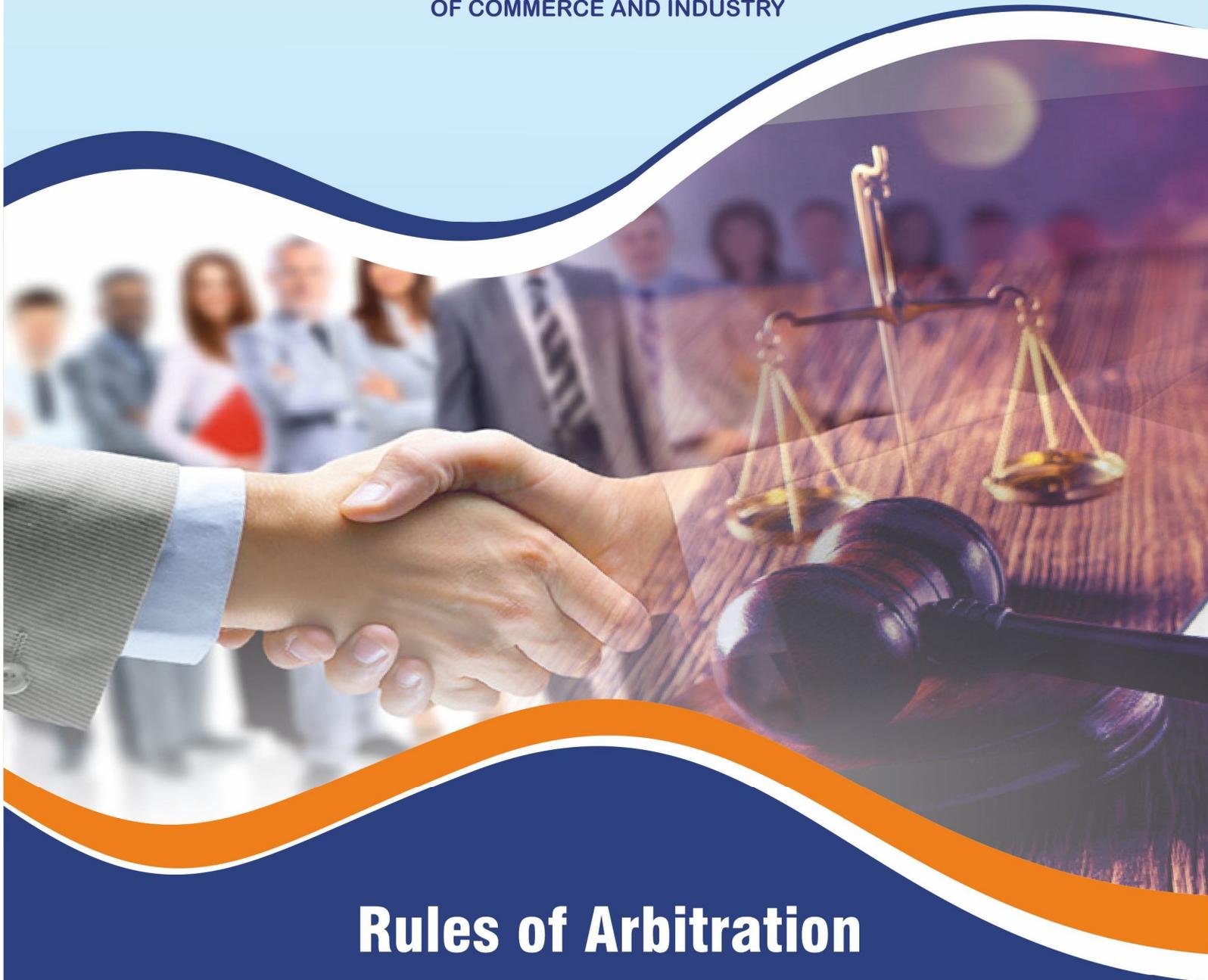




**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY



**Rules of Arbitration**  
**PHDCCI Centre for International**  
**Arbitration and Mediation (PCIAM)**

**PHD CHAMBER OF COMMERCE AND INDUSTRY**





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## **PREAMBLE**

The PHD Chamber of Commerce and Industry (PHDCCI) under its aegis has set up and established the 'PHDCCI Centre for International Arbitration and Mediation (PCIAM)' to provide simple and expeditious dispute resolution services to resolve commercial disputes and differences, in accordance with the Rules provided herewith.

The administrative functioning of PCIAM will be carried out under the supervision and direction of its Chair. These Rules have been framed in conformity with the Arbitration and Conciliation Act, 1996, as amended up to date.

The PCIAM recommends that all parties desirous of making reference of their dispute(s) to Arbitration shall insert the following Model Clause in their contracts:

### **ARBITRATION CLAUSE:-**

*“Any dispute or difference whatsoever, arising between the parties out of or in connection with the present contract shall finally be settled through Arbitration under the PCIAM Arbitration Rules, by one or more Arbitrators appointed in accordance with the said Rules. The entire proceedings shall be conducted in English Language and the venue / seat of Arbitration would be PHD Chamber of Commerce and Industry, PHD House, New Delhi”.*



## **INTRODUCTION**

### **RULE 1: APPLICATION, INTERPRETATION AND DEFINITIONS**

#### **1.1 Application**

These Rules shall be called the ‘PCIAM Rules of Arbitration’, hereinafter referred to as the PCIAM Rules. PCIAM is an abbreviation of and stands for ‘PHDCCI Centre for International Arbitration and Mediation’. These rules shall come into force and shall apply to all disputes submitted for Arbitration on and from 01.09.2021.

#### **1.2 Interpretation**

These Rules shall apply to any dispute relating to or in the nature of a commercial and business matter:

- a) Where parties have agreed in writing that (i) a dispute which has arisen or (ii) a dispute which may arise between them in respect of a defined legal relationship, whether contractual or not, shall be settled under these rules. These rules shall also apply to any Arbitration submitted to PCIAM for adjudication of any commercial dispute under any Arbitration agreement providing for Arbitration by or under PHDCCI.
- b) 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, in accordance with these Rules.
- c) In the event of any dispute regarding the meaning and interpretation of these Rules and / or related documents, the meaning or interpretation given to the rules by the Chair of PCIAM shall be final in the case where Arbitral tribunal is yet to be constituted. Whereas, in the case where the Arbitral Tribunal stands constituted, the Arbitral Tribunal shall conduct the proceedings in such manner as it consider Judicious and proper and the Arbitral Tribunal’s interpretation of the Rules and /or related documents shall be final and binding.
- d) Where the parties have agreed to refer their dispute(s) for Arbitration to PCIAM, the Parties shall submit their disputes and/or differences to the Registrar of PCIAM. The Parties be deemed to have agreed that the Arbitration shall be administered and conducted under these Rules.



- e) The Chair of the PCIAM upon a specific request by the parties to a dispute may constitute an Arbitral Tribunal to function under the PCIAM Rules. The said Arbitral Tribunal would conduct Arbitration proceedings relating to any dispute arising between parties wherein the Arbitration clause as per the contract between the Parties is either silent or provides, that the dispute shall be adjudicated under any other Rules of Arbitration, but where the Parties have not agreed in writing that their dispute should be wholly administered under these Rules.

### 1.3 Definitions

In these rules:

- (i) **“Act”** means the Arbitration and Conciliation Act, 1996, as amended up to date.
- (ii) **“Additional Party”** means one or more parties to the Arbitration agreement, other than the Claimant and the Respondent.
- (iii) **“Arbitration Agreement”** means a written agreement by the parties to submit to Arbitration, all disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not.
- (iv) **“Arbitral Tribunal”** means a sole Arbitrator and includes one or more Arbitrators of the PCIAM 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) **“Award”** means and includes a partial, interim or final award as well as an award of the Emergency Arbitration.
- (vii) **“Chair and Co-Chair”** shall mean Chair of PCIAM and Co-Chair of PCIAM respectively, as appointed by the President, PHDCCI for a specified term without any salary or remuneration.
- (viii) **“Chamber”** means the PHD Chamber of Commerce and Industry i.e. PHDCCI - having its head office at PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016.
- (ix) **“Claimant”** includes one or more Claimants.
- (x) **“Committee”** means the Managing Committee for the time being of PHDCCI.



- (xi) **“Costs”** include the administrative fee of the Chamber, legal fees and costs of the Arbitrator(s), witnesses, professional fee of the experts and any other expenses incurred in connection with the arbitral proceedings and the preparation and dispatch of arbitral award.
- (xii) **“Domestic Arbitration”** means Arbitration other than International Commercial Arbitration.
- (xiii) **“Emergency Arbitration”** means Arbitration in accordance with the procedure laid down in these Rules.
- (xiv) **“Guidelines”** means the guidelines framed in respect of fast track Arbitration proceedings as provided for in the Annexure B to these Rules. These guidelines may be amended by the PCIAM from time to time as and when required and deemed necessary.
- (xv) **“International Commercial Arbitration”** means an Arbitration relating to a dispute 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 in India; or
  - b. a body corporate which is incorporated in any country other than in India; or
  - c. a firm, or a body corporate, or a body of persons, or an association or a body of individuals whose central management and control is exercised in any country other than in India; or
  - d. the Government of a foreign country.
- (xvi) **“Fast Track Arbitration”** means Arbitration in accordance with Rule 23 of these Rules.
- (xvii) **“PCIAM” shall** mean ‘The PHDCCI Centre for International Arbitration and Mediation’ constituted under the aegis of PHD Chamber of Commerce and Industry.
- (xviii) **“Panel”** means the panel of Arbitrators constituted for the time being by the PCIAM.
- (xix) **“Party”** means a party to an Arbitration agreement, including Claimant, Respondent and any Additional party joined to the Arbitration in a Statement of Claim.
- (xx) **“President”** means the sitting President of the Chamber.



- (xxi) **"Registrar"** means the Registrar of PCIAM who shall act and shall perform functions as stipulated in Rule 3 of these Rules to conduct Arbitration proceedings.
- (xxii) **"Representative"** means any person authorized by the parties to the Arbitration agreement to represent them during the arbitral proceedings by furnishing a proof of authority, such as a power of attorney to the satisfaction of the Tribunal.
- (xxiii) **"Respondent"** includes one or more Respondents.
- (xxiv) **"Rules"** means the PHDCCI Centre for International Arbitration and Mediation (PCIAM) rules of Arbitration and is deemed to include the Schedules annexed there to. The Rules to be applicable and in force w.e.f. 01.09.2021.

## **RULE 2: PHDCCI CENTRE FOR INTERNATIONAL ARBITRATION AND MEDIATION (PCIAM)**

- 2.1 The PCIAM is constituted by PHDCCI through the President PHDCCI for the purposes of performing the functions prescribed under these Rules.
- 2.2 The Chair of the PCIAM shall be appointed by the President of the Chamber.
- 2.3 The President may also appoint a Co-Chair. In the absence of Chair, the Co-Chair will act as Chair.
- 2.4 The Chair of the PCIAM may delegate, with prior permission of the President, in writing to the Registrar, the power to take certain decisions as would be taken by the Chair.
- 2.5 The Chair may delegate to the Co-Chair, such powers of the Chair to take decision on such matters as deemed necessary, with the prior permission of the President.

## **RULE 3: REGISTRAR**

- 3.1 The Registrar of PCIAM shall perform his functions in consultation with the Chair of the PCIAM for the proper administration of Arbitration proceedings in accordance with these Rules.
- 3.2 The Registrar shall receive requests for Arbitration, receive payment of costs, fees and deposits, and name an Arbitral Tribunal, under orders and directions of the Chair of the PCIAM, to comprise an Arbitrator or Arbitrators as hereinafter provided.



- 3.3 The Registrar shall receive all communications made to the Arbitral Tribunal by the parties and communicate to them, the orders and directions of the Arbitral Tribunal; maintain a register of applications to the Tribunal and Awards made by the Arbitral Tribunal; maintain such other books, memoranda and other records as required by PCIAM.
- 3.4 The Registrar shall also carry out the directions of the Arbitral Tribunal under these Rules and take such other steps as may be necessary to assist the Arbitral Tribunal in carrying out of its functions.
- 3.5 The Registrar may appoint any officer(s) if needed, in consultation with the Chair of the PCIAM, to assist in the discharge of such of the functions and administrative duties of the Registrar as are deemed proper and necessary from time to time, for the effective administration of Arbitration process.

#### **RULE 4: PANEL OF ARBITRATORS**

- 4.1 A panel of Arbitrators shall be empaneled by the PCIAM for a fixed term of ten years. These would be individuals who are professionally qualified, having the expertise, and are willing to act as Arbitrators. The decision for the renewal of the term of the said Arbitrators on the panel shall solely lie with the Chair PCIAM.
- 4.2 The Chair or the Co-Chair shall not be a part of the Panel of Arbitrators.

#### **RULE 5: NOTICE AND CALCULATION OF PERIODS OF TIME**

- 5.1 For the purposes of these Rules, any notice, communication or proposal shall be in writing. Any such written communication may be delivered personally or by registered post or courier service, or transmitted by any form of electronic communication (including electronic mail), or delivered by any other means that provides a record of its transmission or in any other manner as may be ordered by the Arbitral Tribunal. It shall be deemed to have been received if it is delivered:
  - (i) to the addressee personally,
  - (ii) to his habitual residence, place of business or designated address,
  - (iii) to any address agreed by the parties,
  - (iv) according to the practice of the parties in prior dealings, or
  - (v) if none of these can be found after making reasonable inquiry, then at the addressee's last-known residence or place of business.



- 5.2 Any written communication shall be deemed to have been received on the day when it is delivered or, in the case of electronic means, transmitted, and such time shall be determined with reference to the recipient's time zone.
- 5.3 For the purposes of calculating any period of time under these Rules, such period shall begin to run on the day following the day when a written communication or proposal is deemed to have been received pursuant to Rule 5.2. When the day next following such date is a non-business day in the place of receipt pursuant to Rule 5.1, the time period commences on the first following business day. If the last day of such period is a non-business day at the place of receipt, the period is extended until the first business day which follows. Non-business days occurring during the running of the period of time are included in calculating the period.
- 5.4 After the constitution of the Arbitral Tribunal, where any party delivers any written communication to the Arbitral Tribunal, the Party shall also simultaneously deliver a copy to each Arbitrator, all other parties and to the Registrar. It shall also confirm in writing to the Arbitral Tribunal that it has done so.

## **RULE 6: COMMENCEMENT OF ARBITRATION**

### **6.1 Requests for Arbitration**

Any party (the "Claimant") wishing to commence Arbitration shall file with the Registrar a written Request for Arbitration which shall contain (or be accompanied by):

- (a) a request that the dispute be referred to Arbitration;
- (b) the full terms of the Arbitration clause or the separate Arbitration agreement that is invoked;
- (c) a reference to (and, where possible, a copy of) the contract(s) (or other instrument(s)) out of or in relation to which the dispute arises;
- (d) the full names and contact details (including postal address(es), telephone number(s), facsimile number(s) and electronic mail address(es), to the extent known) of the parties to the Arbitration and their legal representatives, if any;
- (e) a statement briefly describing the nature and circumstances of the dispute and the claims advanced by the Claimant against any other party to the Arbitration (each such other party being here separately described as the "Respondent"), specifying the relief claimed, including the amounts of any quantified claim(s) and, to the extent possible, an estimate of the monetary value of any other claim(s);

- (f) a statement of any matters which the parties have previously agreed as to the conduct of the Arbitration or with respect to which the Claimant wishes to make a proposal (such as the number of Arbitrator(s), the applicable rules of law, the language(s) of the Arbitration, and the seat of Arbitration);
- (g) unless the parties have agreed otherwise, the nomination of an Arbitrator, if the Arbitration agreement provides for three Arbitrators, or a proposal for a sole Arbitrator if the Arbitration agreement provides for a sole Arbitrator;
- (h) confirmation that copies of the Request for Arbitration and any exhibits have been or are being served simultaneously on all other parties, specifying the mode of service employed and the date of service, to be supported then or as soon as possible thereafter by satisfactory documentary proof to the Registrar of the actual delivery (including the date of delivery); and
- (i) confirmation that the requisite non-refundable filing fees of Rupees 25,000 plus applicable taxes for domestic arbitration and \$ 1,500 for international arbitration, has been paid (without which the Request for Arbitration shall be treated as not having been received by the Registrar and the Arbitration as not having been commenced at PCIAM).
- (j) the certified true copy of the order of a Court, if any, directing that Arbitration be held under these Rules, in addition to the documents listed in Rule 6.1 (c), shall also be provided with an application for Arbitration.
- (k) the Request for Arbitration may also include a prior intimation of Arbitration sent to the opposite party and the Statement of Claim.
- (l) The date of receipt of the complete Request for Arbitration by the Registrar shall be deemed to be the date of commencement of the Arbitration (subject to the PCIAM's actual receipt of the requisite filing fee). For the avoidance of doubt, the Request for Arbitration is deemed to be complete when all the requirements under this rule are fulfilled or when the Registrar determines that there has been substantial compliance with such requirements. Upon compliance of all such requirements, the Registrar shall send copy of such request of Arbitration on the opposite party(s). This request for Arbitration when sent to the opposite Party(s) shall constitute as Notice of Arbitration and the Registrar shall accordingly notify to the parties of the date of commencement of the Arbitration.
- (m) Also, On the receipt of the aforesaid complete and proper Request for Arbitration, the Registrar under the orders and direction of the Chair shall take the necessary steps to have the Arbitral Tribunal constituted for the adjudication of the dispute or differences as provided in Rule 9 here under.



- (n) For the avoidance of doubt, the contents of the Request for Arbitration do not prevent the Claimant, with the prior permission of the Arbitral Tribunal, from subsequently adding, supplementing or amending in its pleadings the matters referred to Arbitration or the reliefs claimed, provided these matters and reliefs fall within the scope of the Arbitration agreement.

## **6.2 Response to the Request for Arbitration**

6.2.1 The Respondent shall send to the Claimant a Response within four weeks of receipt of the Request for Arbitration. The Response shall contain (or be accompanied by):

- (a) a confirmation or denial of all or part of the claims, including the Claimant's invocation of the Arbitration agreement in support thereof;
- (b) the full names and contact details (including postal address(es), telephone number(s), facsimile number(s) and electronic mail address(es) of the Respondent and its legal representatives, if any;
- (c) a statement briefly describing the nature and circumstances of the dispute and the defence to the claim, including any counterclaims advanced against any other party to the Arbitration, specifying the relief claimed, including the amounts of any quantified counterclaims and, to the extent possible, an estimate of the monetary value of any other counterclaims;
- (d) any comment in response to any statements contained in the Request for Arbitration, or with respect to which the Respondent wishes to make a proposal, on matters relating to the conduct of the Arbitration (such as the number of Arbitrator(s), the applicable rules of law, the language(s) of the Arbitration, and the seat of Arbitration);
- (e) unless the parties have agreed otherwise, the nomination of an Arbitrator if the Arbitration agreement provides for three Arbitrators or, if the Arbitration agreement provides for a sole Arbitrator, agreement with the Claimant's proposal for a sole Arbitrator or a counter-proposal;
- (f) confirmation that copies of the Response and any exhibits have been or are being served simultaneously on all other parties, specifying the mode of service employed and the date of service, to be supported then or as soon as possible thereafter by documentary proof satisfactory to the Registrar of actual delivery (including the date of delivery); and
- (g) confirmation that the requisite filing fee for any counterclaim has been paid

- (h) In case any additional claim is filed by the Claimant / Respondent or any counter claim is filed by the Respondent, the same shall also carry requisite filing fee to be paid by the parties.

6.2.2 For avoiding of doubt, the Response may also include the Statement of Defence and a Statement of Counter claim.

6.2.3 For the avoidance of doubt, the contents of the Response do not restrict the Respondent, with the permission of the Arbitral Tribunal , from subsequently adding, supplementing or amending in its pleadings the matters referred to Arbitration or the reliefs claimed , provided these matters and reliefs fall within the scope of the Arbitration agreement.

## **RULE 7: JOINDER OF ADDITIONAL PARTIES, CONSOLIDATION & MULTIPLE CONTRACTS**

### **7.1 Joinder of Additional Parties**

- (a) The Registrar may, at the written request of any party, allow one or more third party to be joined in the Arbitration proceedings as a party provided that such third party is a party to the Arbitration Agreement. The Registrar may not decide to grant this request if it finds, after giving all parties (including the party/parties to be joined) the opportunity to be heard, that a joinder would cause prejudice to any of the said parties.
- (b) The Registrar may join an Additional Party to an Arbitration proceeding if all existing parties as well as the additional party have given their consent and doing so causes no prejudice to the parties or to the arbitral proceedings or if the law so provides. The Additional parties and their claims will be adjudicated by the Arbitral Tribunal already constituted between the existing parties.
- (c) If an existing party does not object to the joinder of an Additional Party within 15 days of the communication of the request to it, the existing party will be deemed to have waived its right to object to any such joinder.

### **7.2 Consolidation**

- (a) The request for Consolidation of Arbitrations shall be considered if:
- I. the parties to the separate Arbitrations are the same, or related;
  - II. the disputes arise out of the same legal relationship(s);
  - III. the disputes are based on a common question of law or fact; and/or



- IV. the relief sought arises out of the same or related transactions between the parties.
- (b) The Registrar in consultation with the Chair of the PCIAM shall make a decision on Consolidation of Arbitration within 15 days from the date of receipt of the request for Consolidation.
  - (c) The party applying for Consolidation under this Rule shall, at the same time as it files an application for Consolidation with the Registrar, send a copy of the application to all other parties to the Arbitration.
  - (d) The Registrar shall, after considering the views and consent of all the parties, and having regard to the circumstances of the case, decide whether to grant, in whole or in part, any application for Consolidation.
  - (e) Any Arbitration(s) that are not consolidated shall continue as separate Arbitrations under these Rules.
  - (f) Where the Registrar decides to consolidate two or more Arbitrations, they shall be consolidated into the Arbitration that is deemed by the Registrar to have commenced first, unless otherwise agreed by all parties.
  - (g) The Chair of the PCIAM is fully empowered to appoint new / additional Arbitrators for the consolidated proceedings and his decision on this shall be final.

### **7.3 Multiple Contracts**

- (a) If the claims and relief sought by the parties arise out of, or are in connection with more than one contract, then a request can be made to the Registrar to consolidate the disputes in one single arbitral proceeding.

### **RULE 8: ARBITRAL TRIBUNAL**

- 8.1 The Arbitrators shall perform their mandate independently of the parties, impartially and to the best of their knowledge and ability, and they shall not be bound by any instruction. They have the duty to keep confidential all information acquired in the course of their duties.
- 8.2 If a person intends to accept an appointment as an Arbitrator, he shall sign and submit a declaration to the Registrar before his appointment confirming his (i) impartiality and independence; (ii) availability; (iii) qualification; (iv) acceptance of office; and (v) submission to the Rules as also in accordance with the applicable law.

- 8.3 An Arbitrator shall disclose in writing all circumstances that could give rise to doubts as to his impartiality, independence or availability or that conflict with the agreement of the parties. The duty to immediately disclose such circumstances continues to apply throughout the Arbitration.

**RULE 9: CONSTITUTION OF THE ARBITRAL TRIBUNAL**

- 9.1 On receipt of a Request for Arbitration, the Registrar under the orders and direction of the Chair shall take the necessary steps to have the Arbitral Tribunal constituted for the adjudication of the dispute or differences as provided hereunder:
- 9.2 The number of Arbitrators to hear a dispute in Arbitration shall be determined as under:
- (a) In any case, the Parties can always mutually agree to have a Sole Arbitrator Arbitral Tribunal or a Three Arbitrator Arbitral Tribunal for the adjudication of the dispute.
  - (b) The Claimant and the Respondent shall separately choose names of three proposed Arbitrator each from the existing panel of the PCIAM. As such, two separate lists of proposed Arbitrators shall be prepared by the Claimant and the Respondent containing three names each respectively.
  - (c) The Chair shall nominate and finalize the appointment of any such person whose name is common in both the lists or if there is no common name, then the Chair shall finalize, nominate and appoint any Arbitrator from the panel in the case of a Sole Arbitrator Arbitral Tribunal. Whereas, in the case of a Three Arbitrator Arbitral Tribunal the Chair shall finalize, nominate and appoint two Arbitrators who in turn shall choose, nominate and appoint the third Arbitrator.
  - (d) In case the Claimant or the Respondent (either or both of them) do not send the list of three preferred Arbitrators within 21 days of having been asked to do so, the Chair shall in that case, choose an Arbitrator from the Panel and nominate and appoint the said Arbitrator for the purposes of a Sole Arbitrator Arbitral Tribunal. Whereas, for the purpose of a Three Arbitrator Arbitral Tribunal, the Chair shall finalize, nominate and appoint two Arbitrators from the Panel. The said two Arbitrators in turn, shall choose, nominate and appoint the third Arbitrator from the Panel.
- 9.3 If one of the parties is a national or resident of a country other than India, if so required by any opposite party, the PCIAM shall make reasonable efforts to appoint a sole Arbitrator from among the nationals of a country other than the parties to the Arbitration. In case, the PCIAM is unable to appoint such a person within a reasonable period of time, then the PCIAM at its sole discretion may appoint a sole Arbitrator from the panel who is a national of India.



- 9.4 The Registrar will obtain a written consent from the Arbitrator(s) chosen and nominated. After the Arbitrator gives his / her consent for their appointment, they will be duly intimated in writing about their appointment by the Registrar to adjudicate the dispute. The appointment of the Arbitrator will take effect from the date of such intimation about the constitution of the Arbitral Tribunal.
- 9.5 The Arbitral Tribunal so appointed shall take on its record all documents, relevant papers, pleadings, exchanged between the Parties and hear the disputes.

#### **RULE 10: CHALLENGE OF ARBITRATORS**

- 10.1 After his appointment, an appointment of an Arbitrator may be challenged only if circumstances exist, that gives rise to justifiable doubts as to his impartiality or independence, or if he does not fulfill the qualifications agreed by the parties. A party may challenge the Arbitrator whom it nominated, or in whose nomination it has participated, only for reasons of which the party became aware after the nomination or its participation in the nomination.
- 10.2 A party's challenge of an appointed Arbitrator shall be submitted to the Registrar within 15 days from the date the party making the challenge became aware of the grounds for the challenge. The challenge shall specify the grounds for the challenge and include corroborating materials to substantiate the challenge.
- 10.3 The Arbitral Tribunal, including the challenged Arbitrator, may continue the Arbitration while the challenge is pending. The Arbitral Tribunal may not issue an award until after the PCIAM has ruled on the challenge.
- 10.4 The final decision regarding this challenge will lie with the PCIAM which shall be binding on the parties.

#### **RULE 11: PREMATURE TERMINATION OF THE ARBITRATOR'S MANDATE**

- 11.1 The mandate of an Arbitrator terminates prematurely if:
- (a) the parties so agree; or
  - (b) the Arbitrator resigns; or
  - (c) the Arbitrator dies; or
  - (d) the Arbitrator was successfully challenged; or



(e) the Arbitrator is removed from the Panel by the PCIAM for misconduct.

11.2 Either party may request that an Arbitrator be removed from office if the Arbitrator is prevented from performing his duties more than temporarily or otherwise fails to perform his duties, including also the duty to proceed without any undue delay. The party shall submit the request to the Registrar. If it is apparent to the PCIAM, that any incapacity is not merely temporary, or that the Arbitrator is not performing his duties, the PCIAM may remove an Arbitrator from office even without a party's request. The PCIAM shall decide on the removal after granting the parties and the affected Arbitrator the opportunity to comment.

## **RULE 12: EFFECTS OF THE PREMATURE TERMINATION OF THE ARBITRATOR'S MANDATE**

12.1 If an Arbitrator's mandate terminates prematurely, the Arbitrator shall be replaced.

12.2 The nominating party or the party on whose behalf the Arbitrator was appointed, when the Arbitrator was nominated by a party or was appointed on behalf of a party; nominate a substitute Arbitrator within 30 days and indicate the nominee's name, address and other contact details. If such nomination is not made within this time period, the PCIAM shall appoint the substitute Arbitrator. If a substitute Arbitrator is successfully challenged, the right to nominate a substitute Arbitrator shall lapse and the PCIAM shall appoint the substitute Arbitrator.

12.3 If an Arbitrator's mandate terminates prematurely, the new Arbitral Tribunal shall determine, after requesting comments from the parties, whether and to what extent previous stages of the Arbitration shall be repeated.

12.4 The Arbitrator(s) appointed as above will be informed about the reconstitution of the Arbitral Tribunal and the reconstituted Arbitral Tribunal shall render the award expeditiously within the time prescribed under the Act from the date on which 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 13: JURISDICTION OF THE ARBITRAL TRIBUNAL**

- 13.1 A plea that the Arbitral Tribunal does not have jurisdiction shall be raised not later than the first pleading on the merits. A party is not be precluded from raising such an objection by the fact that it has nominated an Arbitrator or has participated in the nomination of an Arbitrator. An objection that the Arbitral Tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to exceed the scope of its authority is raised during the Arbitration. A later objection shall be barred in both cases; provided that, if the Arbitral Tribunal considers the delay to be sufficiently excused, it may admit a later objection.
- 13.2 Once the Arbitral Tribunal has been set up, the Arbitral Tribunal shall decide on its own jurisdiction. The decision on jurisdiction may be made together with the decision on the merits or in a separate award. Where the Arbitral Tribunal declines jurisdiction, it may if it thinks appropriate- upon the request of one of the parties, decide on the parties' costs obligations.

## **RULE 14: SUBMISSION OF THE CASE TO THE ARBITRAL TRIBUNAL**

The Registrar shall diligently send copies of all documents relating to the Arbitration proceedings such as statement of claim, defence statement, counter-claims, reply, or other documents received from the parties to the dispute to the Arbitrators constituted under the Arbitral Tribunal with a request to proceed with the Arbitration and the Arbitral Tribunal shall be deemed to have entered on the reference on the day on which applications; defence statement, counter-claims, replies, documents, etc. have been dispatched to the Arbitrator(s). Intimation shall be given to the Parties on the day on which the Arbitral Tribunal is deemed to have entered reference.

## **RULE 15: ARBITRAL TRIBUNAL PROCEEDINGS**

### **15.1 Place of Arbitration**

The place or venue of Arbitration shall be PHDCCI, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016, India or such place as may be agreed to by the parties and the Arbitrator(s) or such place as decided by the Arbitrator(s).

## **15.2 Statement of Claim**

Unless already submitted, the Claimant shall, within a period of time to be determined by the Arbitral Tribunal at the first procedural meeting held, send to the Respondent and the Tribunal, a Statement of Claim setting out in full detail: (a) a statement of facts supporting the claim; (b) the legal grounds or arguments supporting the claim; and (c) the relief claimed, together with the amount of all quantifiable claims. If the Tribunal so determines at the first procedural meeting; the Claimant shall also attach the witness statements, supporting its claim to its Statement of Claim.

If the Claimant fails within the time specified to submit its Statement of Claim, the Tribunal may issue an order for the termination of the arbitral proceedings or give such other directions as may be appropriate, unless the Respondent has brought a counterclaim and wishes the Arbitration to continue.

## **15.3 Statements of Defence and Counterclaim**

15.3.1 Unless already submitted, the Respondent shall, within a period of time to be determined by the Tribunal at the first procedural meeting, send to the Claimant and the Tribunal a Statement of Defence setting out its full defence to the Statement of Claim, including a statement of facts and contentions of law on which it relies. The Statement of Defence shall also state any counterclaim.

15.3.2 If the Tribunal so determines at the first procedural meeting, the Respondent shall also attach the witness statements supporting its defence and counterclaim (if any) to its Statement of Defence.

15.3.3 If a counterclaim is made, the Claimant shall, within a period of time to be determined by the Tribunal at the first procedural meeting, send to the Respondent a Statement of Defence to the Counterclaim setting out its full defence to the counterclaim, including, without limitation, a statement of facts and contentions of law on which it relies.

15.3.4 If the Respondent fails to submit a Statement of Defence, or, if at any stage any party fails to avail itself of the opportunity to present its case in the manner directed by the Tribunal, the Tribunal may nevertheless proceed with the Arbitration.

## **15.4 Amendments to the Statements of Claim or Defence**

With the leave of the Tribunal, a party may amend, supplement or modify its claim, counterclaim or other pleadings, unless the Tribunal considers it inappropriate to allow such amendment having regard to the delay in making it or prejudice to the other party or any other circumstances. However, a claim or counterclaim may not be amended in such a manner that the amended claim or counterclaim falls outside the scope of the Arbitration agreement.



The Registrar may adjust the Tribunal's fees and the Chamber's charges (where appropriate) if a party is permitted to amend its claim or defence.

### **15.5 Further Pleadings**

All statements, documents or other information supplied to the Tribunal and the Registrar by one party shall simultaneously be supplied to the other party. The Tribunal shall decide whether further pleadings shall be required from the parties or may be presented by them. The Tribunal shall fix the periods of time for communicating such pleadings, if any. The Tribunal may further limit the length and scope of written pleadings and written and oral witness evidence (both fact witnesses and experts) so as to avoid repetition and maintain a focus on key issues.

The Tribunal may at any time during the proceedings, if it considers it appropriate, require the parties, in consultation with the Tribunal, to prepare an agreed list of issues to be determined by the Tribunal.

### **15.6 Conduct of Arbitral Proceedings**

- (a) The Arbitrator(s) shall perform their mandate independently of the parties, impartially and to the best of their knowledge and ability, and they shall not be bound by any instruction. They have the duty to keep confidential, all information acquired in the course of their duties.
- (b) The Arbitral Tribunal shall conduct the proceedings so as to avoid unnecessary delay and expense and to provide a fair and efficient process for resolving the parties' dispute.
- (c) During an arbitral hearing, a party shall be entitled to appear in person or be represented by a counsel, attorney, advocate or a duly authorized Representative by filing a Power of Attorney and a Board resolution (if applicable) with the Arbitral Tribunal.
- (d) The parties shall do all acts necessary to enable the Arbitral Tribunal to deliver the award expeditiously and shall not do, or cause, or allow to be caused, any act which shall delay the arbitral proceedings or delivering of the award expeditiously as per the provisions of the Act. If any Party does cause, or allow to be caused, any such act, that Party shall pay such costs as the Arbitral Tribunal deems fit.
- (e) The Arbitral Tribunal shall not ordinarily adjourn a hearing at the request of any Party, except where the circumstances could not be anticipated and are beyond the control of the Party and the Arbitral Tribunal is satisfied that the 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, as it deems fit and proper.



- (f) If required by any applicable law, the Tribunal shall endeavour to render its final Award as expeditiously as possible and in accordance with the law.
- (g) 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. The Arbitral Tribunal may declare such party to be ex-parte and may proceed with the reference accordingly.
- (h) In all matters not expressly provided for in these Rules, the Registrar and the Tribunal shall act in accordance with the spirit and intent of these Rules and shall make every effort to make sure that the Award is made in accordance with the law of the seat and enforceable at law.

### **15.7 Language**

- (a) Unless the parties have agreed otherwise, the initial language of the Arbitration shall be the language of the Arbitration agreement, providing always that no party shall have cause for complaint if communications to or from the Registrar and / or Chair and the Arbitration proceedings are conducted in English.
- (b) Upon the formation of the Tribunal and unless the parties have agreed otherwise, the Tribunal shall determine the language(s) to be used in the proceedings. If a document is written in a language other than the language(s) of the Arbitration, the Tribunal, or if the Tribunal has not been established, the Registrar, may order that party to submit a translation in a form to be determined by the Tribunal or the Registrar.

### **15.8 Seat and Venue**

- (a) The parties may agree on the seat of Arbitration, failing such an agreement, the seat of Arbitration shall be New Delhi, India, unless the Tribunal determines, having regard to all the circumstances of the case, that another seat is more appropriate.
- (b) The Tribunal may hold by physical means and / or on virtual platforms hearings, meetings and deliberations as it considers expedient or appropriate and at any location it considers convenient or appropriate.



## **15.9 Applicable Law**

The Tribunal shall apply the law and / or rules of law designated by the parties as applicable to the substance of the dispute. Failing such designation by the parties, the Tribunal shall apply the law and / or rules of law, which it determines to be appropriate.

In all cases, the Tribunal shall decide in accordance with the terms of the contract, if any, and shall take into account any usage of trade applicable to the transaction to the extent that the Tribunal considers it relevant to the Arbitration.

## **15.10 Hearings**

- (a) Unless the parties have agreed on a “documents-only” Arbitration or as provided in these Rules, the Tribunal shall, if either party so requests or the Tribunal so decides, hold a hearing for the presentation of evidence and / or for oral pleadings on the merits of the dispute, including, without limitation, any issue as to jurisdiction.
- (b) The Tribunal may, in advance of any hearing, submit to the parties a list of questions which it wishes them to answer with special attention.
- (c) The Tribunal shall fix the date, time and place of any meeting or hearing and shall give the parties reasonable notice.
- (d) If any party to the proceedings fails to appear at a hearing without showing sufficient cause for such failure, the Tribunal may proceed with the Arbitration and may make the Award based on the pleadings and evidence before it.
- (e) Unless the parties agree otherwise, all meetings and hearings shall be in private, and any recordings, transcripts, documents or other materials used shall remain confidential.

## **15.11 Interim Relief**

The Tribunal may, at the request of a party, issue an order granting an injunction or any other interim relief it deems appropriate as provided in law. The Tribunal may order the party requesting interim relief to provide appropriate security in connection with the relief sought.

Where permitted under applicable law, a party may apply to any court or other judicial authority for interim or conservatory relief. Any such application is permissible solely to the extent that the Tribunal has no power or is unable for the time being to act effectively. Any application and any order for such measures after the formation of the Tribunal shall be promptly communicated by the applicant to the Tribunal and to all other parties.



### **15.12 Witnesses**

Before any hearing, the Tribunal may require any party to give notice of the identity of witnesses, including expert witnesses, whom it intends to produce, the subject matter of their testimony and its relevance to the issues. The Tribunal has discretion to allow, refuse or limit the appearance of witnesses to give oral evidence at any hearing. The Tribunal is free to determine the manner in which witnesses are to be examined, and may direct that the testimony of any witness be presented in written form. Any witness who gives evidence may be questioned by each of the parties, their representatives and the Tribunal in such manner as the Tribunal may determine. The questioning may be done orally or by written interrogation.

### **15.13 Evidence**

The Tribunal shall determine the admissibility, relevance, materiality and weight of any evidence, including whether to apply strict rules of evidence or not. The Tribunal shall not be bound to apply any rules of evidence.

In addition to the powers specified in these Rules, and not in derogation of the mandatory rules of law applicable to the Arbitration, the Tribunal shall have the power to: (a) conduct such enquiries as may appear to the Tribunal to be necessary or expedient; (b) order the parties to make any property or item available for inspection; (c) order any party to produce to the Tribunal and to the other parties for inspection, and to supply copies of, any document in their possession, custody or control which the Tribunal considers relevant to the case and material to its outcome; and (d) determine any claim of legal or other privilege.

### **15.14 Tribunal-Appointed Experts**

Unless the parties have agreed otherwise, the Tribunal may: (a) following consultation with the parties, appoint an expert to report on specific issues which shall be set out in writing; and (b) require a party to give such expert any relevant information, or to produce or provide access to any relevant documents, goods or property for inspection. Any expert so appointed shall submit a report in writing to the Tribunal. Upon receipt of such a written report, the Tribunal shall supply a copy of the report to the parties and invite the parties to submit written comments on the report. Unless the parties have agreed otherwise, if the Tribunal considers it necessary, any such expert shall, after delivery of his written report, participate in a hearing. At the hearing, the parties shall have the opportunity to question the experts.

## **RULE 16: TERMINATION OF THE ARBITRATION PROCEEDINGS**

The arbitral proceedings may be terminated in the following manner:

- (a) by the rendering of an Award; or
- (b) by an order of the Arbitral Tribunal, if the Claimant withdraws its Statement of Claim, unless the Respondent objects and a legitimate interest of the Respondent in obtaining a final resolution of the dispute exists;
- (c) if the Claimant does not file all the requisite documents, papers etc. or does not deposit the appropriate Costs as per the Rules after having been given due opportunity for the purpose by the Registrar or the Arbitral Tribunal, may terminate the proceedings and forfeit the registration fee ipso facto.
- (d) similarly, if the Respondent fails to produce the counter claim or 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, may proceed further with the Arbitration proceedings as per the Rules without treating that failure itself as an admission of the allegations of the Claimant.
- (e) the parties agree to the termination of the Arbitration and communicate this agreement to the Arbitral Tribunal and to the Registrar;
- (f) the continuation of the proceedings has become impossible, in particular because the parties to the Arbitration do not pursue the Arbitration further despite a written order from the Arbitral Tribunal, which refers to the possibility of terminating the Arbitration;
- (g) a party fails to comply with an order by the Arbitral Tribunal for security for costs; or
- (h) for failure to comply with an order to remedy or a payment order.

#### **RULE 17: CLOSURE OF ARBITRAL PROCEEDINGS**

Once the last hearing concerning the matters of dispute between the parties has been heard by the Arbitral Tribunal and all the submissions regarding the same have been made by the parties to the Arbitration, the Arbitral Tribunal shall declare the arbitral proceedings closed. The intimation of the closure of the proceedings shall be made by the Registrar to the parties. Once the arbitral proceedings have been declared closed by the Arbitral Tribunal, no further arguments or submission can be made by any of the parties regarding matters concerning the Arbitral Award, unless so authorized by the Arbitral Tribunal on request of a party.



## **RULE 18: ORDERS OF THE ARBITRAL TRIBUNAL**

- (a) Every decision of the Arbitral Tribunal requires a majority ruling of its panel members.
- (b) The Arbitral Tribunal may issue such orders or directions as it may deem necessary for making necessary arrangements for a voice recording, video recording, video conferencing interpreter and record of evidence and arguments. The charges thereof shall be borne by the parties and as may be directed by the Arbitral Tribunal.
- (c) In addition to the powers specified in these Rules, and not in derogation of the mandatory rules of law applicable to the Arbitration, the Tribunal shall have the power to:
  - (i) order the correction of any contract, but only to the extent required to rectify any mistake which it determines to have been made by all the parties to that contract. This is subject to the condition that the proper law of the contract allows rectification of such contract;
  - (ii) order the preservation, storage, sale or disposal of any property or item which is or forms part of the subject matter of the dispute;
  - (iii) issue an award for unpaid deposits towards the costs of the Arbitration where a party to the Arbitration has paid the non-paying party's share of the deposits on behalf of the non-paying party;
  - (iv) direct any party to ensure that any award which may be made in the arbitral proceedings is not rendered ineffectual by the dissipation of assets by a party;
  - (v) order any party to provide security for legal or other costs in any manner the Tribunal thinks fit;
  - (vi) order any party to provide security for all or part of any amount in dispute in the Arbitration; and
  - (vii) decide, where appropriate, any issue not expressly or impliedly raised in the pleadings, provided such issue has been clearly brought to the notice of the other party and that other party has been given adequate opportunity to respond.

## **RULE 19: ARBITRAL AWARD**

- 19.1 Awards shall be in writing and shall state the names, titles, addresses and phone numbers of each party as available with the Tribunal. Awards rendered by the Arbitral Tribunal shall state the reasons on which they are based unless all parties have agreed in writing or in the oral hearing that the award may exclude the reasons.
- 19.2 The Arbitral Tribunal shall make the Award as expeditiously as possible, and in accordance with the law.
- 19.3 The Tribunal may make separate Awards on different issues at different times. If any Arbitrator fails to cooperate in the making of the Award, having been given a reasonable opportunity to do so, the remaining Arbitrators shall be entitled to proceed to make the Award in his absence.
- 19.4 An Award may be executed in any number of counterparts, each of which is an original and all of which together evidence the same Award. Where there are three Arbitrators and any of them fails to sign the Award, the Award shall state the reason for the absence of the signature(s). If the majority numbers of the Tribunal sign the Award, the Award shall be final and binding for the purposes of the Rules, provided that all Arbitrators were provided with a reasonable opportunity to sign the Award.
- 19.5 The Award shall be delivered to the Registrar, who shall transmit after affixing stamp duty as may be payable, certified copies, under his signatures, to the parties upon the full settlement of the costs of Arbitration.
- 19.6 The Tribunal may award simple or compound interest on any sum which is the subject of the Arbitration at such rates as the parties may have agreed or, in the absence of such agreement, as the Tribunal determines to be appropriate, in respect of any period which the Tribunal determines to be appropriate. In the event of a settlement, if the parties so request, the Tribunal may render a consent award recording the settlement provided always that such Award contains an express statement that it is an Award made by the parties' consent. A consent award need not contain reasons. If the parties do not require a consent award, the parties shall confirm to the Registrar that a settlement has been reached. The Tribunal shall be discharged and the Arbitration concluded upon payment of any outstanding costs of the Arbitration.
- 19.7 By agreeing to Arbitration under these Rules, the parties undertake to carry out the Award immediately and without delay, and they also irrevocably waive their rights to any form of appeal, review or recourse to any state court or other judicial authority insofar as such waiver may be validly made and the parties further agree that an Award shall be final and binding on the parties from the date it is made.



- 19.8 The calculation of the time taken to make the award shall exclude periods during which Arbitration was suspended.
- 19.9 The Award shall identify the date on which it was issued and the place of Arbitration.
- 19.10 The Arbitral Tribunal shall have the authority to order in its Award that all or a part of the legal or other costs of a party be paid by another party.
- 19.11 All original copies of an award shall be signed by all Arbitrators. The signature of the majority of the Arbitrators shall suffice if the award states that one of the Arbitrators refused to sign or was prevented from signing by an impediment that could not be overcome within a reasonable period of time. If the award is a majority award and not a unanimous award, this shall be stated upon request of the dissenting Arbitrator.
- 19.12 All original copies of the award shall be counter signed by the Registrar and bear the PCIAM stamp, which shall confirm that it is an award of the PCIAM, rendered and signed by one or more Arbitrators appointed under these Rules.
- 19.13 The Registrar shall serve the award on the parties in hardcopy form. Upon request of a party, the wording of the award may additionally be sent to the parties in electronic form. The PCIAM shall retain one original copy of the award, and shall also retain the documentation of proof of service.
- 19.14 By agreeing to these Rules, the parties undertake to comply with the terms of the award.

**RULE 20: DECISION ON COSTS**

- 20.1 When the proceedings are terminated, upon request of a party, the Arbitral Tribunal shall set forth, in the final award or by separate award, the costs of the Arbitration as determined by the Registrar pursuant to Rule 25 and determine the amount of the appropriate costs of the parties, as well as other additional expenses.
- 20.2 The Arbitral Tribunal shall also establish who will bear the costs of the proceedings or the apportionment of these costs. Unless the parties have agreed otherwise, the Arbitral Tribunal shall decide on the allocation of costs according to its own discretion. The conduct of any or all parties as well as their representatives, and in particular their contribution to the conduct of efficient and cost-effective proceedings, may be taken into consideration by the Arbitral Tribunal in its decision on costs according to this Article.

**RULE 21: CORRECTION, CLARIFICATION AND SUPPLEMENTATION OF THE ARBITRAL AWARD**

- 21.1 Within 30 days of receipt of the award, any party may file the following applications with the Registrar for the Arbitral Tribunal:
- a) to correct any computational, typographical, printing or similar errors in the award;
  - b) to clarify specific parts of the award;
  - c) to render an additional award on claims made in the Arbitration but not resolved in the award.
- 21.2 The Arbitral Tribunal shall decide on such an application. The other parties shall be heard before the Arbitral Tribunal makes its decision. The Arbitral Tribunal shall set a time limit for comments, which should not exceed 30 days. The Registrar may determine an advance on costs to cover additional expenses and fees of the Arbitral Tribunal and administrative fees. The additional Arbitrators' fees and additional administrative fees are determined by the Registrar according to his own discretion.
- 21.3 Upon its own initiative, the Arbitral Tribunal may issue corrections or supplementations pursuant to within 30 days of the date of the award.
- 21.4 Corrections and clarifications shall be issued in the form of an addendum and shall constitute an integral part of the arbitral award.

**RULE 22: REMISSION TO THE ARBITRAL TRIBUNAL**

When a national court remits proceedings to the Arbitral Tribunal, the provisions of these Rules on the arbitral proceedings shall apply by analogy. The Registrar may take any measures necessary to enable the Arbitral Tribunal to comply with the requirements of the remission. The Registrar may determine an advance on costs to cover additional expenses and fees of the Arbitral Tribunal and administrative fees. The additional Arbitrators' fees and additional administrative fees are determined by the Registrar according to his own discretion.

**RULE 23: FAST TRACK ARBITRATION**

The Parties may opt for Fast Track Arbitration and serve a request to the Registrar in writing, before or at the time of the commencement of the Arbitration proceedings, to decide the reference in a fixed time frame of three to six months according to the Fast Track Arbitration procedure in accordance with Annexure B to these Rules and as provided hereunder:



- a) 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.
- b) 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.
- c) An oral hearing may be held only if both the parties make a joint request or if the Arbitration Tribunal considers an oral hearing necessary in any particular case.
- d) 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 economic and expeditious disposal of the case.
- e) The provisions of applicable Statute and Law shall guide this Fast Track Arbitration.

#### **RULE 24: EMERGENCY ARBITRATION**

- 24.1 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.
- 24.2 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.



- 24.3 After due consideration of the application, if the PCIAM accepts the request for emergency proceedings, it shall notify the other parties of the same. The Registrar with the consent of the Chair of the PCIAM shall appoint the Emergency Arbitrator within three days of making of such request.
- 24.4 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.
- 24.5 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.
- 24.6 The emergency proceedings shall be conducted in accordance with the PCIAM 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 PCIAM as well as the parties and two copies shall be kept for the perusal of the Arbitral Tribunal consequent to its constitution.
- 24.7 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.
- 24.8 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.
- 24.9 The language of the Emergency Arbitration application and the emergency proceedings shall be English language.
- 24.10 The place of Emergency Arbitration shall be PHDCCI, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016, India.



## **RULE 25: COSTS & FEES**

- 25.1 The Registrar shall direct the Claimant to pay in advance the registration fee to the Chamber as stipulated in the Rules and the Schedule towards instituting the Arbitration. Upon receipt of the notice of Arbitration, the Registrar shall direct the Parties to pay in advance the Costs, including the administrative fee to the Chamber as stipulated in the Rules hereunder.
- 25.2. The payable fee shall be paid by the Parties in equal proportion.
- 25.3 In the event, a counter-claim is filed by a party to the dispute, the Registrar shall inform the party concerned to deposit additional fees as stipulated in the Rules and the Schedule. The Arbitral Tribunal shall proceed only in respect of those counter-claims for which the deposits have been duly made to the Chamber.
- 25.4 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 the parties as the Arbitral Tribunal may direct.
- 25.5 The Arbitral Tribunal shall have a lien over the Arbitral Award for any unpaid cost(s) of the Arbitration.

### **Administrative Fee and Arbitrator(s) Fee**

- (a) The Administrative Fee and Arbitrator(s) fee shall be payable to each Arbitrator as per the schedule of fees as prescribed under Annexure-A to these Rules.
- (b) The venue of Arbitration and all hearings shall normally take place at Chamber. The Chamber will be entitled to receive Rs. 6,000/- per hearing for providing facilities of hearing, for Arbitration hearing and secretarial services at the hearing. The charges can be revised from time to time by the PCIAM. In case, the room is not available at the Chamber, the venue shall be decided by the Arbitral Tribunal and the charges thereof shall be borne by the parties and as may be directed by the Arbitral Tribunal.
- (c) Notwithstanding, the provisions in these Rules, the PCIAM shall prescribe the Arbitrators' fees and the Administrative charges of the Chamber 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.
- 25.6 The travelling, boarding and lodging expenses of an outstation Arbitrator(s) appointed by the Party from the Panel of Arbitrators shall be borne by the concerned parties to the Arbitration proceeding.



- 25.7 Where the Arbitration proceedings under the Rules of Arbitration of any other Arbitral organisation or otherwise are administered by the Arbitral Tribunal wholly or in respect of some matters arising out of such Arbitration, the Arbitral Tribunal may charge an appropriate fee for such administration and other services as may be decided by the PCIAM.
- 25.8 The amount of the claim shall be stated in the application by the Party applying for Arbitration. If the amount is stated in a currency other than the Rupee, it shall be converted into Rupees, in accordance with the current official rate of exchange.
- 25.9 The amount of interest wherever specified will be included in the claim amount for the purpose of calculation of the Arbitrator(s) fee and the Administrative fee. Further, claims and counter-claims referred for Arbitration shall be taken into consideration separately for the purpose of calculation of the Arbitrator's fee and the Administrative fees.
- 25.10 If the Arbitration is terminated by an act or default of any parties, after the constitution of the Arbitral Tribunal and before the award is made, any fees, charges and costs incurred by the Arbitral Tribunal shall be paid by the parties in such proportion as the Arbitral Tribunal shall determine.

#### **RULE 26: INDEMNITY OF PHDCCI AND PCIAM**

- 26.1 The PHDCCI Office Bearers of PHDCCI, the Chair and Co-Chair of the PCIAM, the PCIAM, the Arbitral Tribunal, the Registrar and officers, employees, representatives and members of PHDCCI / PCIAM / Tribunal, Arbitrator or Tribunal-appointed experts shall not be liable for any act or omission in whatsoever capacity they have acted in connection with or in relation to an Arbitration under these Rules. They would have deemed to have acted always in good faith.
- 26.2 No party shall bring or prosecute any suit or proceedings whatsoever against the PHDCCI Office Bearers, the Chair and Co-Chair of the PCIAM, the PCIAM, the Arbitral Tribunal, the Registrar and officers, employees, representatives and members of PHDCCI / PCIAM / Tribunal, Arbitrator or Tribunal-appointed experts 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.
- 26.3 After the final Award is made and the time for requesting correction of errors has lapsed or been exhausted, the PHDCCI Office Bearers, the Chair and Co-Chair, the PCIAM, the Arbitral Tribunal, the Registrar and officers, employees, representatives and members of PHDCCI / PCIAM / Tribunal, Arbitrator or Tribunal-appointed experts shall not be under any obligation to make any statement to any person about any matter concerning the Arbitration.



## **RULE 27: CONFIDENTIALITY**

- 27.1 The deliberations of the Arbitral Tribunal in relation to the Arbitration proceedings shall remain confidential. An award made by the Arbitral Tribunal can only be published with the prior consent of the PCIAM. The PCIAM shall not give such consent if the parties (or their representatives) to the Arbitration object to such publication.
- 27.2 The parties and the Tribunal shall at all times treat all matters relating to the proceedings and the Award as confidential. The deliberations of the Tribunal shall be confidential.
- 27.3 A party or any Arbitrator shall not, without the prior written consent of all the parties, disclose to a third party any such matter except: (a) for the purpose of making an application to any competent court of any state to enforce or challenge the Award; (b) pursuant to the order of or a subpoena issued by a court of competent jurisdiction; (c) for the purpose of pursuing or enforcing a legal right or claim; (d) in compliance with the provisions of the laws of any state which are binding on the party making the disclosure; (e) in compliance with the request or requirement of any regulatory body or other authority; or (f) pursuant to an order by the Tribunal on application by a party with proper notice to the other parties.

## **RULE 28: AMENDMENT OF RULES**

The PCIAM 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. Such amendment will be made at the discretion of the PCIAM and is final and binding.

## **RULE 29: STAMP DUTIES**

The stamp duty shall be levied on the basis of the Award passed by the Arbitral Tribunal and it shall be paid by the respective party / parties to the Arbitration proceedings. The same shall be paid to the Registrar.

## **RULE 30: WAIVER OF RIGHT TO OBJECT**

Any party which 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 its objection thereto in writing at the earliest opportunity shall be deemed to have waived its right to object.



### **RULE 31: 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 32: COPIES OF PROCEEDINGS**

In case the Registrar is required to furnish copies of depositions and / or documents which have been taken or proved before the Arbitral Tribunal, a charge as required by the Registrar shall be paid by the Party requiring such copies, upon an application filed with the registrar. 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 33: RETURN OF DOCUMENTS**

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

### **RULE 34: ARBITRATION LAW SHALL PREVAIL**

Nothing in these rules shall whatsoever contravene the existing law. In case of any conflict the prevailing law shall override. It is however, clarified that the schedule of fees as set out hereunder shall remain valid and subsisting.

## ANNEXURE-A

### SCHEDULE OF FEES

#### Domestic Arbitration

Amount in Dispute (INR)	Arbitrator(s) Fee	Administrative Fee
Upto Rs. 10 Lakhs	Rs. 60,000/-	Rs. 30,000/-
Above Rs. 10 Lakhs – Upto Rs. 25 Lakhs	Rs. 60,000/- plus Rs. 4,000/- per lakh upto Rs. 1,20,000/-	Rs. 30,000/- plus Rs. 2,000/- per lakh upto Rs. 60,000/-
Above Rs. 25 Lakhs – Upto Rs. 1 Crore	Rs. 1,20,000/- plus Rs. 2,400/- per lakh upto Rs. 3,00,000/-	Rs. 60,000/- plus Rs. 1,200/- per lakh upto Rs. 150,000/-
Above Rs. 1 Crore – Upto Rs. 5 Crores	Rs. 3,00,000/- plus Rs. 40,000/- per crore upto Rs. 4,60,000/-	Rs. 1,50,000/- plus 20,000/- per crore upto Rs. 2,30,000/-
Above Rs. 5 Crores – Upto Rs. 25 Crores	Rs. 4,60,000/- plus Rs. 27,000/- per crore upto Rs. 10,00,000/-	Rs. 2,30,000/- plus Rs. 13,500/- per crore upto Rs. 5,00,000/-
More than Rs. 25 Crores	Rs. 10,00,000/- plus Rs. 24,000/- per crore upto Rs. 28,00,000/-	Rs. 5,00,000/- plus Rs. 12,000/- per crore upto Rs. 14,00,000/-

#### International Arbitration

Amount in Dispute (USD)	Arbitrator(s) Fee	Administrative Fee
Upto \$ 0.1 Million	\$ 6,000/-	\$ 3,000/-
Above \$ 0.1 Million – Upto \$ 0.5 Million	\$ 6,000/- plus \$ 3,000/- per hundred thousand upto \$ 18,000/-	\$ 3,000/- plus \$ 1,500/- per hundred thousand upto \$ 9,000/-
Above \$ 0.5 Million – Upto \$ 2.5 Million	\$ 18,000/- plus \$ 1,500/- per hundred thousand upto \$ 48,000/-	\$ 9,000/- plus \$ 750/- per hundred thousand upto \$ 24,000/-
Above \$ 2.5 Million – Upto \$ 10 Million	\$ 48,000/- plus \$ 400/- per hundred thousand upto \$ 78,000/-	\$ 24,000/- plus \$ 200/- per hundred thousand upto \$ 39,000/-
Above \$ 10 Million – Upto \$ 50 Million	\$ 78,000/- plus \$ 1,000/- per million upto \$ 1,18,000/-	\$ 39,000/- plus \$ 500/- per million upto \$ 59,000/-
Above \$ 50 Million	\$ 1,18,000/- plus \$ 250/- per million upto \$ 1,68,000/-	\$ 59,000/- plus \$ 125/- per million upto \$ 84,000/-



## **ANNEXURE-B**

### **GUIDELINES FOR ARBITRATORS AND THE PARTIES TO ARBITRATION FOR FAST TRACK ARBITRATION PROCEEDINGS**

1. The Arbitrators must take up the Arbitration expeditiously on receipt of the request from the Arbitral Tribunal and should also complete the same with reasonable dispatch. Serious efforts should be made to settle Arbitration cases expeditiously within a period of three to six months where the amount of claim exceeds Rs. 10 lakhs and with a period of four months where the amount of claim is less than Rs 10 lakhs. The Arbitrators and the parties to Arbitration are expected to follow these guidelines to ensure economic and expeditious disposal of Arbitration cases in Fast Track Arbitration as defined under Rule 23.
2. The PCIAM may examine the Arbitration case files, from time to time to evaluate the progress of the proceedings and to ascertain whether the Arbitrators have granted adjournments only on reasonable grounds.
3. Application or demand for Fast Track Arbitration sent by the Claimant to the Registrar of the Arbitral Tribunal must be accompanied with all the information and papers as per Rules, full statement of claim and copies of documents relied upon, in 3 sets in case of a Sole Arbitrator and in 5 sets in case of three Arbitrators.
4. The respondent should file his reply to the claim with complete information and documents relied upon, in 3 or 5 sets, as per para (3) above as early as possible within fifteen days. Fresh documentation / claims should not be entertained at a later stage of the proceedings unless the Arbitral Tribunal is satisfied about the reasons for seeking such permission.
5. The first hearing of the Arbitral Tribunal should be convened within 15 days of the receipt of the complete reply of the respondent when the Arbitral Tribunal may issue necessary directions. Admission and denial of the documents may be done by the Registrar. Issues if any to be framed, may be done at the same or at the next hearing.
6. The parties should be asked to furnish a list of their witnesses, if any, in advance and they should be asked to file affidavits of witnesses on the date fixed for evidence preferably within three weeks of the settlement of issues. Cross-examination of such of the deponent's witnesses whose presence is demanded by the opposite party should be completed at a hearing to be fixed within 15 days.
7. Arguments preferably should be heard within 15 days of the completion of evidence, to be followed by submission of written arguments, if any.



8. Adjournments of duly fixed hearings should not be granted except for unforeseen and unavoidable reasons which should be spelt out in the application for adjournment and adjournment order.
9. If any party to Arbitration, particularly in cases where any Arbitrator, or any of the parties has to come from out-station to participate in Arbitration proceedings, desires to seek adjournment on any valid ground, it must submit a written request to the Registrar at least before five working days stating the grounds which compel it to request for postponement of the hearing so that the Arbitral Tribunal is in a position to take necessary steps to inform the Parties and Arbitrators regarding postponement of the hearing. Parties seeking adjournment will have to pay costs as may be determined by the Arbitral Tribunal. Such postponement will only be permitted on valid, appropriate grounds.
10. Parties should deposit Arbitration and administrative fees with the Arbitral Tribunal within the stipulated time, as per the Rules and no extension should be sought in this behalf except for compelling reasons.
11. The Arbitrators should make the award expeditiously after the close of the hearings, preferably within 15 days.
12. To avoid excessive costs in Arbitration proceedings, the parties are advised to choose their Arbitrators from the Panel, as far as possible from the place where the Arbitration hearings have to be held. In case, a party still chooses an Arbitrator from a place other than the place of hearing, the concerned party will bear the entire extra cost to be incurred on Travelling Allowance / Daily Allowance etc. of the Arbitrator(s) nominated by it.





## PHD CHAMBER OF COMMERCE AND INDUSTRY

### About Us

**PHD Chamber of Commerce and Industry (PHDCCI)** has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 117 years. It is a forward looking, proactive and dynamic PAN-India apex organization. As a partner in progress with industry and government, PHDCCI works at the grass roots level with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

PHDCCI, acting as the “Voice of Industry & Trade” with a large membership base of 1,50,000 direct and indirect members consisting of large, medium and small industries, has forged ahead leveraging its legacy with the industry knowledge across multiple sectors to take Indian Economy to the next level.

At the global level, we have been working with the Embassies and High Commissions in India and overseas to bring in the International Best Practices and Business Opportunities.

#### PHD Chamber has special focus on the following thrust areas:

- |                                   |                               |                         |
|-----------------------------------|-------------------------------|-------------------------|
| • ADR & ODR                       | • Healthcare                  | • Industry Affairs      |
| • Agri Business & Food Processing | • HR & IR                     | • International Affairs |
| • Economic & Corporate Affairs    | • Housing & Urban Development | • MSME's                |
| • Education                       | • ICT                         | • Power                 |
| • Environment                     | • Innovation & Start-up       | • Skill Development     |

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#### PHDCCI Centre for International Arbitration and Mediation (PCIAM) PHD CHAMBER OF COMMERCE AND INDUSTRY

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