

- Rs. 10,000/- upto Rs. One Crore claim
- Rs 20,000 /- more than Rs. One Crore claim

(2) Administrative Fee and Arbitrator's Fee

The Administrative fee (of IEAC) and Arbitrator's fee (for each arbitrator) will be fixed separately with regard to the amount in dispute, including determined interest in each case, as under:

Amount of Claim & Counter Claim	Arbitrator's fee for each Arbitrator	Administrative Fee
Upto Rs. 5 lac (Rs.5,00,000/-)	Rs.60,000/-	Rs.45,000/-
From Rs.5 lac one to Rs.25 lac (Rs.5,00,001 to 2,500,000)	Rs.60,000/- plus Rs.3,000/- per lac or part thereof subject to a ceiling of Rs.1,20,000/-	Rs.45,000/- plus Rs.2,250/- per lac or part thereof subject to a ceiling of Rs.90,000/-
From Rs.25 lac one to Rs.1 crore (Rs.2,500,001 to 10,000,000)	Rs.1,20,000/- plus Rs.2,400/- per lac or part thereof subject to a ceiling of Rs.3,00,000/-	Rs.90,000/- plus Rs.1,800/- per lac or part thereof subject to a ceiling of Rs.2,25,000/-

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From Rs.1 crore one to Rs.5 crore (Rs.10,000,001 to 50,000,000)	Rs.3,00,000/- plus Rs.45,000/- per crore or part thereof subject to a ceiling of Rs.4,80,000/-	Rs.2,25,000/- plus Rs.33,750/- per crore or part thereof subject to a ceiling of Rs.3,60,000/-
From Rs.5 crore one to Rs.10 crore (Rs.50,000,001 to 100,000,000)	Rs.4,80,000/- plus Rs.30,000/- per crore or part thereof subject to a ceiling of Rs.6,30,000/-	Rs.3,60,000/- plus Rs.22,500/- per crore or part thereof subject to a ceiling of Rs.4,72,500/-
Over Rs.10 crores	Rs.6,30,000/- plus Rs.24,000/- per crore or part thereof	Rs.4,72,500/- plus Rs.18,000/- per crore or part thereof

(3) In addition to the above, IEAC will be entitled to receive a Special Fee of Rs. 5000/- per hearing for providing facilities of hearing rooms, for arbitration hearings and secretarial assistance etc at the arbitration hearing.

(4) Notwithstanding the provisions in Sub-Rule (2) of this Rule, the Council/Chairman of the Council may prescribe the Arbitrator's fees and the Administrative fees of the IEAC 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.

(5) Notwithstanding the provision in Sub-Rule (2) hereinabove, in arbitration cases to which Rule 40 applies, the Arbitrator's fee and the Administrative fee of the IEAC will be fixed by computing the fee applicable to larger claim in addition to 60% of the applicable fees of all claims being tried jointly. Provided that the Council will have the power to prescribe the Arbitrator's Fee and Administrative Fee under this Sub-Rule in any other manner, having regard to the nature and IEACs of the matters under reference.

OTHER EXPENSES

Rule 62

The arbitrator may be paid an amount of Rs. 750/- towards local conveyance for attending each arbitration hearing in the city of his residence. In respect of joint trial, the hearing will be treated as one irrespective of the number of cases. Any traveling and other expenses

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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.

Rule 63

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). In addition, he may be paid out-of-pocket expenses for boarding, lodging and local transport.

Rule 64

Certified copies of the awards: A fee as may be prescribed is payable for each certified copy of the award.

Rule 65

Stamp duties are to be paid by the parties in equal share in all cases in accordance with the scale of stamp duties for the time being imposed by law.

Rule 66

Such fee as may be decided by the Registrar, in addition to the court fees, on the scale for the time being in force under the Indian Law is payable by the party requiring the award to be filed.

COPIES OF PROCEEDINGS

Rule 67

No party is entitled to copies of proceedings before arbitrators. In case where the Tribunal is requested to make copies of cases or exhibits thereto, submitted by either party, for the purpose of sending such copies to the other party, then a charge as demanded by the Registrar shall be paid by the party requiring such copies.

SETTLED OR WITHDRAWN CASES

Rule 68

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If a party instituting a reference desires to withdraw it before a Bench has been constituted, the Registrar shall return to him any deposits made, after deducting such charges as he might have incurred in connection with the reference. The registration fee, however, shall not be refundable.

INDEMNITY OF ARBITRATORS AND THE IEAC SECRETARIAT

Rule 69

- (i) No party shall bring or prosecute any suit or proceedings whatever against the Bench, or any member thereof, for or in respect of any matter or thing purporting to be done under these rules nor any suit or proceeding in respect thereof (save for the enforcement of the award against the other party).
- (ii) The IEAC, the Arbitration Council and officers of the Tribunal 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.

FAST TRACK ARBITRATION

Rule 70

The Parties may opt for Fast Track Arbitration and request the Bench, 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 Bench 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 Bench 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 Bench considers an oral hearing necessary in any particular case.

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(4) If an oral hearing is held, the Bench may dispense with any technical formalities and adopt such procedure as it deems appropriate and necessary for economic and expeditious disposal of the case.

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