

**ICA MARITIME
ARBITRATION RULES**



THE MARITIME ARBITRATION RULES

OF

THE INDIAN COUNCIL OF ARBITRATION

(AS AMENDED ON AND WITH EFFECT FROM 1ST OCTOBER, 2012)

1. Objectives:

These Rules shall be called Maritime Arbitration Rules, 2012 of the Indian Council of Arbitration. These Rules shall govern the conduct for domestic and international maritime arbitrations in India.

2. Definitions:

1. 'Council' means the Indian council of Arbitration.
2. 'Registrar' means the 'Registrar' of the Indian Council of Arbitration.
3. 'Committee' means the Maritime Arbitration Committee.
4. 'Panel' means the Panel of Arbitrators maintained by the Committee.
5. 'Party' shall include any individual, firm, company, Government, Government organizations or Government Undertakings.
6. 'Commercial Man' means, "any person who has commercial experience and knowledge in shipping and maritime practice".

3. Maritime Arbitration Committee:

(1) The Council shall constitute a Maritime Arbitration Committee. Such Committee shall consist of the nominees of the following:

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|--------------------------------------|------------|
| 1. Indian Council of Arbitration | 2 Nominees |
| 2. Ministry of Shipping | 2 Nominees |
| 3. Ministry of Law & Justice | 1 Nominees |
| 4. Indian National Shipowners' Asson | 1 Nominees |
| 5. Shipping Corpn. of India | 1 Nominees |
| 6. New Delhi Shipbrokers' Asson. | 1 Nominees |



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| 7. Representative of P & I Correspondents
(To be nominated by the President, ICA) | 1 Nominees |
| 8. Representative of Steamer Agents
(To be nominated by the President, ICA) | 1 Nominees |

(2) Chairman of the Committee shall be the President or Senior Vice President or Vice President of the Council and the Convener of the Committee shall be the Registrar of the Indian Council of Arbitration. The Committee shall meet as and when required but at least once in a year.

4. Functions of the Maritime Arbitration Committee:

The functions of the Committee shall be as follows:

1. Empanelment of arbitrators;
2. Provision of guidance to arbitrators and parties in the general conduct of arbitration;
3. Determination of the scales of arbitrator's fee, registration fees and administration charges from time to time;
4. Publication of arbitration awards;
5. In case of doubt, decide the applicability of these rules in relation to a dispute referred to it;
6. Appointment of the Arbitrator / Presiding Arbitrator when required;
7. Review of the progress of Maritime Arbitration Cases;

5. Panel of Arbitrators:

The Committee shall maintain a panel of Maritime Arbitrators, who are commercial men, as defined in these Rules and should have a stature and reputation in the maritime world as knowledgeable and impartial persons of integrity and objective approach.

The empanelled arbitrator may be removed from the Panel for any of the following reasons:

- a) he is an adjudged insolvent;
- b) he is convicted of an offence involving imprisonment;



- c) he was violated or not complied with adequately the Rules of the Maritime Arbitration Rules of the Council in conducting the proceedings;
- d) any person who has conducted himself in a manner inconsistent with his position as an arbitrator in the Panel of Arbitrators of the ICA;
- e) those who do not satisfy any of the requirements contained in the Rules as amended with effect from 1 October, 2012;

Before any action is taken, an opportunity will be given by a Sub Committee appointed by the Maritime Arbitration Committee, to the concerned arbitrator to be heard and the decision of the Maritime Arbitration Committee shall be final and binding in this behalf. All pending arbitration proceedings in which such an arbitrator is already appointed will continue till completion.

6. Law to Apply:

Any arbitration conducted under these rules shall be governed by the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) or any further amendments thereof.

7. Scope of Application:

These rules shall apply, inter-alia, to maritime disputes in respect of the following:

1. Interpretation of charter party, any contract of affreightment and bills of lading;
2. Carriage of goods by sea;
3. Marine salvage, towage of vessels or other floating objects;
4. Damages arising out of collisions, groundings, fire or any such accidents whether in port or at sea, including damage to fix or floating objects at ports;
5. Interpretation of any shipping documents;
6. Ownership of vessels and aspects relation to lines and mortgages;
7. General Average, particular average and matters arising out of contracts of marine insurance;



8. Wreck removal and marine pollution;
9. Disputes relating to other matters connected with shipping and not mentioned above.

8. Initiation of Arbitration:

1. Any of the parties who have entered into an agreement for resolving disputes by arbitration under these rules may make a written request for arbitration to the Registrar of ICA. Such request shall include the following particulars:
 - (1) the names and addresses of the parties to the arbitration;
 - (2) copies of the contract in which the arbitration clause is contained;
 - (3) a Statement of claim and facts supporting the claim, points at issue and relief or remedies sought with other details of the Claimant's case;
 - (4) a statement on such matters as the place of the arbitration the name(s) of Arbitrators on which the parties have already agreed in relation to the conduct of the arbitration, or with respect to which the requesting party wishes to make a proposal;
 - (5) if the arbitration agreement calls for nomination of arbitrators by the parties the name and address and telephone and fax number of the Claimant's nominee.
 - (6) Registration fee of Rs. 5,000/- (non-refundable) for claim upto One crore and Rs. 10,000/- (non-refundable) for claims more than One Crore
2. Copies of all claims, counter claims and other documents submitted to the Registrar shall be sent to the other party.

9. Counter Claim and Reply to Counter Claim:

On receipt of the statement of claim, the Respondent may make a defence /counter claim against the claim provided that the counter claim arises under the same transaction as that of the statement of claim. The Respondent shall submit the defence statement/counter claim with full details supported by all documents and information within a period of 30 days from receipt of the



statement of claim or within such extended period not exceeding 30 days. The arbitrator/s appointed to adjudicate upon the original claim shall also adjudicate upon the counter claim.

10. Nomination / Appointment of Arbitrators:

- 1) For purpose of this rule appointment of an arbitrator implies nomination of the arbitrator by the party or parties and acceptance thereof by the arbitrator.
- 2) The number of arbitrators to hear the dispute shall be determined as under:
 - a) Where the claim does not exceed Rs. One crore and the Arbitration Agreement does not specify otherwise, the reference shall be deemed to be with a Sole Arbitrator.
 - b) Where the claim exceeds Rs. One crore and the Arbitration Agreement does not specify otherwise, the dispute will be heard and determined by three arbitrators, unless the parties to the dispute subsequently agree to refer the dispute to a sole arbitrator within 30 days from the date of notification of the request for arbitration.
 - c) Where three Arbitrators have to be appointed as per the above sub-rule (b) and any of the parties to the dispute fail to make the necessary deposit towards the fee, cost and expenses of arbitration instead of three Arbitrators, the Registrar of ICA shall request the arbitrator appointed by any of the parties to act as sole arbitrator irrespective of the claim exceeding Rs. One Crore. In the event the agreement provides for appointment of three arbitrators, then the Registrar in consultation with the Chairman of the Maritime Arbitration Committee may appoint arbitrator on behalf of the Claimant or Respondent, as the case may be, as well as the Presiding Arbitrator.
- 3) The number of arbitrators to hear dispute under these rules shall be either one or three to be appointed from and amongst ICA Maritime Panel of Arbitrators and where the parties fail to agree on a Sole Arbitrator, then the Arbitrators shall be appointed as under:
 - a) Each party shall appoint one Arbitrator.



- b) The party invoking the arbitration agreement for settlement of the dispute shall appoint an arbitrator from out of ICA Maritime Panel of Arbitrators and give intimation and notice of the appointment to the other party, under intimation to the Registrar of the Council, calling upon the other party to appoint the second Arbitrator within 30 days from the receipt of the request to do so. If the other party fails to appoint the second Arbitrator within 30 days or within the extended time not exceeding 30 days, the second Arbitrator shall be appointed by the Registrar in consultation with the Chairman of Maritime Arbitration Committee of the ICA.
 - c) The two Arbitrators, as appointed aforesaid shall appoint within a period of 30 days, the Third Arbitrator who shall act as the Presiding Arbitrator. If the two Arbitrators, appointed by the parties, fail to agree on the Third Arbitrator, or the Third Presiding Arbitrator shall be appointed by the Registrar in consultation with the Chairman of Maritime Arbitration Committee of ICA.
 - d) If the parties fail to agree on the name for the appointment of Sole Arbitrator then such Sole Arbitrator shall be appointed by the Registrar in consultation with the Chairman of the Maritime Arbitration Committee.
- 4) (a) The parties will obtain the consent from the persons nominated by them respectively as arbitrator and intimate the Council accordingly. In case the parties fail to do so, the Registrar will obtain the consent from the persons nominated by the parties. After a person gives his consent for appointment as arbitrator, he will be duly intimated about his appointment to decide the dispute by a memo in writing under the hand of the Registrar about the constitution of the arbitral tribunal. The appointment of the arbitrator will take effect from the date of such initiation about the constitution of arbitral tribunal.
- (b) Before accepting his nomination the prospective arbitrator shall disclose any circumstances such as financial or personal interest in the outcome of the award, likely to disqualify him as an impartial



or independent arbitrator. Upon receipt of such information, the Registrar shall disclose it to the parties, who if willing to proceed under the circumstances disclosed, shall advise the Registrar accordingly. If either part declines to waive the presumptive disqualification the prospective arbitrator shall be disqualified from acting as arbitrator and the vacancy so created shall be filled in accordance with these rules.

- (c) Any party shall have the right to challenge the appointment of an arbitrator on receipt of the notice of his appointment for reasons which disqualify him as an impartial or independent arbitrator. The challenge of an arbitrator shall be made within 30 days after his appointment has been communicated to the challenging party or within 30 days after his becoming aware of the reasons for which the challenge is made. Copies of the communication of challenge shall be sent to the other party and the arbitrator. The Maritime Arbitration Committee shall be the sole judge of the grounds of challenge and its decision shall be final and binding on the parties.

11. Submission of the case to the Arbitral Tribunal:

The Registrar shall send copies of claim statement, defence statement, counter claim and other documents received under Rule (8) from the parties to the dispute to the arbitrator(s) with a request to proceed with the arbitration and the arbitrator (s) shall be deemed to have entered on the reference on the day on which applications, defence statements, counter-claim, replies, documents etc. have been dispatched to them. Intimation shall be given to the parties of the day on which the arbitrator(s) have entered on the reference.

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

If the arbitration is terminated by the act or default of any parties after constituting of the arbitral tribunal and before the award is made, any fee,



charges and expenses deposited or incurred by the parties shall not be refunded or reimbursed.

12. Venue of Arbitration:

Venue for the arbitration under these Rules shall be any place in India. Where the Claimant and Respondent are unable to agree on a common venue, the venue shall be New Delhi.

13. Language of proceedings:

All international arbitration proceedings shall be conducted in English language. If assistance of the interpreter during the proceedings is required, party concerned shall bear the costs. The interpreter shall be an independent person to be appointed by the Council.

14. Power of Arbitrators:

- (1) Unless contrary intention is expressed in any arbitration agreement, the powers of the arbitrators shall include:
 - a) to call for all documents within the possession of the Claimant and Respondent which may be required for this purpose;
 - b) to examine any witness on oath or affirmation;
 - c) to call for giving evidence by affidavits, if necessary;
 - d) may pass such interim order or directions as it may deem it necessary for securing the amount in dispute in the arbitration or safeguarding, interim custody, preservation, protection, storage, sale, disposal of whole or any part of subject matter of dispute until the final determination of dispute;
- (2) If the parties have reached an amicable settlement of the dispute or on any part thereof during the arbitration proceedings, and if such parties request the arbitrator(s) to pronounce an award in terms of the amicable settlement, the arbitrator(s) shall give an award accordingly.



15. Conduct of Arbitration Proceedings:

Arbitration proceedings can be conducted on the basis of pleadings, documents and affidavits filed by the parties in dispute unless one of the parties expresses its desire in writing that the parties may be given an opportunity of appearance either personally or through their representatives / attorneys.

(1) Timings of the Arbitration session:

The date, time and place of hearing shall be fixed by arbitrators by giving a written notice of at least three weeks to the parties. Verbal notice of the next hearing can however be given at the time of the hearing itself. The arbitration session will go on day to day basis from 10.30 a.m. 4.30 p.m. on working days including Saturdays once the hearing begins after completion of all the formalities. The arbitral tribunal shall not ordinarily adjourn a hearing at the request of any party, except where the circumstances are beyond the control of the party and the arbitral tribunal is satisfied that reasons and circumstances for the adjournment are justified. While granting an adjournment, the arbitral tribunal may make such orders regarding payment of costs by one or both the parties, as it deems fit and reasonable. The timings may be altered only on written consent of both the parties.

(2) Evidence:

Every party in an arbitration shall have a right to prove or substantiate his contentions through evidence, documentary or otherwise. If arbitrator(s) consider(s) necessary submission of additional evidence by the parties, they may issue directions accordingly. Witnesses produced by a party may be examined / cross examined. The parties may jointly request the arbitrators to allow them to submit the evidence / statements of witnesses by way of affidavits.

16. Optional Conciliation:

- (1)** The parties may opt for conciliation and request the arbitral tribunal before the commencement of the arbitration proceedings unless they have already agreed otherwise to settle their dispute through conciliation.



(2) Fast Track Arbitration:

The parties may opt for fast track arbitration and request the arbitral tribunal before the commencement of the arbitration proceeding to decide the reference in a fixed time frame of 3 to 6 months or any other time agreed between the parties, according to the Fast track arbitration, as under:

1. The arbitral tribunal will be authorized to decide the dispute on the written pleadings, documents and written submissions filed by the parties without any oral hearing.
 2. The arbitral tribunal shall have power to call for any further information / clarification from the parties in addition to the pleadings and documents filed by them.
 3. An oral hearing may be held if both the parties make a joint request or if the arbitral tribunal considers an oral hearing necessary in any particular case.
 4. If an oral hearing is held the arbitral tribunal may dispense with any technical formalities and adopt such procedures as it deems appropriate and necessary for economic and expeditious disposal of the case.
17. 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 or 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 of default.
18. (1) The arbitral tribunal may by the award dismiss the application or claim:
- (a) if the Claimant does not prosecute the arbitration proceedings or file the papers within the time granted.
 - (b) or neglects or refuses to pay the dues or deposits ordered to be paid by the arbitral tribunal or the Registrar.



- (2) The arbitral tribunal may deliver an ex-parte award:
 - (a) if the defendant neglects or refuses to appear or make his defence or fails to file the papers within the time granted.
 - (b) or neglects or refuses to pay the dues or deposits ordered to be paid by the arbitral tribunal or the Registrar.

19. Arguments:

The parties shall be permitted to submit oral or written arguments to substantiate their cause. Written arguments shall be submitted within the time stipulated by arbitrators.

20. Award:

- (1) The Arbitral Tribunal shall make the award as expeditiously as possible, preferably within six months from the date of the reference subject to the maximum limit of two years from the date of commencement of reference. The Arbitral Tribunal only in case of extreme necessity may request the Registrar to extend the time to make the award and the Registrar may, in consultation with the Chairman of Maritime Arbitration Committee, extend the time for period not exceeding one year, if such request is found to be reasonable and bonafide.
- (2) After the conclusion of the hearing of arguments and submission of documents including written arguments, if any by the parties, the arbitrator(s) shall submit their award to the Registrar as early as possible but not later than 30 days from the date of closing of the hearing. The arbitrator(s) shall state the reason upon which the award is based except when the parties have agreed that no reasons are required or the award is a compromise award.
- (3) The arbitrator(s) may at their discretion pronounce an interim award indicating the necessity for the same.
- (4) When an award has been made, the Registrar shall furnish a true copy of the award to the parties by registered post provided the arbitration costs have been fully paid to the Council by the parties or by one of them.



- (5) The Council may publish or otherwise circulate any award made under this rule in any Arbitration Journal, Magazine, Report etc.
- (6) In the event the Arbitral Tribunal fails to make the award within the time referred to hereinabove, the Registrar in consultation with the Chairman of the Maritime Arbitration Committee may terminate the authority of such appointed arbitrator and inform him accordingly. In the event of such termination, the arbitrator, whose authority has been terminated, shall not be entitled to any fee.
- (7) In case of resignation, death or termination of authority of an arbitrator, a new arbitrator or arbitrators will be appointed in his place by the Registrar in consultation with the Chairman of the Maritime Arbitration Committee, in case they had appointed the original arbitrator. Where the appointment was made by the parties, the Registrar shall call upon the party who had appointed the arbitrator to nominate another arbitrator in his place. If any party refuses or neglects to nominate an arbitrator within 15 days of the date of notice requiring him to nominate the arbitrator or within such extended time not exceeding 30 days, the Registrar in consultation with the Chairman of the Maritime Arbitration Committee shall nominate the arbitrator on behalf of that party from among the panel of arbitrators.

21. Arbitration Fees & Other Expenses:

- (1) The Registration fee, Administrative expenses and Arbitrator's fee shall be as per the scale prescribed by the Maritime Arbitration Committee from time to time.
- (2) The Registrar on receipt of the Statement of Claim shall indicate the amount of arbitration fee to be deposited by the Claimant and Respondent on provisional basis. The fee shall include registration fee, arbitration fee and the administrative expenses. The parties will be required to deposit the provisional fee within 30 days of the receipt of the intimation for deposit of fee. The arbitrator(s) shall not proceed with arbitral proceedings till the receipt of arbitration and administrative fee and other related expenses.



22. Amendment of the Rules:

The Committee may review these rules and recommend amendments. The Council shall adopt the recommended amendments in consultation with the Ministry of Shipping.

23. Maritime Arbitration Clause:

All parties desirous of making reference for maritime arbitration under this rule may provide following arbitration Clause in their contracts:

“All disputes arising under this charter party shall be settled in India in accordance with the provisions of the Arbitration & Conciliation Act, 1996 (No. 26 of 1996), and under the Maritime Arbitration Rules of the Indian Council of Arbitration. The Arbitrators to be appointed from out of the Maritime Panel of Arbitrators of the Indian Council of Arbitration. The arbitrators shall be commercial men”.

Notwithstanding the aforesaid it is open to parties, to make a reference to the Registrar by any other suitable provision in the contract, or by mutual consent or agreement for arbitration under these Rules.

Scale of Arbitrator's Fee and Administrative Fee prescribed by the Maritime Arbitration Committee under Rule 21 of the ICA Maritime Arbitration Rules.

(1) Registration Fee:

The Registration fee shall be payable with regard to the amount in dispute in each case as under. The registration fee shall not be refunded and becomes the property of the Council.

Rs. 5,000/- for upto Rs. One Crore Claim

Rs. 10,000/- for more than Rs. One Crore Claim

(2) Arbitrator's Fee and Administrative Fee

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



Amount of Claim & Counter Claim	Arbitrator's Fee	Administrative Fee
Upto Rs. 5,00,000	Rs. 30,000/-	Rs. 30,000/-
From Rs. 5,00,001 to Rs. 10,00,000	Rs. 50,000/-	Rs. 50,000/-
From Rs. 10,00,001 to Rs. 25,00,000	Rs. 60,000/-	Rs. 60,000/-
From Rs. 25,00,001 to Rs. 50,00,000	Rs. 70,000/-	Rs. 70,000/-
From Rs. 50,00,001 to Rs. 1,00,00,000	Rs. 1,00,000/-	Rs. 1,00,000/-
Over Rs. 1,00,00,000 to For the next Rs. 4 crores For the next Rs. 5 crores For the next Rs. 15 crores For higher amounts	Such amount exceeding Rs. 1,00,000/- as may be fixed by the Tribunal in each case, as under: 60% of the maximum for one crore i.e. 60% of Rs. 1,00,000/- per crore. 40% of the maximum for one crore i.e. 40% of Rs. 1,00,000/- per crore. 20% of the maximum for one crore i.e. 20% of Rs. 1,00,000/- per crore. 10% of the maximum for one crore i.e. 10% of Rs. 1,00,000/- per crore.	Such amount exceeding Rs. 1,00,000/- as may be fixed by the Tribunal in each case, as under: 60% of the maximum for one crore i.e. 60% of Rs. 1,00,000/- per crore. 40% of the maximum for one crore i.e. 40% of Rs. 1,00,000/- per crore. 20% of the maximum for one crore i.e. 20% of Rs. 1,00,000/- per crore. 10% of the maximum for one crore i.e. 10% of Rs. 1,00,000/- per crore.



ICA
CODE OF CONDUCT



ICA CODE OF CONDUCT

Preamble / purpose/

Objective of the Code:

The main objective of the Indian Council of Arbitration (ICA) is to promote amicable and quick settlement of industrial and trade disputes through arbitration. Its Rules of Arbitration have recently been revised keeping in mind the provisions of the Arbitration and Conciliation Act, 1996. These Rules comparable to international expectation, provide for a standard expected by the trade for quick and just settlement of their disputes. It maintains a panel of arbitrators consisting of people from all walks of life – Retd. Judges, Advocates, Shipping Experts, Chartered Accountants, Chartered Engineers, Businessmen, Foreign Nationals and Executives having specialization in more than 20 fields. The Council has entered into arbitration service agreements with important foreign arbitral institutions in more than 40 countries to administer arbitration under their rules of arbitration if held in India.

The Council also provides arbitration services for settlement of maritime disputes arising out of charter party contracts and it has framed maritime arbitration rules for such disputes.

With a view to make arbitration efficient, simple, just, user friendly, speedy, trust worthy, equitable, serviceable and relatively low cost, this Code aims to establish a set of standards for Maritime Arbitration Committee, Arbitrators, Parties and Counsel and they are expected to conform to such standards while discharging their respective duties under the auspices of the Indian Council of Arbitration.

This Code has been formulated in the wake of the fundamental principle that only an arbitral institution can guarantee the enforcement of such ethical norms, which is required at various stages of arbitration right from the appointment of an arbitrator till the rendering of an arbitration award. However, ad hoc arbitration can, as a self regulatory measure, adopt this code of conduct to generate confidence in the institution of arbitration in general. As this code evolves over the years, it would be a continuing objective to revise and update it from time to time to keep pace with international standards.



The Code is set out in four parts:

- Part I Code of Conduct for the Maritime Arbitration Committee.
- Part II Code of Conduct for the Arbitrator.
- Part III Code of Conduct for the Parties.
- Part IV Code of Conduct for the Counsel.

Part I – Code of Conduct for the Maritime Arbitration Committee:

- 1.1) The members of the Committee may be appointed as arbitrators during their term of office.
- 1.2) The Committee, while appointing arbitrator/s in a case shall have regard to the following criteria:
 - a) Nature of the dispute
 - b) Availability of the Arbitrators
 - c) Identity of the parties
 - d) Independence and impartiality of the arbitrator
 - e) Any stipulation made in the Arbitration Agreement of the parties
 - f) Past record of the Arbitrator
- 1.3) The Committee may, in case of non-availability of an arbitrator of required skills and experience, consider a non-panelist for appointment. The above stated criteria shall apply in such case as well.

Part II – Code of Conduct for the Arbitrator:

- 2.1.1) This Code of Conduct shall apply to all Arbitrators on the Panel.
- 2.1.2) Every person nominated as an arbitrator in a case shall make disclosures as specified in the Arbitrator's Declaration of Acceptance of Responsibility and Statement of Independence.
- 2.1.3) The Arbitrators are expected to conduct themselves in a manner consistent with the rules and the policies of the ICA.



2.1.4) The Arbitrator/s shall follow the Guidelines for expeditious conduct of Arbitration proceedings, annexed to this Maritime Rules of Arbitration.

2.2) Duties of Arbitrators:

2.2.1) General:

2.2.1.1) To act with honesty, integrity, diligence and dignity to which the profession of dispute resolution is associated, the arbitrator shall –

- Recognize a responsibility to the public, parties and to all other participants in the proceedings;
- Not solicit appointment only if he believes that he is adequately competent and qualified, and can conduct the proceedings promptly;
- Refrain himself from entering into any kind of relationship with the parties or the Counsel, while serving as an arbitrator, that is likely to affect his impartiality;
- Not accept any gift or substantial hospitality, directly or indirectly from any party to the arbitration.

2.2.1.2) To disclose any interest or relationship with the parties: the Arbitrator shall have a continuing duty –

- to Disclose any direct or indirect financial or personal interest in the outcome of the arbitration;
- to Disclose any existing or past relationship or interest that might affect this impartiality or might create a reasonable apprehension of bias.

2.2.1.3) To be faithful to the relationship of trust and confidentiality inherent in his office: the arbitrator shall –

- Not, at any time, use confidential information acquired during the arbitration proceedings to gain personal advantage or advantage for others, or to affect adversely the interest of another;
- Keep all the information relating to the Proceedings confidential unless the parties otherwise agree or any law requires him to disclose.



- Not disclose the decision in advance for the time given to the parties.

2.3) Conduct of Proceedings:

2.3.1) to conduct the proceedings fairly and diligently: the arbitrator shall –

- Adhere to the concepts of fairness, patience, courteousness, and equality;
- Ascertain from the parties about the method of record of proceedings;
- Afford full opportunity to other arbitrators, if any, in the case to participate in all aspects of the proceedings;
- Act within the scope of authority, set out in the arbitration agreement;
- Follow the procedure, if any, set out in the agreement;
- Not discuss the case with any party in the absence of the other party unless otherwise provided for in the agreement or if the circumstances require him to do so;

Provided that a due notice is served and the substance of such meetings is promptly conveyed to the other party.

2.3.2) To conduct the proceedings as expeditiously as possible : The arbitrator shall –

- Prepare a time table consistent with the ICA Maritime Rules, at the first meeting along with the parties fixing the periods for submission of statements, evidence, hearing, award etc;
- Strictly adhere to such time table and no latitude or indulgence on such requirement should be entertained except for bona fide reasons to be recorded.
- Submit a performance statement reflecting the extent of conformity to the timetable, after the completion of every stage of proceedings.



- Not to allow any lapse of time in between the steps to be taken inter se as also between conclusion of such steps and the commencement of hearing, and to have as far as possible continuous hearing from day to day from Monday to Friday wherever required.

2.4) Others

2.4.1) Regarding the fee: the Arbitrator shall be governed by the prearranged fee structure of ICA, and shall not enter into any direct arrangement with the parties.

2.4.2) Decision-Making: the Arbitrator shall decide all matters justly, exercising independent judgment and should not permit outside pressure to effect the decisions. He shall also construct the award in a logical order, centered around the following principal elements:

- Brief summary of facts
- Disputes / issues referred to arbitration
- Averment of the parties on each of the issues
- Evidence led, if any
- Statement in respect of each point of the applicable Rule of Law and application of said Rule to the issue being examined
- Reasons for the award

Part III – Code of Conduct for the Parties:

3.1) The parties shall maintain the dignity of Proceedings and shall act with honesty and diligence.

3.2) The parties shall follow the Guidelines for Expeditious Conduct of Arbitration Proceedings annexed to this Maritime Rules of Arbitration.

3.3) The parties shall deposit the sum required by the Registrar within the stipulated time period.



- 3.4) The parties shall respond in a timely manner to reasonable requests for information from the arbitrator or other party/ies.
- 3.5) The parties shall strictly conform to the timetable (set out by the arbitrator in the first meeting) and submit all relevant documents and statements within the time period set out in the timetable.
- 3.6) The parties shall not extend any hospitality, directly or indirectly to the Arbitrator/s.
- 3.7) The parties shall pay the fees as agreed and their share of costs as specified in the Award.
- 3.8) The parties shall follow all orders / directions / rulings given by the arbitrator/s during the Proceedings.
- 3.9) The parties shall avoid any kind of dilatory tactics and shall make maximum / best / all possible efforts for an expeditious resolution of the dispute.

Part IV – Code of Conduct for the Counsel:

- 4.1) The Counsel shall fully co-operate with the parties and the Arbitrator/s during the arbitration proceedings.
- 4.2) The Counsel shall be bound by the Code of Conduct prescribed by the Bar Council of India.



**GUIDELINES FOR
ARBITRATORS AND
PARTIES**



GUIDELINES FOR ARBITRATORS AND THE PARTIES

FOR EXPEDITIOUS CONDUCT OF ARBITRATION PROCEEDINGS

1. The arbitrators and the parties to arbitration are expected to follow these guidelines to ensure economic and expeditious disposal of arbitration cases.

For Arbitrators

2. The arbitrators must take up the arbitration expeditiously on receipt of the request from the Council and should also complete the same with reasonable despatch. Serious efforts should be made to settle arbitration cases expeditiously within a period of 6 months where the amount of claim exceeds 1 crore and within a period of 4 months where the amount of claim is less than Rs.1 crore.
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 giving notice of his acceptance, the arbitrator shall disclose in writing in the printed format as under:
 - any relationship with the parties or their counsel which may affect his independence and impartiality;
 - any personal or economic interest, either direct or indirect, in the subject matter of the dispute;
 - any prejudice or reservation as to the subject matter of the dispute which may affect his impartiality.
 - Where necessary due to supervening facts, this Statement 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 Indian Council of Arbitration may refuse to appoint him in other 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 which is not notified to the Indian Council of Arbitration so that the ICA 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 ICA.
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 ICA according to its Schedule of Fees, which is deemed to be approved 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 adversarial proceedings.
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 by the Registrar. Issues if any to be framed, may be done at the same or at the next hearing. The arbitrators should hold arbitration hearings continuously on day-to-day basis during office hours.



12. The parties should be asked to furnish a list of their witness, if any, in advance and they should be asked to file affidavits of witness on the date fixed for evidence preferably within a 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.
13. Arguments preferably should be heard within 15 days of the completion of evidence, to be followed by submission of written arguments, if any.
14. Adjournments of duly fixed hearing should not be granted except for unavoidable reasons which should be spelt out in the adjournment order.
15. The Arbitrator should make the award expeditiously after the close of the hearings, preferably within 15 days.
16. The arbitrator who does not comply with the provisions of these guidelines may be replaced by the Committee. Where it is not appropriate to replace the arbitrator in order not to cause delay in the arbitral proceedings, the ICA may also take such action after the conclusion of the arbitral proceedings, by refusing to confirm him in subsequent arbitral proceedings.

For Parties

17. The Claimant should file the applications or demand for arbitration to the Registrar of the Council 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 Registrar at least before 5



working days stating the grounds which compel it to request for postponement of the hearing so that the Council 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 as may be determined by the arbitral tribunal.

20. Parties should deposit arbitration and administrative fees with the Council (ICA) 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.

For Maritime Arbitration Committee

22. The Maritime Arbitration Committee of the Council may examine the arbitration case file, from time to time to evaluate the progress of the proceedings and to ascertain whether the arbitrators have granted adjournments only on reasonable grounds.
23. The Maritime Arbitration Committee shall be sole judge of the grounds of violation of the guidelines and its decision shall be final and binding on the arbitral tribunal as well as the parties.



INDIAN COUNCIL OF ARBITRATION
Arbitrator's Declaration for Acceptance of
Responsibility and Statement of Independence

Case No.
M/s. (Claimant)
Vs.
M/s. (Respondent)

I, the undersigned, named

.....
hereby declare that I accept to serve as arbitrator under the ICA Maritime Rules of Arbitration in the instant case and I do not have financial or personal interest in the outcome of the Award which is likely to disqualify me to act as an impartial or independent arbitrator.

I further declare that I am / was not personally associated in any capacity with either of the parties. No circumstances exist which give rise to justifiable doubts about my independence or impartiality.

I have not rendered any opinion or advice in the matter in dispute to any party so far.

I shall act as an impartial and independent arbitrator and abide by the ICA Maritime Rules of Arbitration for expeditious conduct of the arbitration proceedings including:

- a) Preparing a timetable consistent with the ICA Maritime Rules of Arbitration and strictly adhere to it except for bona fide reasons.
- b) Holding arbitration proceedings continuously on day-to-day basis during office hours. (Para 11 of annexed Guidelines).
- c) Requiring the parties to file Affidavits of all witnesses and to complete cross-examination of the Respondent's witness-es on day-to-day basis (Para 12 of annexed Guidelines).
- d) Requiring the parties to file written arguments after completion of the evidence to be followed by oral submissions (Para 13 of annexed Guidelines).
- e) Not allowing adjournments of duly fixed hearing except for unavoidable and sufficient reasons to be recorded in the order granting adjournment (Para 14 of annexed Guidelines)
- f) Making the Award preferably within 15 days after the close of the hearings (Para 15 of annexed Guidelines)

DATE: (Signature)

PLACE: ADDRESS:

TELEPHONE FAX

MOBILE NO. EMAIL

PAN / GIR

