



THE NATIONAL
ARBITRAL TRIBUNAL
(PROCEDURAL)
RULES- 2017



Table of Contents

PREAMBLE	3
1. Short title and scope.....	3
2. Definitions	4
3. Request for Arbitration	5
4. Number of Arbitrators	6
5. Appointment of Arbitrators	6
6. Disclosure of grounds of challenge	6
7. Grounds of challenge.....	6
8. Challenge procedure	7
9. Failure or impossibility to act	7
10. Termination of mandate and substitution of arbitrator.....	7
11. Competence of arbitral tribunal to rule on its jurisdiction	8
12. Interim measures ordered by arbitral tribunal	8
13. Representation and assistance	8
14. Equal treatment of parties.....	9
15. Determination of rules of procedure.....	9
16. Place of arbitration.....	9
17. Language.....	9
18. Statements of claim and defence	9
19. Hearings and written proceedings	10
20. Default of a party	11
21. Appointment of expert by arbitral tribunal.....	11
22. Rules applicable to substance of dispute	12
23. Decision making by Arbitral Tribunal	12
24. Time limit for Arbitral Award	12
25. Settlement	13
26. Form and contents of arbitral award.....	13
27. Interest on sums awarded	14
28. Costs	14
29. Termination of proceedings.....	15
30. Correction and interpretation of award—"Additional award"	15

31. Deposits	16
32. Model Guidelines	16
33. Administrative fees.....	17
34. Fast Track Arbitration	17
35. Appeal to Second Arbitration.....	17
36. Online filing (e-filing)	17
37. Confidential character.....	18
38. Waiver.....	18
39. Exclusion of liability	18
40. General Rules.....	18
SCHEDULE-I	19
Schedule of Fees	19
SCHEDULE-II.....	21
For Arbitrators	21
For Parties	23
SCHEDULE III.....	25
APPENDIX - A.....	26
APPENDIX - B.....	27
APPENDIX – C	28
APPENDIX - D.....	29

THE NATIONAL ARBITRAL TRIBUNAL **(PROCEDURAL) RULES - 2017**

PREAMBLE

WHEREAS, a company under the name and style of the “LEGAL RESOLUTION CENTRE PRIVATE LTD.” is incorporated under the companies Act 1956, the object of which inter alia include the establishment of a professional arbitral institution for speedy redress of litigation, grievances and issues out of Court of law.

And whereas, in furtherance of the said objects, the company desires to establish a professional arbitral institution in the name of “NATIONAL ARBITRAL TRIBUNAL”

And whereas the company after due consideration, consider expedient to establish “The NATIONAL ARBITRAL TRIBUNAL”, to achieve the objectives of the company.

And whereas it is considered desirable to provide mechanism with a view to facilitate speedy, smooth and orderly justice through Arbitral institution (NAT), adopt the rules in the name and titled as “THE NATIONAL ARBITRAL TRIBUNAL RULES -2017”.

1. Short title and scope

- (1) The rules may be called the NATIONAL ARBITRAL TRIBUNAL RULES, 2017.
- (2) The rules are intended to govern arbitration unless Arbitration and Conciliation Act 1996 (the Act) and incorporate all provisions of the Act, under any such provision is expressly excluded or modified under the Rules.
- (3) These rules shall apply where the parties have agreed in writing. that any dispute(s), which has arisen or which may arise between them, in respect of a defined legal relationship, whether contractual or otherwise, shall be arbitrated under the NATIONAL ARBITRAL TRIBUNAL RULES, 2017
- (4) These rules shall also apply where, the parties are accepting in writing, the arbitration clauses which provides for a two- step arbitration that If either party is in disagreement with the arbitration result, either party will have the right to appeal to a second arbitration in accordance with the National Arbitral Tribunal(Procedural) Rules. These rules shall also apply where the parties sign a joint memorandum agreeing to their dispute(s) being resolved by arbitration in accordance with the NATIONAL ARBITRAL TRIBUNAL RULES, 2017.

2. Definitions

In these rules, unless the context otherwise requires-

- a. "Arbitral award" includes an interim award;
- b. "Arbitral tribunal" means a sole arbitrator or a panel of arbitrators;
- c. "Arbitration Act" means the Arbitration and Conciliation Act, 1996;
- d. "Arbitration Rules" or "rules" means the National Arbitral Tribunal Rules, 2017.
- e. "Arbitrator" means a person appointed as arbitrator and includes a presiding arbitrator;
- f. "Panel of arbitrators" means the panel of persons approved by the board to act as arbitrators;
- g. "Two-tier arbitration" means where, the parties are accepting the Arbitration clauses which provide for a two- step arbitration.
- h. "Dispute" includes differences.
- i. "Party" means a party to an arbitration agreement;
- j. "Joint Memorandum" means a memorandum jointly signed by the parties as contemplated in Rule 1(4).
- k. "Fast track arbitration" means arbitration in accordance with Rule 34;
- l. "NATIONAL ARBITRAL TRIBUNAL" (NAT) means a permanent Arbitral institute established by the Legal Resolution Centre Pvt. Ltd., Jodhpur or any of its Regional office anywhere in India.
- m. "Director" means Director of National Arbitral Tribunal, appointed by the Board from its Board of Directors and shall include any person designated for the specific purpose under the rules.
- n. "Registrar" means the registrar of the NATIONAL ARBITRAL TRIBUNAL.
- o. "Registry" means the office of the Registrar.
- p. "Company" means Legal Resolution Centre Pvt. Ltd.
- q. "Chairperson" means the Chairperson of the Legal Resolution Centre Pvt. Ltd;
- r. "Board" means Board of Directors of the Company and shall include any person designated for the specific purpose under the rules.
- s. "Council of Advisor" means Council of Advisors constituted and empaneled by the Board.
- t. "International Commercial Arbitration" means an arbitration relating to disputes arising out of legal relationships, whether contractual or not, considered as commercial under the law in force in India and where at least one of the parties is-
 - i. An individual which is a national of, or habitually resident in, any country other than India; or

- ii. A body corporate which is incorporated in any country other than India; or
- iii. A company or an association or a body of individuals whose central management and control is exercised in any country other than India; or
- iv. The Government of a foreign country;
- u. "Schedule" means a Schedule to these rules;
- v. "Online Filing" means filing pleadings (including claim/ appeal statements, written statements, applications etc.), documents in support of the pleadings and any other document or record of facts in digital format, uploaded in an appropriate readable manner, by the parties using any remote computer, as provided under these Rules.
- w. "Data" shall mean any information capable of being stored, retrieved, copied, transmitted in any form, including, but not limited to, typed, printed or converted to digital format, which may comprise of text, images, sounds, videos or any other content, whether live or not.
- x. "INR" shall stand for Indian National Rupee, the official currency of the Republic of India.

3. Request for Arbitration

- (1) A party wishing to have recourse to arbitration under the Rules shall submit its request to Registrar NAT in writing.
- (2) The request shall inter alia contain the following information: -
 - a) A letter of request that the dispute be referred to arbitration;
 - b) The names and addresses contact details, telephone, mobile, telex number, e-mail I.D. etc. of the parties to the dispute
 - c) A description of the nature and circumstances of the dispute giving rise to claim;
 - d) A reference to the arbitration clause, arbitration agreement or join memorandum relied upon;
 - e) The general nature of the claim and where the claim is or can be quantified in terms of money, the amount of the claim;
 - f) The relief or remedy sought;
 - g) The preferred number of arbitrators, if not already agreed upon.
- (3) The party making request for arbitration shall be required to pay or deposit of such sum as it may be determined by the Registrar on account of fees of the registration, arbitrator, administrative and expenses expected to incur.

4. Number of Arbitrators

- (1) Unless otherwise agreed by the parties, the arbitral tribunal shall consist of a sole arbitrator.
- (2) Where the arbitration agreement provides for an even number of arbitrators, the Director shall in consultation of the parties appoint additional arbitrator or arbitrators, umpire or presiding member as the case may be.

5. Appointment of Arbitrators

- (1) Upon receipt of a request under the rules the Director shall make the appointment of arbitrator/arbitrators at the earliest.
- (2) having regard to---
 - i. any qualifications required of the arbitrator by the agreement of the parties;
 - ii. such considerations as are likely to secure the appointment of an independent and impartial arbitrator; and
- (3) A substitute arbitrator will be appointed in the same manner in which his predecessor had been appointed.
- (4) The Director, before appointing a person as arbitrator or the presiding arbitrator, will obtain a declaration in writing, in the Form specified in Schedule III, from such person that-
 - i. no circumstances exist in terms of sub-section (1) section 12 of the Arbitration Act read with Fifth Schedule thereof that give rise to justifiable doubts as to his independence or impartiality,
 - ii. he does not have any relationship with any of the parties to the dispute or their counsel or the subject matter of the dispute as specified in the Seventh Schedule of the Arbitration Act, and
 - iii. Where any qualifications are required of an arbitrator by the agreement of the parties, he possesses those qualifications.

6. Disclosure of grounds of challenge

An arbitrator, from the time of his appointment and throughout the arbitral proceedings, shall, without delay, disclose in writing to the parties and the NATIONAL ARBITRAL TRIBUNAL any circumstances referred to in sub-rule (1) of rule 7 unless they have already been disclosed.

7. Grounds of challenge

- (1) A party may challenge the appointment of an arbitrator or the presiding arbitrator only if-

- a. circumstances exist in terms of sub-section (1) of section 12 of the Arbitration Act, read with Fifth Schedule thereof that give rise to justifiable doubts as to his independence or impartiality, or
 - b. he has any relationship with any of the parties to the dispute or their counsel or the subject matter of the dispute as specified in the Seventh Schedule of the Arbitration Act, or
 - c. He does not possess the qualifications agreed to by the parties].
- (5) A party may challenge an arbitrator appointed by him, or in whose appointment he has participated, only for reasons of which he becomes aware after the appointment has been made.

8. Challenge procedure

- (1) A party who intends to challenge an arbitrator shall, within fifteen days after becoming aware of the constitution of the arbitral tribunal or of any ground referred to in sub-rule (1) of rule 7, send a written statement of the reasons for the challenge to the arbitral tribunal and the Registrar, NATIONAL ARBITRAL TRIBUNAL.
- (2) Unless the arbitrator challenged under sub-rule (1) withdraws from his office, or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.
- (3) If challenge under sub-rule (2) is not successful, the arbitral tribunal shall continue the arbitral proceedings and make an arbitral award.

9. Failure or impossibility to act

- (1) The mandate of an arbitrator shall terminate if-
 - a. He becomes de jure or de facto unable to perform his functions or for other reasons fails to act without undue delay; and
 - b. He withdraws from his office or the parties agree to the termination of his mandate.
- (2) If, under this rule or sub-rule (1b) of rule 9, an arbitrator withdraws from his office or a party agrees to the termination of the mandate of an arbitrator, it shall not imply acceptance of the validity of any ground referred to in this or sub-rule (1) of rule 7.

10. Termination of mandate and substitution of arbitrator

- (1) In addition to the circumstances referred to in rule 8 or 9, the mandate of an arbitrator shall terminate-
 - a. Where he withdraws from office for any reason; or
 - b. By or pursuant to agreement of the parties.
- (2) Where the mandate of an arbitrator terminates, a substitute arbitrator shall be appointed in the same manner in which his predecessor had been appointed.

- (3) Where an arbitrator is replaced under sub-rule (2), any hearings previously held may be repeated at the discretion of the arbitral tribunal.
- (4) An order or ruling of the arbitral tribunal made prior to the replacement of an arbitrator shall not be invalid solely because there has been a change in the composition of the arbitral tribunal.

11. Competence of arbitral tribunal to rule on its jurisdiction

- (1) The arbitral tribunal may rule on its own jurisdiction, including ruling on any objections with respect to the existence or validity of the arbitration agreement, and for that purpose-
 - a. An arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract; and
 - b. A decision by the arbitral tribunal that the contract is null and void shall not entail ipso jure the invalidity of the arbitration clause.
- (2) A plea that the arbitral tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defence; however, a party shall not be precluded from raising such plea merely because he has appointed or participated in the appointment of, an arbitrator.
- (3) A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings.
- (4) The arbitral tribunal may, in either of the cases referred to in sub-rule (2) or sub-rule (3), admit a later plea if it considers expedient in the interest of justice.
- (5) The arbitral tribunal shall decide on the plea referred to in sub-rule (2) or sub-rule (3) and, where the arbitral tribunal takes a decision rejecting the plea, continue with the arbitral proceedings and make an arbitral award.

12. Interim measures ordered by arbitral tribunal

- (1) The arbitral tribunal may, on an application made by a party to the dispute, make an order granting any interim measure of protection listed in subsection (1) of section 17 of the Arbitration Act.
- (2) The arbitral tribunal shall have the same power for making orders, as the Court has for the purpose of, and in relation to, any proceedings before it.
- (3) An order made by the arbitral tribunal under this rule shall be enforceable under the Code of Civil Procedure, 1908 (5 of 1908) in the same manner as if it was an order of the Court.

13. Representation and assistance

Each party shall advise, in writing, the other party, the NATIONAL ARBITRAL TRIBUNAL and the arbitral tribunal of: -

- a. The names and addresses of persons who will represent or assist him, and

- b. The capacity in which those persons will act.

14. Equal treatment of parties

The parties shall be treated with equality and each party shall be given due opportunity to present his case.

15. Determination of rules of procedure

- (1) Subject to these rules, the arbitral tribunal may conduct its proceedings in the manner it considers appropriate, taking into account broad provisions of C.P.C. and Evidence Act.
- (2) The power of the arbitral tribunal under sub-rule (1) includes the power to determine the admissibility, relevance, materiality and weight of any evidence.

16. Place of arbitration

- (1) The place of arbitration shall be Rajasthan, India, or such other place where any of the Regional Offices of National Arbitral Tribunal is situated as the parties may agree; and approved by the Director. Provided that the Director may decide such other place of arbitration as it thinks fit.
- (2) The arbitral tribunal may, after consulting the Director, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of documents, goods or other property.

17. Language

- (1) Where the arbitration agreement does not provide for the language to be used in the arbitral proceedings, the arbitral tribunal shall determine the language or languages to be used in the arbitral proceedings.
- (2) The agreement or determination, unless otherwise specified, shall apply to any written statement by a party, any hearing and any arbitral award, decision or other communication by the arbitral tribunal.
- (3) The arbitral tribunal may order that any documentary evidence shall be accompanied by a translation into the language agreed upon by the parties or determined by the arbitral tribunal.

18. Statements of claim and defence

- (1) Within fifteen days of the constitution of the arbitral tribunal, the claimant shall send to the arbitral tribunal and the respondent a statement of the facts supporting his claim, the points at issue and the relief or remedy sought, and the respondent shall, within twenty-one

days after receipt of statement of claim, send to the arbitral tribunal and the claimant

- a. his statement of defence in respect of these particulars;
 - b. A statement of facts supporting his counter claim, if any, the points at issue and their life or remedy sought.
- (2) The Registrar shall fix the first date of hearing before the Tribunal in consultation with the arbitrator and intimate the parties, to appear in person or through authorized representative.
 - (3) The parties may submit with their statements all documents they consider to be relevant or may add a reference to the documents or other evidence they will submit.
 - (4) Either party may amend or supplement his claim or defence during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow the amendment or supplement having regard to the delay in making it.

19. Hearings and written proceedings

- (1) The arbitral tribunal may hold a pre-hearing proceeding
 - a. To discuss with the parties' procedure to be followed in the arbitration,
 - b. To fix or determine any periods of time referred to in these rules,
 - c. To discuss hearing dates, and
 - d. To determine any other matter required or permitted under these rules to help to ensure the efficient progress of the arbitral proceedings.
- (2) The arbitral tribunal will decide whether to hold oral hearing for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials:

Provided that the arbitral tribunal will hold oral hearing, at an appropriate stage of the proceedings, on a request by a party, unless the parties have agreed that no oral hearing shall be held.

Provide further that the arbitral tribunal shall, as far as possible, hold oral hearings for the presentation of evidence or for oral argument on day to day basis, and not grant any adjournments unless sufficient cause is made out, and may impose costs including exemplary costs on the party seeking adjournment without any sufficient cause.

- (3) All statements, documents or other information supplied to, or applications made to the arbitral tribunal by one party, shall be communicated to the other party, and any expert report or evidentiary document on which the arbitral tribunal may rely in making its decision shall be communicated to the parties.

- (4) If a party intends to give evidence through a witness, he shall, within the time determined by the arbitral tribunal, communicate to the tribunal and to the other party the names and addresses of the witnesses he intends to present, along with full postal address and e-mail unless otherwise directed for the reasons recorded, parties shall produce witnesses on their own and the relevant record.

20. Default of a party

Where, without showing sufficient cause,

- (1) The claimant fails to communicate his statement of claim in accordance with sub-rule (1) of rule 18, the arbitral tribunal may pass appropriate order including termination of the proceedings;
- (2) the respondent fails to communicate his statement of defence or the claimant fails to communicate his defence to the counter-claim in accordance with rule 18, the arbitral tribunal may continue the proceedings ex-parte without treating that failure in itself as an admission of the allegations made in the statement of claim or of counter claim as the case may be; and shall have the discretion to treat the right of the respondent or, as the case may be, of the claimant to file such statement of defence or counterclaims having been forfeited.
- (3) A party fails to appear at a hearing or to produce witness or documentary evidence; the arbitral tribunal may continue the proceedings and make the arbitral award on the evidence before it.

21. Appointment of expert by arbitral tribunal

- (1) The arbitral tribunal may-
 - a. appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal, and
 - b. require a party to give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other property for his inspection,
- (2) If a party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of his written or oral report, participate in an oral hearing where the parties have the opportunity to put questions to him and to present expert witnesses in order to testify on the points at issue.
- (3) The expert shall, on the request of a party, make available to that party for examination all documents, goods or other property in the possession of the expert with which he was provided in order to prepare his report.

22. Rules applicable to substance of dispute

- (1) where the place of arbitration is situated in India,
 - a. in an arbitration, other than an international commercial arbitration, the arbitral tribunal shall decide the dispute submitted to arbitration in accordance with the substantive law for the time being in force in India;
 - b. in an international commercial arbitration,
 - i. The arbitral tribunal shall decide the dispute in accordance with the rules of law designated by the parties as applicable to the substance of the disputes;
 - ii. Any designation by the parties of the law or legal system of a given country shall be construed, unless otherwise expressed, as directly referring to the substantive law of that country and not to its conflict of laws rules;
 - iii. Failing any designation of the law under clause (a) by the parties, the arbitral tribunal shall apply the rules of law it considers being appropriate give all the circumstances surrounding the dispute.
- (2) The arbitral tribunal will decide *ex aqua et bono or as amiable compositor* only if the parties have expressly authorized it do so.
- (3) The arbitral tribunal shall, in all cases, while deciding and making an award, take into account the terms of the contract and trade usages applicable to the transaction.

23. Decision making by Arbitral Tribunal

- (1) In arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made by a majority of all its members.
- (2) Notwithstanding sub-rule (1), if authorized by the parties or all the members of the arbitral tribunal, questions of procedure may be decided by the presiding arbitrator.

24. Time limit for Arbitral Award

- a. The arbitral award shall be made within a period of twelve months from the date the arbitral tribunal enters upon the reference.

Explanation - For the purposes of this rule, an arbitral tribunal shall be deemed to have entered upon the reference on the date on which the arbitrator or all the arbitrators, as the case may be, have received notice, in writing, of their appointment.

- b. If the award is made within a period of six months from the date the arbitral tribunal enters upon the reference, the arbitral tribunal shall be entitled to receive such amount of additional fees as the parties may agree.

- c. The parties may, by consent, extend the period specified in sub-rule (a) for making award for a further period not exceeding six months.
- d. If the award is not made within the period specified in sub rule (a) or the extended period specified under sub-rule (c), the mandate of the arbitrator(s) shall terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period under sub-section (4) of section 29-A of the Arbitration Act
- i. Provided that while extending the period under that sub-section, if the Court finds that the proceedings have been delayed for the reasons attributable to the arbitral tribunal, then, it may order reduction of fees of arbitrator(s) by not exceeding five per cent. For each month of such delay.
- e. The extension of period referred to in the aforesaid sub-section (4) of section 29-A may be on the application of any of the parties and may be granted only for sufficient cause and on such terms and conditions as may be imposed by the Court.
- f. While extending, the period referred to in the aforesaid subsection (4) of section 29-A, it shall be open to the Court to substitute one or all of the arbitrators and if one or all of the arbitrators are substituted, the arbitral proceedings shall continue from the stage already reached and on the basis of the evidence and material already on record, and the arbitrator(s) appointed under the said section 29-A shall be deemed to have received the said evidence and material.
- g. In the event of arbitrator(s) being appointed under the said section 29-A, the arbitral tribunal thus reconstituted shall be deemed to be in continuation of the previously appointed arbitral tribunal.
- h. It shall be open to the Court to impose actual or exemplary costs upon any of the parties under the said section 29-A.
- i. The provisions of sub-section (9) of section 29-A of the Arbitration Act shall apply to an application filed under sub-rule (e).

25. Settlement

- (1) If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties and not objected to by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms.
- (2) An arbitral award on agreed terms shall be made in accordance with rule 26 and shall state that it is an arbitral award.
- (3) An arbitral award on agreed terms shall have the same status and effect as any other arbitral award.

26. Form and contents of arbitral award

- (1) An arbitral award shall be made in writing and shall be signed by the Sole or members of the arbitral tribunal.

- (2) For the purposes of sub-rule (1), in arbitral proceedings with more than one arbitrator, the signatures of the majority of all the members of the arbitral tribunal shall be sufficient so long as the reason for any omitted signature is stated.
- (3) The arbitral award shall state the reasons upon which it is based, unless-
 - a. The parties have agreed that no reasons are to be given, or
 - b. The award is an arbitral award on agreed terms under rules 25.
- (4) 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.
- (5) After the arbitral award is made, a signed copy thereof shall be delivered to each party.
- (6) Where so requested by a party, the arbitral tribunal may, at any time during the arbitral proceedings, make an interim arbitral award on any matter with respect to which it may make a final arbitral award.

27. Interest on sums awarded

- (1) Where and in so far as an arbitral award is for the payment of money, the arbitral tribunal may include in the sum for which the award is made interest, at such rate as it deems reasonable, on the whole or any part of the money, for the whole or any part of the period between the date on which the cause of action arose and the date on which the award is made.
- (2) A sum directed to be paid by an arbitral award shall, unless the award otherwise directs, carry interest at the rate of two percent higher than the current rate of interest prevalent on the date of award, from the date of award to the date of payment.

Explanation - The expression "current rate of interest" shall have the same meaning as assigned to it under clause (b) of section 2 of the Interest Act, 1978 (14 of 1978)]

28. Costs

- (1) The costs of arbitration shall be fixed by the Registrar.
- (2) The fees and charges to be included in the costs shall be as specified in Schedule-I or the fee determine by the registrar with the consent of party.
- (3) The Registrar shall determine which party shall bear the costs taking into account. [The provisions of subsections (2) to (5) of section 31-A of the Arbitration Act] the circumstances of the case and may apportion the costs between the parties if it is reasonable to do so.
- (4) The Registrar may also determine whether costs are payable by one party to another party as provided in section 31-A(1)(a) of the Arbitration Act;

Explanation - For the purpose of clause (a), "costs" means reasonable costs relating to -

- a. the fees and expenses of the arbitrator(s),
- b. Legal fees, administrative fees and expenses,
- c. any other expenses incurred in connection with the arbitral proceedings and the arbitral award. (excluding experts fee & certified copy demanded by parties)

29. Termination of proceedings

- (1) The arbitral proceedings shall stand terminated on making of the final arbitral award or by an order of the arbitral tribunal under sub-rule (2).
- (2) The arbitral tribunal shall make an order for the termination of the arbitral proceedings where: -
 - a. The claimant withdraws his claim, unless the respondent objects to the order and the arbitral tribunal recognizes a legitimate interest on his part in obtaining a final adjudication of the dispute,
 - b. The parties agree on the termination of the proceedings, or
 - c. The arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.
- (3) The arbitral tribunal shall send a copy of the order made under sub-rule (2) to each party.
- (4) Upon termination of the arbitral proceedings, the arbitral tribunal shall send the file of the case containing the record of the arbitral proceedings and the Arbitral award or the order made under sub-rule (2) to the Registrar, NATIONAL ARBITRAL TRIBUNAL.
- (5) Subject to rule 30 and any order of court of competent jurisdiction in proceedings before it in respect of the award, the mandate of the arbitral tribunal shall terminate with the termination of the arbitral proceedings.

30. Correction and interpretation of award—"Additional award"

- (1) Within thirty days from the receipt of the arbitral award: -
 - a. A party, with notice to the other party, may request the arbitral tribunal to correct any computation errors, any clerical or typographical errors or any other errors of a similar nature occurring in the award;
 - b. If so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award.
- (2) If the arbitral tribunal considers the request made under sub-rule (1) to be justified it shall make the correction or give the interpretation within thirty days from the receipt of the request and the interpretation shall form part of the arbitral award

- (3) The arbitral tribunal may correct any error of the type referred to in clause(a) sub-rule (1), on its own initiative, within thirty days from the date of the arbitral award.
- (4) A party, with notice to the other party, may request, within thirty days from the receipt of the arbitral award, the arbitral tribunal to make an additional arbitral award as to claims presented in the arbitral proceedings but omitted from the arbitral award.
- (5) If the arbitral tribunal considers the request made under sub-rule (4) to be justified, it shall make the additional arbitral award within sixty days from the receipt of such request.
- (6) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, give an interpretation or make an additional arbitral award under sub-rule (2) or sub-rule (5).
- (7) Rule 26 shall apply to a correction or interpretation of the arbitral award of to an additional arbitral award made under this rule.

31. Deposits

- (1) The Registrar, NATIONAL ARBITRAL TRIBUNAL may direct the parties as it thinks appropriate, to make one or more interim or final payments on account of the cost of arbitration.
- (2) The tribunal may refused to proceed with arbitration beyond the stage of completing the pleadings on receipt of report of the Registrar, NATIONAL ARBITRAL TRIBUNAL that required sum against the cost of the arbitration (arbitrators fee and other expenses) has not been deposited.
- (3) During the arbitration proceedings, the arbitral tribunal may, in consultation with the NATIONAL ARBITRAL TRIBUNAL, direct supplementary deposits with the NATIONAL ARBITRAL TRIBUNAL in an equal amount from each party for the costs referred to in sub-rule (1).
- (4) In event that either of the parties fails to provide any deposit as directed by the Registrar, NAT, the Tribunal may direct the other party or parties to effect a substitute payment to allow the arbitration to proceed (subject to any award cost). In such circumstances, the party paying the substitute payment shall be entitle recover that amount as debt with interest there on at rate of 24% be entitled to recover that amount as a debt immediately due from the defaulting party on request the Tribunal shall while making the award direct for recovery of such sum, without prejudice to result of the award.

32. Model Guidelines

- (1) For expeditious conduct of arbitration proceeding-
- (2) An Arbitrator appointed under rules 5 and the parties to the dispute shall observe the Guidelines specified in Schedule II for the purposes of expeditious conduct of arbitration proceedings under these rules.

33. Administrative fees

The NATIONAL ARBITRAL TRIBUNAL to meet necessary expenses incurred in connection with arbitration proceeding shall charge the sum as provided under the schedule.

34. Fast Track Arbitration

Notwithstanding anything contained hereinbefore, the parties may agree, in writing, to fast track arbitration and abide by the fast track procedure provided by the Arbitrator and other conditions determined by the Director.

35. Appeal to Second Arbitration

- (1) The parties to the arbitration result, if either party is in disagreement with the arbitration result, either party will have the right to appeal to a second arbitration within a period of 60 days from the date of arbitration result in accordance with these rules.
- (2) The appellate tribunal shall consist of sole arbitrator and arbitrator shall be appointed in accordance with rule 5.
- (3) The Appellate tribunal shall follow the following procedure while conducting appeal proceeding under sub-section (1):
 - a. The appellate tribunal shall decide the appeal on the basis of written pleadings, documents and submissions filed by parties without any oral hearings.
 - b. The appellate tribunal shall have power to recall for any further information or clarification from the parties in addition to the pleadings and documents filed by them;
 - c. An oral hearing may be held only, if, all the parties make a request or if the appellate tribunal considers it necessary to have oral hearing for clarifying certain issues;
 - d. The appellate tribunal may dispense with any technical formalities, if any oral hearing is held, and adopt such procedure as deemed appropriate for expeditious disposal of the appeal.
- (4) The award under this rule shall be made within a period of six months from the date of appellate tribunal enters into reference.

36. Online filing (e-filing)

- (1) The National Arbitral Tribunal may provide the facility for online filing (e-filing) of claims, reply, appeal, applications and all other pleadings. The parties interested in e-filing should primarily get themselves registered online.
- (2) The Claimant/appellant would request the Registrar for Online filing. Such a request should contain a summary of the dispute in accordance

with Rule 3 and 35 and a declaration that the documents that are to be relied upon by him are not in dispute.

- (3) The parties shall upload the data by scanning the pleadings and all the documents, such pleading and documents should bear the signature and seal of the party or e-signature. The documents should be duly notarized as true copy of the original or certified by their counsel that he has inspected the original with an undertaking to produce the original for inspection to any person authorized by the tribunal or whenever the same is demanded by the Tribunal or by the opposing party or parties for inspection.
- (4) The uploaded documents can be accessed, and print-outs taken by the other Parties. Such downloaded documents would have an endorsement, "This document has been relied upon in Arbitration Proceedings before the Tribunal and does not amount to be a certified copy."

37. Confidential character

The work of the arbitration under the rules is of a confidential character which must be respected by everyone who participates in that work in whatever capacity.

38. Waiver

A party which proceeds with the arbitration without raising any sort of procedural objection at the relevant stage, shall be deemed to have waived its right to object.

39. Exclusion of liability

Neither the arbitrators, chairperson, members of the Board nor the Registrar and employees of the NAT shall be liable to any person or authority for any act or omission in connection with the arbitration proceedings under the Rules.

40. General Rules

- (1) In all matters not expressly provided for in these Rules, the NAT and Arbitral Tribunal shall make every effort to make sure that the award is enforceable at law.

SCHEDULE-I

[See Rule 28]

Schedule of domestic /appeal to second arbitration Fees:

This schedule of fee is applicable to all arbitration/ appeal to second arbitration commenced on or after 1 April 2017. This Schedule of Fees may be amended from time to time and any revised Schedule of Fee shall take effect as of the date determined by the board.

Registration, Administrative and Arbitrator fee

Schedule of fee below applies to all arbitrations/ appeal to second arbitration administered by National Arbitral Tribunal. the Arbitrator and Administrative fees calculated is in accordance with the Fourth schedule of Arbitration and Conciliation (Amended) Act, 2015, National Arbitral Tribunal adopted the Fourth schedule of Arbitration and Conciliation (Amended) Act, 2015 as Administrative and Arbitrator fees.

Schedule of Fees

SUM IN DISPUTE / CLAIM SIZE	Registration Fees	Arbitrator and Administrative fees
Upto Rs. 1,00,000	Rs. 5500	Rs. 25000
Above Rs. 1,00,001 and up to Rs. 3,00,000	Rs. 6500	Rs.25,000 plus 5.5 percent of the amount claim over and above Rs. 1,00,000
Above Rs. 3,00,001 and up to Rs. 5,00,000	Rs. 7500	Rs. 36,000 plus 4.5 percent of the amount claim over and above Rs. 3,00,000
Above Rs.5,00,001 and up to Rs. 20,00,000	Rs. 12500	Rs. 45,000 plus 3.5 percent of the amount claim over and above Rs. 5,00,000
Above Rs. 20,00,001 and upto Rs.1,00,00,000	Rs. 25000	Rs. 97,500 plus 3 percent of the claim amount over and above Rs. 20,00,000

Above Rs.1,00,00,001 and up to Rs.10,00,00,000	Rs. 50000	Rs. 3,37,500 plus 1 percent of the claim amount over and above Rs. 1,00,00,000
Above Rs. 10,00,00,001 and up to Rs. 20,00,00,000	Rs. 75000	Rs. 12,37,500 plus 0.75 percent of the claim amount over and above Rs. 1,00,00,000
Above Rs. 20,00,00,001	Rs.100000	Rs. 19,87,500 plus 0.5 percent of the claim amount over and above Rs.20,00,00,000 with a ceiling of Rs. 30,00,000.

Note 1: Where the arbitral tribunal consists of a Sole Arbitrator, arbitrator shall be entitled to an additional amount of 25% on the fee payable as mentioned above.

Note 2: Where the dispute cannot be expressed in terms of money, the Registrar shall determine the amount of fee in each case.

Note 3: In exceptional cases, the rates may be higher or lower, in peculiar circumstances. Director may in fit case provide free legal Aid.

Note 4: The rates quotes may be revised from time to time, by the Board.

The Above Fee Schedule does not include the Following: -

- Usage cost of facilities and support services for and in connection with any hearing. (E.g. Printing, photocopying, postage, equipment charges, transcription and interpretation services, expert's fee, receiver/ commissioner fee etc.)
- Where the facilities are provided in a place other than in Nyaya peeth's offices, the charges will be determined in each case and billed separately on actual bases.
- Out of pocket expenses
- taxes as applicable
- Requisite stamp duty.

SCHEDULE-II

MODEL GUIDELINES FOR THE ARBITRATORS AND THE PARTIES FOR EXPEDITIOUS CONDUCT OF ARBITRATION PROCEEDINGS

- 1) The arbitrators and the parties to the dispute shall follow these guidelines to ensure economic and expeditious disposal of arbitration cases.

For Arbitrators

- 2)
 - a) The arbitrators must take up the arbitration expeditiously on receipt of the request from the NATIONAL 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 one year where the amount of claim exceeds 1 crore and within a period or 6 months where the amount of claim is less than Rs.1 crore.
 - b) The Arbitrator(s) shall send a quarterly report of the progress of arbitration proceedings to the Advisory Council of NATIONAL ARBITRAL TRIBUNAL.
 - c) The Advisory council may, where necessary, give suggestions to the Arbitrator(s) concerned to expedite the proceedings.
- 3) When accepting his mandate, the arbitrator shall be able to perform his task with the necessary competence according to his professional qualifications.
- 4) When accepting his appointment, the arbitrator shall give a declaration in writing, in the Form specified in Schedule-III as under: -
 - (i) no circumstances exist in terms sub-section (1) of section 12 of the Arbitration Act read with Fifth Schedule thereof that give rise to justifiable doubts as to his independence or impartiality,
 - (ii) he does not have any relationship with any of the parties to the dispute or their counsel or the subject matter of the dispute as specified in the Seventh Schedule of the Arbitration Act, and
 - (iii) Where any qualifications are required of an arbitrator by the agreement of the parties, he possesses those qualifications.

Where necessary due to supervening facts, this declaration shall be repeated in the course of the entire arbitral proceedings until the award is filed

- 5) Where facts that should have been disclosed are subsequently discovered, the arbitrator may either withdraw or be challenged or the NATIONAL ARBITRAL TRIBUNAL may refuse to appoint him in arbitral proceedings on this ground.
- 6) The arbitrator may at all stages suggest the possibility of a settlement to the parties but may not influence their decision by indicating that he has already reached a decision on the dispute.
- 7) In the course of the arbitral proceedings the arbitrator shall refrain from all unilateral contact with the parties or their counsel who is not notified to the NATIONAL ARBITRAL TRIBUNAL so that the NATIONAL ARBITRAL TRIBUNAL can inform the other parties and arbitrators.
- 8) The arbitrator shall refrain from giving the parties, either directly or through their counsel, notice of decisions in the evidence taking place or on the merits; notice of these decisions may be given exclusively by the NATIONAL ARBITRAL TRIBUNAL.
- 9) The arbitrator shall neither request nor accept any direct arrangement on costs or fees with the party which has designated him. The arbitrator is entitled to reimbursement of expenses and a fee as exclusively determined by the NATIONAL ARBITRAL TRIBUNAL according to its Schedule of Fees, which are deemed to have been agreed by the arbitrator when accepting his mandate.
- 10) The arbitrator shall encourage a serene and positive development of the arbitral proceedings. In particular, he shall decide on the date and manner of the hearings in such a way as to allow both parties to fully participate therein, in compliance with the principle of equal treatment and opportunity as specified in rule 14.
- 11) 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 got done expeditiously. Issues if any to be framed may be done at the same or at the next hearing. The arbitrators should make efforts to hold arbitration hearings continuously on day-to-day basis during office hours.
- 12) 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 a week of the settlement of issues. Cross examination party should be completed at a hearing to be fixed within 15 days.

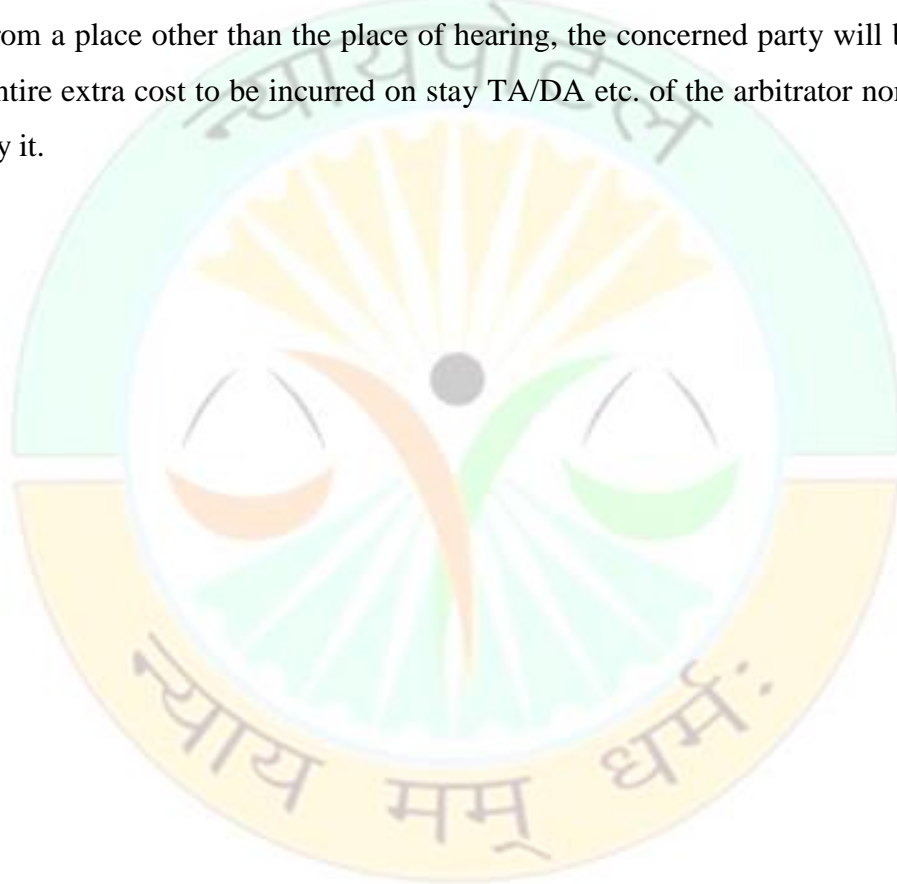
- 13) Adjournments of duly fixed hearing should not be granted except for unavoidable reasons which should be spelt out in the adjournment order.
- 14) Arguments preferably should be heard within 15 days of the completion of evidence, to be followed by submission of written arguments, if any.
- 15) The Arbitrator should make the award expeditiously after the close of the hearings, preferably within 30 days.
- 16) The arbitrator who does not comply with the provisions of these guidelines may be replaced by the NATIONAL ARBITRAL TRIBUNAL Where it is not appropriate to replace the arbitrator in order not to cause delay in the arbitral proceedings, the NATIONAL ARBITRAL TRIBUNAL may also take such action after the conclusion of the arbitral proceedings, by refusing to appoint him in subsequent arbitral proceedings.

For Parties

- 17) The claimant should file the applications or demand for arbitration to the NATIONAL ARBITRAL TRIBUNAL 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.
- 18) The respondent should file his reply to the claim with complete information and documents relied upon, in 3 or 5 sets as above as early as possible within the prescribed time. Fresh documentation/claims should not be entertained at a later stage of the proceedings unless the arbitral tribunal is satisfied about the reasons for granting such permission.
- 19) If any party to arbitration, particularly in cases where any arbitrator, advocate 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 NATIONAL ARBITRAL TRIBUNAL at least before 5 working days stating the grounds which compel it to request for postponement of the hearing so that the NATIONAL ARBITRAL TRIBUNAL is in a position to take necessary steps to inform the Parties, Arbitrators and Advocates regarding postponement of the hearing, Parties seeking adjournment will have

to pay cost to NATIONAL ARBITRAL TRIBUNAL as may be determined by the arbitral tribunal.

- 20) Parties should deposit arbitration and other sum against the heading expenses with the NATIONAL ARBITRAL TRIBUNAL within the stipulated time, as per the Rules and no extension should be sought in this behalf except for compelling reasons.
- 21) 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 stay TA/DA etc. of the arbitrator nominated by it.



SCHEDULE III

See rule 5(4)

NAME:

CONTACT DETAILS:

PRIOR EXPERIENCE (INCLUDING EXPERIENCE WITH ARBITRATIONS):

NUMBER OF ONGOING ARBITRATIONS:

CIRCUMSTANCES DISCLOSING ANY PAST OR PRESENT RELATIONSHIP WITH OR INTEREST IN ANY OF THE PARTIES OR IN RELATION TO THE SUBJECT-MATTER IN DISPUTE, WHETHER FINANCIAL, BUSINESS, PROFESSIONAL OR OTHER KIND, WHICH IS LIKELY TO GIVE RISE TO JUSTIFIABLE DOUBTS AS TO YOUR INDEPENDENCE OR IMPARTIALITY (LIST OUT):

CIRCUMSTANCES WHICH ARE LIKELY TO AFFECT YOUR ABILITY TO DEVOTE SUFFICIENT TIME TO THE ARBITRATION AND IN PARTICULAR YOUR ABILITY TO FINISH THE ENTIRE ARBITRATION WITHIN TWELVE MONTHS (LIST OUT)

APPENDICES

APPENDIX - A

MODEL ARBITRATION CLAUSE FOR ARBITRATION OF CONTRACTUAL DISPUTES

Parties to a contract who agree to resolve their contractual disputes in accordance with the National Arbitral Tribunal (Procedural) Rules and to have the National Arbitral Tribunal act as appointing authority and/or provide administrative services, may use the following clause:

“If any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the National Arbitral Tribunal (Procedural) Rules.

The Authority to appoint the arbitrator(s) shall be the National Arbitral Tribunal.

Note: Parties may consider to add the following: -

- a) The number of arbitrator(s) shall be _____
- b) The place of arbitration proceedings shall be _____
- c) The language of the arbitration proceedings shall be _____

APPENDIX - B

MODEL ARBITRATION AGREEMENT

This agreement made this ____ day of ____ Two thousand ____ at ____

Between

(Full description and address of the Party to be given) of the ONE PART

AND

(Full description and address of the Party to be given) of the OTHER PART.

WHEREAS if any disputes or differences arises between the aforesaid parties relating to _____ (details of contract to be given),

AND WHEREAS the Parties agree that any dispute arising out of or in connection with aforementioned contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the National Arbitral Tribunal (Procedural) Rules.

Now the parties hereby agree as follows: -

- a) The arbitration shall be conducted by a sole arbitrator & Arbitrator shall be appoint in accordance with the National Arbitral Tribunal (Procedural) Rules.
- b) The place of arbitration shall be _____ (place) the arbitration proceeding shall be held at regional offices of National Arbitral Tribunal.
- c) The language of Arbitration proceeding shall be _____.
- d) The award made by sole arbitrator shall be final & binding upon the parties.

In Witness where off, this Agreement has been signed this _____ at _____.

Name & Signature of
(Party No. 1)

Name & Signature of
(Party No. 2)

Witness

- 1.
- 2.

APPENDIX – C

MODEL TWO-TIER ARBITRATION CLAUSE

Parties to a contract who agree to resolve their contractual disputes in accordance with the National Arbitral Tribunal (Procedural) Rules and to have the National Arbitral Tribunal act as appointing authority and/or provide administrative services, may use the following clause:

“If any dispute arising out of or in connection with afore mentioned contract, including any question regarding its existence, validity or termination, shall be referred to and resolved by arbitration in accordance with the National Arbitral Tribunal (Procedural) Rules. If either party is in disagreement with the arbitration result, either party will have the right to appeal to a second arbitration within a period of 60 days from the date of arbitration result in accordance with the National Arbitral Tribunal(Procedural) Rules and the result of this second arbitration shall be final & binding on upon the parties.

The Authority to appoint the arbitrator(s) shall be the National Arbitral Tribunal.

Note: Parties may consider to add the following: -

- d) The number of arbitrator(s) shall be _____
- e) The language of the arbitration proceedings shall be _____
- f) The place of arbitration shall be _____
- g) The place of appeal to second arbitration shall be _____

APPENDIX - D

MODEL TWO-TIER ARBITRATION AGREEMENT

This agreement made this ____ day of ____ Two thousand ____ at ____

Between

(Full description and address of the Party to be given) of the ONE PART

AND

(Full description and address of the Party to be given) of the OTHER PART.

WHEREAS if any disputes or differences arises between the aforesaid parties relating to _____ (details of contract to be given),

AND WHEREAS the Parties agree that any dispute arising out of or in connection with aforementioned contract, including any question regarding its existence, validity or termination, shall be referred to and resolved by arbitration in accordance with the National Arbitral Tribunal (Procedural) Rules. If either party is in disagreement with the arbitration result, either party will have the right to appeal to a second arbitration within a period of 60 days from the date of arbitration result in accordance with the National Arbitral Tribunal(Procedural) Rules and the result of this second arbitration shall be final & binding on upon the parties.

Now the parties hereby agree as follows: -

- e) The arbitration shall be conducted by a sole arbitrator & Arbitrator shall be appoint in accordance with the National Arbitral Tribunal (Procedural) Rules.
- f) The place of arbitration shall be _____ (place) and place of appeal to second arbitration shall be _____. The arbitration proceeding shall be held at regional offices of National Arbitral Tribunal.
- g) The language of Arbitration proceeding shall be _____.

In Witness whereof, this Agreement has been signed this _____ at _____.

Name & Signature of
(Party No. 1)

Name & Signature of
(Party No. 2)

Witness

- 1.
- 2.



National Arbitral Tribunal

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