

CAI
Cotton Association of India

**Rules
of
Arbitration**

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Rules of Arbitration of Cotton Association of India

CAI ARBITRATION CLAUSE

All parties desirous of making reference to arbitration by Cotton Association of India, should include following arbitration clause in writing in their contracts, agreements:

“Any dispute or difference whatsoever arising between the parties out of this contract shall be settled by arbitration in accordance with the By-laws and Rules of Arbitration of Cotton Association of India. The award made in pursuance thereof shall be binding on the parties.”

DEFINITIONS

Rule 1 (i) These rules may be called the “Rules of Arbitration of Cotton Association of India.

Rule 2 In these rules, the following words have the following meanings:

(i) “Arbitral Tribunal” means an arbitrator or arbitrators appointed for adjudicating a particular dispute or difference.

(ii) “Arbitral Award” includes an interim award.

(iii) “Claimant” means party wishing to commence arbitration proceedings under the Rules of arbitration of the Association. “Respondent”, “Defendant” means party against whom arbitration reference has been filed.

(iv) “Association” means the Cotton Association of India.

(v) “Board” means the Board of Directors of Cotton Association of India.

(vi) “Chairman” means Chairman of the Board of Directors of the Association and “Vice-Chairman” means Vice-Chairman of the Board of Directors of the Association.

(vii) “Member” means any one duly elected & admitted to membership of the Association under the Articles of Association of Association. “Non-Member” means who is not member of the Association.

- (viii) “Guidelines” means the guidelines for arbitrators and the parties to arbitration for expeditious conduct of the arbitration proceedings given in the Annexure (1) to these Rules.
- (ix) “Party” means a party to an arbitration agreement. It shall include individual, HUF (Hindu Undivided Family), AOP (Association of Persons), BOI (Body of Individuals) (who is Indian national or from any country other than India), co-op. Society, firm/company (incorporated in India or other than India), body corporate & association of persons whether incorporated or not, Government (includes Government of foreign country), Government organisation or Government Undertaking.
- (x) “Panel” means the Panel of Arbitrators maintained by the Association.
- (xi) “Secretary” means the Secretary for the time being appointed by the Association and includes Joint Secretary/Asstt. Secretary, and such other persons as the Association may nominate for carrying out the duties of the Secretary under these rules.
- (xii) “Rules” means the Rules of Arbitration of the Association.
- (xiii) “Fast Track Arbitration” means arbitration in accordance with Rule 34.
- (xiv) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
- (xv) Words and expressions used in these rules but not defined herein but defined in the Arbitration and Conciliation Act, 1996, as amended from time to time shall have the same meaning and effect as the respective definitions in the said Act.

RULES APPLICABLE

- Rule 3**
- (a) Any dispute relating to claim arising out of cotton transaction and/or any commercial matter relating to cotton between two or more parties in India or other than in India who have agreed for arbitration stated expressly in the contract or by a separate agreement, under the Rules of Arbitration of the Association shall be determined and settled in accordance with these Rules.

- (b) In case the parties have provided different procedure for appointment of arbitrator or schedule of cost including the arbitrator's fee, the Association shall not be bound to process the case unless both the parties agree to follow entire procedure of arbitration under Rules of Arbitration of the Association.
- (c) The Association shall be competent to function as Appointing Authority.

Rule 4 Wherever the Parties have provided or agreed for arbitration by the Cotton Association of India these rules or any amendment thereof in the form in force at the time the dispute is referred to arbitration of the Association shall apply.

Rule 5 If one or both of the parties to a dispute which is referred to arbitration by the Association belong to a country or countries other than India, in the absence of an agreement by the Parties on the substantive law to be applied, it will be determined by the arbitral tribunal. The procedural law shall be the laws of India and parties shall be deemed to have submitted to the jurisdiction of the Courts in India.

Rule 6 The Limitation Act, 1963 (36 of 1963), shall apply to arbitrations as it applies to proceedings in Court.

INTERPRETATION OF THE RULES

Rule 7 The decision of the Board on any question relating to interpretation of these rules or any procedural matter thereunder shall be final and binding on the parties.

PANEL OF ARBITRATORS

Rule 8 A Panel of Arbitrators shall be appointed by the Board from amongst persons who are acquainted with Rules/By-laws of the Association and willing to serve as arbitrators generally or in specific fields and who are from time to time recommended by the members of the Association and or any other organisation.

The Board may at any time add the name of any person to the list of arbitrators included in the Panel or delete the name of any person from the Panel.

Rule 9 The Secretary shall prepare and maintain an up-to-date list Panel of Arbitrators togetherwith adequate information as to their qualifications and experience. Separate lists may be kept and maintained of arbitrators included in the Panel for disputes in general and for each of the fields of international trade and/or business transactions in which the Board decides that the Association will offer arbitration facilities under these Rules.

The parties to a dispute or the Chairman/Vice-Chairman as the case may be while appointing arbitrator may choose any person from the Panel to act as arbitrator(s) for any dispute. If any party appoints a foreigner residing abroad as arbitrator from the Panel, that party will have to meet the travel expenses from his country to the place of arbitration and lodging and boarding expenses incurred if any of such person appointed as arbitrator. The Panel of Arbitrators shall be open to inspection by all persons with the permission of the Secretary and same shall be available on the website of the Association.

Rule 10 The Chairman/Vice-Chairman may include the name(s) of any person in the Panel, in case it is required in any particular case. His continuance in the Panel will be decided by the Board.

DUTIES OF THE SECRETARY

Rule 11 (a) The Secretary shall receive applications for arbitration by the Association, receive payment of fees and deposits, communicate decision of the Chairman/Vice-Chairman, regarding appointment of arbitrator(s) as hereinafter provided. The Secretary shall also receive all communications made to the arbitral tribunal by the parties and communicate to them the orders and directions of the arbitral tribunal, keep a register of application to the Association and of awards made by the arbitral tribunal, keep such other books or memoranda and make such other records or returns as the Board shall from time to time require and generally carry out the directions of an arbitral tribunal so constituted under these rules and take such other steps as may be necessary to assist such arbitral tribunal in the carrying out of its functions.

- (b) The Secretary may delegate any officer of the Association to the premises at which the arbitration proceedings are taking place, to discharge such of the functions and administrative duties of the Secretary as are deemed proper and necessary from time to time, with reference to a particular case or cases.
- (c) The Secretary shall arrange to serve the necessary notices about first and/or subsequent hearing to the parties concerned including witnesses if required and inform the arbitrators about service of such notices before the date of hearing.

INITIATION OF ARBITRATION

Rule 12 Any Party (Claimant) wishing to commence arbitration proceedings under these Rules shall submit to the Secretary a written request (application) for arbitration which shall include or be accompanied by:-

- (a) The names and full addresses of the parties to the dispute.
- (b) Statement of the claim and facts supporting the claim, points at issue and relief or remedies sought with other details of the Claimant's case.
- (c) Original with xerox copies of the contract or agreement out of or in connection with which the dispute has arisen, arbitration agreement providing for arbitration under the By-laws of Association, and such other documents, cotton samples and information relevant or relied upon. The party (claimant) may also call upon other party to the dispute to produce the original or certified copy of the contract or agreement. If original of the contract or agreement is not available, a copy of such contract or agreement duly certified as true copy by the party making application shall be provided.
- (d) Non Refundable Registration fee as laid down in the Rules of Arbitration.
- (e) An Arbitration shall be deemed to have commenced on the day the application for arbitration is received by the Secretary of the Association. However if the application for arbitration is not accompanied by requisite registration fees, administrative fees and arbitration fees, incidental charges as laid down in the Rules of Arbitration and Statement of claim and the claimant

party fails to rectify this within a period of 7 days on being so communicated by Secretary, the application for Arbitration shall be treated as not made.

Rule 13 If any Court makes an order directing that an arbitration be held under these Rules, in addition to the documents listed in Rules 12, the certified copy of the order of that Court or a copy thereof duly certified as true by the concerned party shall accompany the application for arbitration.

Rule 14 (a) On receipt of an application for arbitration, and before deciding on the acceptability of an application for arbitration, the Secretary may ask the parties for further information and particulars of their claims.

(b) Similarly, if any information or particulars regarding the arbitration reference furnished by any of the parties to arbitration are found to be incorrect or false at any time subsequently, the Secretary shall bring it to the notice of arbitrator(s) in writing. The decision of the arbitrator(s) in this regard will be final and binding on both the parties.

DEFENCE STATEMENT

Rule 15 (a) The Claimant shall send to the other Party (Respondent) a copy of claim statement and attached documents and ask such other party to furnish to Claimant & Secretary within fifteen days if the party is in India and 30 days if party outside India a defence statement setting out his case accompanied by all documents and information in support of or having any bearing on the matter.

(b) Any communication sent on the address appearing in the contract between the parties, will be deemed to be duly served if it is delivered to the addressee personally or at his place of business, habitual residence or mailing address last known, even if the Respondent refuses to accept the said communication or if it is returned to Sender by the postal authorities as unclaimed by the said party. The arbitration proceedings may proceed further as per the rules as if such communication had been duly served on the concerned party.

(c) The communication is deemed to have been received on the day it is so delivered.

COUNTER-CLAIM AND REPLY TO COUNTER-CLAIM

- Rule 16** (a) The Respondent may make a counter-claim against the Claimant provided the counter-claim arises under the same transaction as the original claim. He must submit the counter-claim with full details supported by all documents and information as in the case of the claim under Rule 12 and pay all fees to the Association as laid down in Rule book within the period laid down for the defence statement to the claim and the Claimant may within fifteen days of the notification of the counter claim or within such extended time submit a statement in reply to the counter-claim. The arbitral tribunal appointed to adjudicate upon the original claim shall also adjudicate upon the counter-claim.
- (b) Copy of the reply of the Claimant to the counter-claim and all appended documents, if any, shall be sent to the Respondent and Secretary for information.

COPIES OF STATEMENTS, ETC.

- Rule 17** All statements, replies and other documents and papers submitted by the parties and all appended documents must be supplied in triplicate. Where there is more than one arbitrator or more than one opposing party, the parties shall within the time specified furnish to the Secretary such number of further copies as may be required by the Secretary.

CONSTITUTION OF THE ARBITRAL TRIBUNAL

- Rule 18** On receipt of the application for arbitration, the Secretary shall take necessary steps to have the arbitral tribunal constituted for the adjudication of the dispute or difference as provided hereunder:
- Rule 19** (i) Disputes may be decided by an arbitral tribunal consisting of a sole arbitrator or of three arbitrators.
- (ii) Subject to an agreement to the contrary or where the parties have mutually agreed in writing for an arbitral tribunal other than of a sole arbitrator, the arbitral tribunal shall consist of a sole arbitrator.

Rule 20 The appointment of sole arbitrator or three arbitrators, as the case may be, shall be made in the following manner :

- (a) In case a sole arbitrator is to be appointed, the Secretary shall call upon the parties to a dispute by a notice in writing sent to them to forward the name of an agreed arbitrator from among the Panel of arbitrators within 7 days from receipt of notice. The appointment of arbitrators will be made in the following manner:-
- (i) If both the parties to a dispute agree to the appointment of a person from the Panel of Arbitrators as an arbitrator within the stipulated time limit of 7 days, such agreed person shall be appointed as the sole arbitrator.
- (ii) If a party to a dispute nominates a person from the Panel of arbitrators to be appointed as an arbitrator and the opposite party does not intimate to the Association in writing his objection to or disapproval of such person nominated as an arbitrator within the stipulated time limit of 7 days, such person will be deemed to be appointed as the sole arbitrator.
- (iii) However, if a party to a dispute nominates a person from the Panel of arbitrators to be appointed as an arbitrator and the opposite party to a dispute intimates to the Association, within the stipulated time limit of 7 days, his objection to or disapproval of such person nominated as an arbitrator, the Chairman / Vice-Chairman shall appoint the arbitrator ready and willing to act from among the Panel of arbitrators to be the sole arbitrator.

The sole arbitrator so appointed shall constitute the arbitral tribunal to hear the dispute. Such appointment shall be communicated in writing to the parties to a dispute by the Secretary. The Secretary shall give notice to the Parties of the constitution of the arbitral tribunal.

- (b) Where the arbitration agreement provides for an appointment of three arbitrators or where the parties have mutually agreed for three arbitrators, the Secretary shall in the first instance call upon each party to dispute by a notice in writing sent to them to nominate within 7 days from receipt of notice one arbitrator from among the

Panel of Arbitrators. If a Party to dispute refuses or neglects to appoint an arbitrator on his behalf within the period specified or any extended period or if he requests Chairman/Vice-Chairman to nominate an arbitrator on his behalf, the Chairman/Vice-Chairman shall appoint the arbitrator ready and willing to act from the Panel of Arbitrators on behalf of that party. On receipt of the nominations from the respective parties or on the appointment as aforesaid by the Chairman/Vice-Chairman, the third Arbitrator of the arbitral tribunal will be appointed by Chairman/Vice-Chairman, from among the Panel of Arbitrators who shall act as Presiding Arbitrator of the arbitral tribunal.

- (c) Before appointing arbitrators in the preceding clauses, the Chairman/Vice-Chairman, as the case may be, shall draw the attention of the arbitrators to the provisions contained in the Schedule 2 hereunder and seek disclosure from the person to be appointed as arbitrator in the form prescribed in Schedule 3 hereunder, in order to secure appointment of an independent and impartial arbitrator able to devote sufficient time to the arbitration and who would be able to complete the entire arbitration within a period of twelve months from the date of receipt of appointment. The appointment would be made only after the disclosures are obtained.

Rule 21 The Secretary will obtain the consent from person(s) so nominated by parties to the disputes or by Chairman/Vice-Chairman. After a person gives his consent for appointment as arbitrator, he will be duly intimated within 7 days about his appointment to decide the dispute by a Memo in writing under the hand of the Secretary about the constitution of the arbitral tribunal. The appointment of the arbitrator will take effect from the date of such intimation about the constitution of the arbitral tribunal.

In case arbitrator(s) so nominated by the parties concerned and/or Chairman/Vice Chairman is not willing and ready to work as Arbitrator, the Chairman/Vice Chairman shall appoint other person(s) from the panel of arbitrators, ready and willing to act as arbitrator.

Rule 22 (a) When a person is approached by the Association for his appointment as an arbitrator, he shall disclose in writing in the form specified in Schedule 3 hereunder within 7 days any circumstances as follows:

- (i) such as the existence either direct or indirect, of any past or present relationship with or interest of the parties or in relation to the subject matter in dispute, whether financial, business, professional or other kind, as is likely to give rise to justifiable doubts as to his independence or impartiality; and
 - (ii) which are likely to affect his ability to devote sufficient time to the arbitration and in particular his ability to complete the entire arbitration within a period of twelve months.
- (b) The grounds stipulated in Schedule 2 shall guide in determining whether any circumstances exist which give rise to justifiable doubts as to the independence or impartiality of an arbitrator.
 - (c) Notwithstanding any prior agreement to the contrary, any person, whose relationship with the parties or counsel or any subject matter of the dispute falls under any of the categories specified in Schedule 4 shall be ineligible to be appointed as an arbitrator.

Provided that the parties may, subsequent to disputes having arisen between them, waive the applicability of this clause by an express agreement in writing. However, if either party declines to waive the presumptive disqualification within 7 days, the prospective arbitrator shall be disqualified from acting as arbitrator and the vacancy so created shall be filled, in accordance with the applicable rules provided hereunder.

- Rule 23**
- (a) If any appointed arbitrator resigns or dies or becomes incapable of acting or neglects or fails to act expeditiously, prior to or during the arbitration hearings, the Chairman/Vice-Chairman may terminate the authority of such an appointed arbitrator and Secretary will inform him accordingly.
 - (b) In case of the resignation or death or termination of authority of an appointed arbitrator under Sub-Rule (a) above, a new arbitrator will be appointed in his place as per procedure laid down under Rule 20.

- (c) The arbitrator(s) appointed as above will be informed about the reconstitution of the arbitral tribunal and the reconstituted arbitral tribunal shall make the award expeditiously. The reconstituted arbitral tribunal shall proceed with the arbitration with the liberty to act on the record of evidence and proceedings as then existing or to commence the proceedings de novo.

DEPOSIT OF FEES AND CHARGES

- Rule 24** (i) Fees and reimbursement of costs payable to the arbitral tribunal shall be paid as per the fees and charges published by the Association and enforce at the time of when request for arbitration is made.

After receipt of a request for arbitration, the Secretary may require the Claimant to initially deposit an amount likely to cover registration fees, administrative and arbitrators fees and charges within time as may be specified by the Association from time to time. In case of counter-claim by the other parties, the Secretary may require the Respondent (Defendant) to initially deposit such amount to cover registration fees, administrative and arbitrators fees and charges as may be payable within time specified by the Association and in any event before placing such counter-claim before the arbitral tribunal for consideration.

Parties shall deposit the fees and charges payable to arbitral tribunal and to the Association in advance and as may be directed by the Secretary.

The charges of the Association including charges for venue and all amenities provided at the venue including a stenographer shall be borne by the parties equally unless otherwise directed by the arbitral tribunal. The Secretary shall however not charge for the venue if the arbitration is held in the premises of the Association.

Where any party fails to deposit fees and/or any charges as directed, the other party may deposit the defaulting party's share of fees and charges subject to final orders of the arbitral tribunal.

Where both parties fail to make payment of fees and charges as may be demanded by the Secretary, on being so informed, the arbitral tribunal would pass appropriate orders and directions including termination of arbitral proceedings.

- (ii) All deposits towards costs and expenses shall be made with the Association and no payment shall be released to the arbitrators directly by the parties. The deposits made shall be subject to final orders of the arbitral tribunal.
- (iii) The Associations shall have a lien for the arbitral award on any unpaid cost of the arbitration.

FEES AND EXPENSES

Rule 25 The fees, costs and expenses incidental to the reference and the award shall include the following :

- (1) Registration fee
- (2) Administrative Fees & Arbitrator's Fees
- (3) Incidental charges
- (4) Adjournment Fees
- (5) Appeal Fees

All the fees will be payable as per schedule 1 appended to these set of Rules & form part of Rules of Arbitration.

- (6) In case Respondent files counter claim all the fees as laid down in Rule (25) will also be payable by Respondent.
- (7) Notwithstanding the provisions in this Rule, the Board may prescribe the Arbitrator's fees and the Administrative fees of CAI at a figure higher than those prescribed in the said Sub-Rules, if in the exceptional circumstances of the case this appears to be necessary.

Rule 26 **Other expenses:** The arbitrator(s) will not be entitled for reimbursement towards local conveyance for attending arbitration hearing.

Rule 27 The amount of the claim shall be stated in the application by the party applying for arbitration. If the amount is stated in a currency other than the rupee, it shall be converted into Rupees, at the current official rate of exchange prevailing at the time of application.

Rule 28 The amount of interest wherever specified will be included in the claim amount for the purpose of calculation of arbitration fees. Further, claims and counter claims referred for arbitration shall be taken into consideration separately for the purpose of calculation of arbitration fee as specified in the schedule of fees.

SUBMISSION OF THE CASE TO THE ARBITRAL TRIBUNAL

Rule 29 The Secretary shall send copies of all papers relating to arbitration such as, claim statement, defence statement, counter-claims, reply, statements, or other documents received from the parties to the dispute to the Arbitrator(s) constituting the Arbitral Tribunal with a request to proceed with the arbitration.

NOTIFICATIONS AND/OR COMMUNICATIONS FROM THE SECRETARY

Rule 30 All applications which the parties desire to make to the arbitral tribunal and all notices to be given to the Parties before or during the course of arbitration or otherwise in relation thereto shall be made through and sent by the Secretary who shall communicate the orders and directions of the Arbitral Tribunal thereon to the Parties, except applications/ statements etc filled at the time of hearing before the arbitral tribunal.

AMENDMENT OF CLAIMS, ETC.

Rule 31 Amendments of the claim, defence statement, counter-claim or reply submitted to the arbitral tribunal must be formulated in writing by the Party so desiring. The Arbitral Tribunal will decide whether such amendments should be allowed or not. The fees payable shall get revised to the extent of increase for such additional claims/counter claim. The party making such additional claim/counter claim shall deposit the entire fees payable in respect of such increase of additional claim as set out in the schedule of fees.

PLACE OF ARBITRATION

Rule 32 The place or venue of arbitration shall be India. The arbitration proceedings shall be held at Cotton Association of India, Cotton Exchange Building, Cotton Green, Sewri, Mumbai 400 033 or at such place in Mumbai determined by the Arbitrator(s), taking into considerations the convenience of all concerned. The decision of the Arbitrator(s) will be final and binding on all the parties concerned.

PROCEEDINGS BEFORE THE ARBITRAL TRIBUNAL

Rule 33 **Optional Conciliation:** The parties may opt for conciliation and request the arbitral tribunal before the commencement of the arbitration proceedings, unless they have already agreed otherwise, to settle their dispute through conciliation as per Rules of Conciliation of the Association.

FAST TRACK ARBITRATION

Rule 34 **Fast Track Arbitration :** The parties may opt for Fact Track Arbitration and request the arbitral tribunal, before the commencement of the arbitration proceedings, to decide the reference according to the Fast Track Arbitration procedure, as under :

- (1) The arbitral tribunal will be authorised to decide the dispute on the written pleadings, documents and written submissions filed by the parties without any oral hearings.
- (2) The arbitral tribunal shall have power to call for any further information/clarification from the parties in addition to the pleading and documents filed by them.
- (3) An oral hearing may be held if both the parties make a joint request or if the arbitration tribunal considers an oral hearing necessary for clarifying certain issues.
- (4) If an oral hearing is held, the arbitral tribunal may dispense with any technical formalities and adopt such procedure as it deems appropriate and necessary for economic and expeditious disposal of the case.
- (5) The award under this rule shall be made within a period of six months from the date the arbitral tribunal enters upon the reference. If the award is not made within a period of six months, -

- (i) the parties may, by consent apply to the Appointing Authority to extend the period specified above for making award for a further period not exceeding six months and upon such application, the Appointing Authority would extend the period to such extent.
- (ii) If the award is not made within the extended period specified in clause (i) hereof, the mandate of the arbitrator(s) shall terminate, unless the Appointing Authority has either prior to or after expiry of the period so specified, extended the period:
- (iii) The extension of period referred to in clause (ii) 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 Appointing Authority.
- (iv) While extending the period referred to in clause (ii), the Appointing Authority may 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 Rule shall be deemed to have received the said evidence and material.
- (v) In the event of arbitrator(s) being appointed under this Rule, the arbitral tribunal thus reconstituted, shall be deemed to be in continuation of the previously appointed arbitral tribunal.

Rule 35 At a hearing an Arbitration Tribunal may allow party/parties to appear personally or, allow party/parties to be represented by authorised representative(s), provided written request is made by the party concerned with requisite details. Decision of the Arbitration Tribunal will be final and binding on both the parties.

Rule 36 The arbitral tribunal may proceed with the reference notwithstanding any failure by a party to comply with any of the directions of the arbitral tribunal and may also proceed with the arbitral proceedings in the absence of any or both the parties who fail or neglect to attend at the time and place appointed by the arbitral tribunal, in spite of due notice.

Rule 37 The parties shall do all acts necessary to enable the arbitral tribunal to make an award expeditiously and shall not do or cause or allow to be done, any act which will delay the proceedings or prevent arbitral tribunal from making an award expeditiously and if any party does cause or allow to be done any such act, that party shall pay such costs as the arbitral tribunal deems reasonable.

Rule 38 The arbitration session will go on as far as possible continuously on a day-to-day basis during office hours, 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, it is subject to payment of costs by one or both of the parties as, laid down in the schedule of fees appended to this rule book.

Rule 39 If the parties have agreed to submit their case to arbitration under these Rules and any party refuses or fails to take part in the arbitration proceedings, the arbitral tribunal may proceed with the arbitration notwithstanding such refusal or absence.

Rule 40 The arbitral tribunal may at its discretion at any time or whenever required before making the final award and at the expense of the parties concerned, consult any person having special knowledge relating to the particular industry, commodity, produce or branch of trade concerned in the reference or any expert or qualified accountant and may also at the like expenses of the parties, consult solicitors, counsel or advocates upon any technical question of law, evidence of law, evidence, practice or procedure arising in the course of the reference. If the parties agree, the arbitral tribunal may, at the expense of the parties, appoint any expert, accountant, or lawyers to sit with as an assessor and take into account the advice of such assessor.

EVIDENCE OF WITNESS

Rule 41 The parties to the reference and any witness on their behalf shall, subject to the provisions of any law for the time being in force;

- a. Submit to be examined by the arbitral tribunal in relation to the matters in dispute.

- b. Produce before the arbitral tribunal all books, deeds, papers, accounts, writings and documents in their possession or power respectively which may be required or called for by the arbitral tribunal.
- c. Comply with the requirements of the arbitral tribunal as to the production or selection of samples and
- d. Generally do all other things which, during the pendency of the reference, the arbitral tribunal may require.

Rule 42 The arbitral tribunal will consider, as far as possible, to receive the evidence of witnesses in writing provided that the witness whose such statement is admitted in evidence is made available for cross-examination at the request of the opposite party.

THE ARBITRAL TRIBUNAL

Rule 43 The Arbitral Tribunal may

- (a) administer oath or affirmation to the parties or witnesses appearing and giving evidence;
- (b) make any interim and or final award;
- (c) to give necessary direction or order to the party/parties concerned as and when found necessary;
- (d) correct in any award any clerical mistake or error arising from or incidental to any slip or omission;
- (e) administer to the parties to the arbitration such interrogatories as it may consider necessary;
- (f) decide all objections to its jurisdiction including any objection regarding the existence or validity of the arbitration clause or the arbitration agreement, or as to impartiality and or independence of Arbitrator and also pertaining to bias or prejudice of Arbitrator;
- (g) decide the law governing :
 - (i) the contract or the matter in dispute
 - (ii) the arbitration agreement, and
 - (iii) the arbitration procedure

(h) award interest including *pendente lite* as also post-award interest.

Rule 44 When substantially the same dispute or questions of law and facts are likely to arise in more than one contract or agreement (Chain Contracts), the arbitral tribunal may invite all parties involved to agree to submit to an award in one arbitration between such two or more of the parties as are named for the purpose.

Rule 45 (i) 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.

(b) Arbitral Tribunal may ask any party to leave the room if any one misbehaves or uses indecent words despite two warnings during the course of hearing. If necessary arbitrator(s) may adjourn the hearing and impose the cost on the party at fault.

(ii) The arbitral tribunal may make an ex parte award if the Defendant neglects or refuses to appear or make his defence or fails to file the papers within the time granted.

LANGUAGE OF ARBITRATION PROCEEDINGS

Rule 46 The language of the arbitration proceedings shall be English. However parties are free to agree upon language to be used in the arbitral proceedings. Failing any agreement decision of the Arbitral Tribunal will be final and binding on the parties. If any documents filed by a party are in a language other than English, the party filing such documents shall simultaneously furnish an English translation of the documents. The Secretary may make arrangements for the service of an interpreter at the request of one or more of the parties made in writing at least 7 days prior to date of hearing and costs thereof @ Rs.1000/- per hearing are deposited in advance with the Association from the party/parties making the request.

Rule 47 The arbitral tribunal may issue such orders or directions as it may deem necessary for safeguarding, interim custody, preservation, protection, storage, sale or disposal of the whole or part of the subject matter of the dispute or for its inspection or sampling without prejudice to the rights of the parties or the final determination of the dispute. If arbitral tribunal hold any cotton for any reason, it will be entirely at the owner's risk.

WAIVER OF RIGHT TO OBJECT

Rule 48 Any party who proceeds with the arbitration with the knowledge that any provision or requirement of these rules has not been complied with and who fails to state his objection thereto in writing shall be deemed to have waived his right to object.

RETURN OF DOCUMENTS

Rule 49 Unless required to be filed in a Court of law, the arbitral tribunal shall have full discretion to retain/or to return all books, documents or papers produced before it and may direct at any time that the books, documents or papers produced before it or any of them may be returned to the parties producing them on such terms and conditions as the arbitral tribunal may impose.

AWARD

Rule 50 No award shall be made by the arbitral tribunal unless the case of the party applying for arbitration has been brought to the notice of the other party and until after the lapse of such specified time within which he has been asked to submit his defence statement.

Rule 51 Whenever there is more than one arbitrator, the award of the majority shall prevail and be taken as the decision of arbitral tribunal.

Rule 52 Should the parties arrive at a settlement of the dispute by common agreement before the Arbitral Tribunal and the arbitral tribunal is satisfied that such agreement is genuine and not to defeat the purpose of any law, the arbitral tribunal shall render an award as per agreement of the parties, otherwise, the arbitral tribunal shall make the award on the basis of oral submissions made and or the documents, evidence, etc. filed before it by the Parties.

Rule 53 (i) The arbitral tribunal shall make the award as expeditiously as possible but within a period of twelve months from the date the arbitral tribunal enters upon the reference in arbitral proceedings other than in Fast Track Arbitration.

(ii) 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 the notice, in writing of their appointment.

- (iii) Upon receipt of joint application from the parties to arbitral reference, the Appointing Authority may, by consent, extend the period specified in clause (i) of this Rule for making award for a further period not exceeding six months.
- (iv) If the award is not made within the period specified in clause (i) or the extended period specified in clause (iii) of this Rule, the mandate of the arbitrator(s) shall terminate unless the Appointing Authority has, either prior to or after the expiry of the period so specified, extended the period.
- (v) The extension of period referred to in clause (iv) may be on the application of any of the parties only for sufficient cause and on such terms and conditions as may be imposed by the Appointing Authority.
- (vi) While extending the period referred to in clause (iv), the Appointing Authority may 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 Rule shall be deemed to have received the said evidence and material.
- (vii) In the event of arbitrator(s) being appointed under this Rule, the arbitral tribunal thus reconstituted, shall be deemed to be in continuation of the previously appointed arbitral tribunal.

Rule 54 The arbitral award shall state the reasons upon which it is based, unless:

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

Rule 55 The arbitral award shall state its date and the place of arbitration and the award shall be deemed to have been made at that place.

Rule 56 The arbitral tribunal may make an interim award and may, by an award, determine and order what shall be done by either or any of the parties, respecting the matters referred.

Rule 57 An arbitral award shall be in English language in writing, signed by the member(s) of the arbitral tribunal. In arbitral proceedings with more than one arbitrator, the signature of the majority of all the members of the arbitral tribunal shall be sufficient so long as the reason(s) for any omitted signature is stated. The Secretary will countersign the award and shall give notice in writing to the parties of the making and signing thereof and of the amount of fees and charges payable in respect of the arbitration and the award. The fees to the arbitrator(s) shall be payable by the Association on receipt of the award and requisite deposit made by the parties.

Rule 58 (a) When an award has been made, the Secretary shall furnish a true copy of the award to the parties by registered post/U.C.P./courier service etc. only when the arbitration costs have been fully paid to the Association by the parties concerned.

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

(c) The Association may print, publish or otherwise circulate any award made under its rules or under its auspices in any arbitration journal, magazine, bulletins, association`s internet website etc. for the purpose of creating arbitration jurisprudence or precedents for the benefit and guidance of future arbitrations and members of the trade in general.

No party to the arbitration shall have any objection to the publication of awards as above provided that the names and addresses of any party to the dispute, if deemed fit by the Chairman may be omitted from such publication and its identity duly concealed.

Rule 59 Additional copies of the award certified true by the Secretary shall be made available to the parties but to no one else, at request and on payment as specified in the Schedule of fees.

Rule 60 A party shall respect and obey the award which shall be binding on the parties and their respective representative notwithstanding the death of any party before or after making of the award and such death shall not operate as revocation of the submission of reference.

STAMP DUTIES

Rule 61 Stamp on arbitral award shall be paid in all cases as prescribed in the Bombay Stamp Act as in force from time to time.

COPIES OF DOCUMENTS

- Rule 62** The Secretary shall, upon the written request of a party concerned with that matter furnish to such party at his expense certified facsimile of any documents filed in the arbitration proceedings.

CASES WITHDRAWN

- Rule 63** When the party instituting a case desires to withdraw it before an arbitral tribunal has been constituted the Secretary shall return to him deposits made by him towards arbitration fees and incidental charges as per the guide lines contained in schedule of fees. The registration fee however, shall not be refundable.
- Rule 64** If the arbitration is terminated by the act or default of any parties after constitution of the arbitral tribunal and before the award is made, fees, the minimum of charges and expenses prescribed by the Association shall be paid by the parties. The excess if any will be refunded to parties by the Association.

INDEMNITY FOR BOARD, SECRETARIAT AND ARBITRATORS

- Rule 65** The Association, the Chairman/Vice-Chairman, Boards and officers of the Association shall not be liable for any act or omission in whatever capacity they may have acted in connection with or in relation to an arbitration under these Rules. Parties are themselves required to contest the proceedings regulating the validity of the arbitration agreement before the Court.
- Rule 66** No party shall bring or prosecute any suit or proceedings whatever against the arbitral tribunal, or any member thereof, for or in respect of any matter or thing purporting to be done under these Rules nor any suit or proceedings in respect thereof (save for enforcement of the award) against the other party.

AMENDMENT OF RULES

- Rule 67** The Board may revise, amend or alter these rules or the schedule of fees and other monies to be charged and paid as and when expedient and necessary.

APPLICABILITY OF RULES

- Rule 68** In case of any inconsistency in these Rules qua the provisions of the Arbitration & Conciliation Act of 1996 as amended by the Arbitration and Conciliation (Amendment) Act, 2015 and the Rules, if any, made their under, the Rules of Arbitration of the Association shall prevail.

APPEAL TO BOARD

Rule 69 The award of the arbitrator(s) shall be final and binding on both parties, subject (on payment of an appeal fee as laid down by Association) to a right of appeal to the Board within 60 (sixty) days from the date of publication of the award. The appeal to the Board to be filed is to include the grounds of appeal and all supporting documents of the appellant/s. The Board may at its sole discretion condone the delay in filing an appeal.

SCHEDULE 1

SCHEDULE OF ARBITRATION, APPEALS AND SUPER APPEAL FEES

**Item
No.**

I. FEES RE. ARBITRATIONS, APPEALS, ETC.

◆ INDIAN COTTON

(a)	<u>Fees for Arbitration as to quality under By-law 36(1) :</u> (By-law 41)		Rs.
	Members	For first 55 bales or less For every additional 55 bales or less	1000/- 500/-
	Non-Members	For first 55 bales or less For every additional 55 bales or less	1500/- 800/-
(b)	<u>Fees for Survey for Country Damaged Cotton (under By-law 36(2)) :</u> (By-law 41)		Rs.
	Members	For first 55 bales or less For every additional 55 bales or less	2000/- 1000/-
	Non-Members	For first 55 bales or less For every additional 55 bales or less	2500/- 2000/-
(c)	<u>Fees for Appeals against Survey Awards (By-law 36(1)) :</u> (By-law 41)		Rs.
	Members	For first 55 bales or less For every additional 55 bales or less	2000/- 1500/-
	Non-Members	For first 55 bales or less For every additional 55 bales or less	3000/- 2000/-
(d)	<u>Fees for Appeal under By-law 36(2) :</u> (By-law 41)		Rs.
	Members	For first 55 bales or less For every additional 55 bales or less	2500/- 2000/-
	Non-Members	For first 55 bales or less For every additional 55 bales or less	3500/- 3000/-

Item No.

(e)	Fees for Super Appeal (By-law 37)	Rs.
	Members	
	For first 55 bales or less	4000/-
	For every additional 55 bales or less	3000/-
	Non-Members	
	For first 55 bales or less	5000/-
	For every additional 55 bales or less	4000/-

◆ **IMPORTED COTTON (Fees for both Members & Non-Members)**

(a)	<u>Fees for Arbitration as to quality</u> : (By-law 212)	
	<u>For all imported cottons</u> :	Rs.
	For first 50 bales or less	2000/-
	For next 50 bales or less	1500/-
(b)	<u>Fees for Appeals against Survey Awards</u> (By-law 212) :	
	<u>For all imported cottons</u> :	
	For first 50 bales or less	4,000/-
	For next 50 bales or less	3,000/-

II.	<u>Fees for supply of Classification of Grades & Staples of American Cotton</u> :	Rs. 5000/-
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III.	<u>Fees for Arbitration & Appeal under By-law 38</u> :	
	(a) Registration Fee: (To be paid in advance by the claimant and by respondent in case respondent files a counter claim) :	
		Rs.
	i) For Members	5,500/-
	ii) For Non-members	11,000/-

Registration fee is non-refundable and becomes the property of the Association. GST at applicable rate is payable over and above the registration fee.

(b) @Administrative Fees

Slabs	Administration Fees	
	Members	Non-Members
For claims upto Rs.50 lakh	25000	40000
For claims above Rs.50 lakh and upto Rs.1 crore	50000	75000
For claims above Rs.1 crore and upto Rs.2 crore	65000	85000
For claims above Rs.2 crore and upto Rs.5 crore	125000	150000
For claims above Rs.5 crore and upto Rs.10 crore	200000	250000
Above Rs.10 crore	200000 plus Rs.750 per lakh in excess of Rs.10 crore with a ceiling of Rs.7 lakh	250000 plus Rs.750 per lakh in excess of Rs.10 crore with a ceiling of Rs.7 lakh

- i) If application for arbitration and counter claim by respondent is withdrawn or rejected before commencement of arbitration proceeding, administrative fees deposited by claimants and by respondent, if any, will be refunded. However Registration fees are not refundable.
- ii) GST at applicable rate is payable over and above the administrative fee.

(c) # Arbitration Fees

Slabs	For Sole Arbitrator	Per Arbitrator fee for a Panel of 3 Arbitrators
For claims upto Rs.1 crore	Rs.25,000/- per session with a ceiling of Rs.1,50,000/-	Rs.25,000/- per session per arbitrator with a ceiling of Rs.1,50,000/- per arbitrator
For claims above Rs. 1 crore and upto Rs.5 crore	Rs.50,000/- per session with a ceiling of Rs.3,50,000/-	Rs.50,000/- per session per arbitrator with a ceiling of Rs.3,50,000/- per arbitrator
For claims above Rs.5 crore and upto Rs.10 crore	Rs.60,000/- per session with a ceiling of Rs.5,00,000/-	Rs.60,000/- per session per arbitrator with a ceiling of Rs.5,00,000/- per arbitrator
Above Rs.10 crore	Rs.75,000/- per session with a ceiling of Rs.10,00,000/-	Rs.75,000/- per session per arbitrator with a ceiling of Rs.10,00,000/- per arbitrator

- i) If application for arbitration and counter claim by respondent is withdrawn or rejected before commencement of arbitration proceeding, Arbitration fees deposited by claimants and by respondent, if any, will be refunded. However Registration fees are not refundable.
 - ii) GST at applicable rate is payable over and above the arbitration fee.
- (d) Special Charges incurred by the Arbitrator/s in relation to arbitration at actual.
- (e) Adjournment Fees for Arbitration Hearing

@Adjournment fee: Rs.16,500/- per adjournment plus GST at applicable rate to be paid to CAI by party(ies) requesting for adjournment- Non-refundable.

As far as possible Plaintiffs & Defendants may be allowed minimum adjournments subject to payment of adjournment fees.

(f) @ Fees for Appeal to Board

Slabs	Appeal Fees	
	Members	Non-Members
For claims upto Rs.50 lakh	50000	60000
For claims above Rs.50 lakh and upto Rs.1 crore	198000	217800
For claims above Rs.1 crore and upto Rs.2 crore	264000	290400
For claims above Rs.2 crore and upto Rs.5 crore	330000	363000
For claims above Rs.5 crore and upto Rs.10 crore	396000	435600
Above Rs.10 crore	462000	501600

@ Adjournment Fees for Appeals

- i) In case the application(s) for adjournment is made and granted by the Chairman, an adjournment fees of Rs.1,00,000/- per adjournment plus GST at applicable rate to be paid in advance – which is non-refundable.
- ii) Only one adjournment to be granted.
- iii) GST at applicable rate is payable over and above the Appeal fee.

@ Revised with effect from 30th May 2022.

Revised with effect from 24th January 2023.

GUIDELINES FOR ARBITRATORS AND THE PARTIES

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. Upon being approached for his nomination as an arbitrator, he shall make disclosure as required under the Rules of Arbitration of the Association.
3. The arbitrators must take up the arbitration expeditiously on receipt of the request from the Association and should also complete the same with reasonable time. Serious efforts should be made to settle arbitration cases expeditiously.
4. When accepting his mandate, the arbitrator shall be able to perform his task with the necessary competence according to his professional qualifications.
5. On being approached for appointment as arbitrator, he shall make disclosures as per Schedule 3.
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 Cotton Association of India so that CAI can inform the other parties and arbitrators.
8. The arbitrator shall refrain from giving the parties, either directly or through their counsel, any indication about decisions in the evidence taking place or on the merits; any decisions shall be conveyed exclusively by CAI.
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 a fee as exclusively determined by CAI 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 while keeping in mind the need to complete the arbitration proceedings expeditiously.

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 Secretary. Issues if any to be framed, may be done at the same hearing. The arbitrators should hold arbitration hearings continuously on day-to-day basis during office hours.
12. The parties in arbitration matters other than fast track arbitrations for which separate procedure is required to be followed 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 week 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 ordinarily 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 hearing preferably within 15 days. The Arbitrator(s) shall make the award within the time limit laid down under these Rules.
16. The arbitrator who does not comply with the provisions of these guidelines may be replaced by the Chairman/Vice-Chairman. Where it is not appropriate to replace the arbitrator in order not to cause delay in the arbitral proceedings CAI may also take such action after the conclusion of the arbitral proceedings by delisting him from the Panel of Arbitrators. The arbitrator should not remain absent or adjourn the hearing for his own convenience unless there is a valid reason.

For Parties

17. The claimant should file the applications or demand for arbitration to the Secretary of the Association 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. The claimant should also simultaneously send set of claim papers/statement to Respondent including copy of the contract or agreement.

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 and simultaneously send set of reply to claimant. 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 of 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 Secretary at least before 7 working days stating the grounds which compel it to request for postponement of the hearing so that the Association 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 fixed by the Association.
20. Parties should deposit arbitration and administrative fees with the CAI within the stipulated time, as per the Rules.
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.

**Internal Guidelines for Secretariat, Arbitrators and Testing Laboratory
(Practices & Procedures)**

Secretariat

1. On receipt of reference for arbitration, Secretary should ensure that all requisite actions are taken within ten working days.
2. The claim or arbitration must be raised as soon as the cause for arbitration arises, as the case of cause of action arisen in a civil action. Reference to arbitration made on the basis of a clause after the expiry of the period of limitation is a time barred claim, as right to claim ceases to subsist and the relief with respect to dispute has become time-barred.
3. Secretary should take regular review of progress of arbitration proceedings with a view to completing arbitration hearings within stipulated time.
4. Secretary should keep the Board informed about arbitration cases pending for more than 3 months alongwith detailed note giving reasons for delay in disposal of case and steps being taken.
5. Appeal filed before Board, against arbitrators award, should be listed for hearing by Board, preferably within 30 days from the date of receipt of grounds of appeal.
6. Secretary should ensure that all record pertaining to arbitration reference is preserved properly for a period of 5 years from the date of the award. The copy of award however should be preserved for 15 years from the date of award. In case of appeal, period to be counted from date of award by Board.
7. Wherever there is quality arbitration which requires testing of cotton in Laboratory, Secretary will arrange to send required quantity & number of sealed sample(s) for testing to CAI laboratory at Cotton Green, Sewri. Quality parameters required to be tested should be laid down clearly. Unless mentioned otherwise specifically, testing of cotton in Laboratory means testing at CAI Laboratory at Cotton Green, Sewri in HVI system.
8. Administrative fees will belong to the CAI, while Arbitrators Fees will be paid to the Arbitrators.

Arbitrators

1. After having agreed to work as arbitrator, arbitrator(s) must ensure that hearing is completed in time schedule laid down in the Rules of Arbitration.
2. Arbitrators must ensure that they remain present on the date & time fixed for hearing and avoid postponements.
3. Arbitration should preferably be held at CAI's Cotton Green premises in the Board Room.
4. The quorum of arbitral tribunal will be one (in case of single arbitrator) or three (in case of three arbitrators) as the case may be.
5. In the first hearing and before the commencement of arbitration proceedings, the arbitrator(s) may ask the parties if they would like to opt for conciliation (provided such an attempt has not been made earlier) & then deal with the case accordingly.
6. After asking the parties if they have any further testimony of evidentiary submission and upon receiving negative replies or if satisfied that the record is complete, the tribunal may declare the hearing closed.

7. The arbitral award should be speaking award, stating reasons upon which it is based.
8. The award may be expressed in currency as referred to by the claimant/plaintiffs. The Arbitral Tribunal may order that simple interest shall be paid by any party on any sum awarded at such rates as the Arbitral Tribunal determines to be appropriate & keeping in view the prevailing interest rates of Banks.
9. In case communications, Notice etc. sent to party(ies) is returned to Association undelivered it may be sent by E-mail, on Fax.

CAI Testing Laboratory

1. On receipt of sealed samples for testing, the laboratory in charge will carry-out testing as per procedure laid down and send test report duly signed, marked confidential to Secretary.
2. The balance portion of the cotton samples so tested will be packed & sealed with proper identification mark and preserved safely in Survey Room till arbitration proceedings / appeal is not disposed off.
3. Only on receipt of written communication from Secretary, the samples so preserved will be disposed off.

SURVEY/QUALITY CERTIFICATION CHARGES

**Item
No.**

(I) FEES RE. ARBITRATIONS, APPEALS, ETC.

◆ **INDIAN COTTON**

Fees for Arbitration as to quality under By-law 36(1) :
(By-law 41)

Rs.

Members	For first 55 bales or less	1000/-
	For every additional 55 bales or less	500/-

Non-Members	For first 55 bales or less	1500/-
	For every additional 55 bales or less	800/-

Fees for Appeals against Survey Awards (By-law 36(1)) :
(By-law 41)

Rs.

Members	For first 55 bales or less	2000/-
	For every additional 55 bales or less	1500/-

Non-Members	For first 55 bales or less	3000/-
	For every additional 55 bales or less	2000/-

SCHEDULE 2

The following grounds give rise to justifiable doubts as to the independence or impartiality of arbitrators:-

ARBITRATOR'S RELATIONSHIP WITH THE PARTIES OR COUNSEL

1. The arbitrator is an employee, consultant, advisor or has any past or present business relationship with a party.
2. The arbitrator currently represents or advises one of the parties or an affiliate of one of the parties.
3. The arbitrator currently represents the lawyer or law firm acting as counsel for one of the parties.
4. The arbitrator is a lawyer in the same law firm which is representing one of the parties.
5. The arbitrator is a manager, director or part of the management, or has a similar controlling influence, in an affiliate of one of the parties if the affiliate is directly involved in the matters in dispute in the arbitration.
6. The arbitrator's law firm had a previous but terminated involvement in the case without the arbitrator being involved himself or herself.
7. The arbitrator's law firm currently has a significant commercial relationship with one of the parties or an affiliate of one of the parties.
8. The arbitrator regularly advises the appointing party or an affiliate of the appointing party even though neither the arbitrator nor his or her firm derives a significant financial income therefrom.
9. The arbitrator has a close family relationship with one of the parties and in the case of companies with the persons in the management and controlling the company.
10. A close family member of the arbitrator has a significant financial interest in one of the parties or an affiliate of one of the parties.
11. The arbitrator is a legal representative of an entity that is a party in the arbitration.
12. The arbitrator is a manager, director or part of the management, or has a similar controlling influence in one of the parties.
13. The arbitrator has a significant financial interest in one of the parties or the outcome of the case.
14. The arbitrator regularly advises the appointing party or an affiliate of the appointing party, and the arbitrator or his or her firm derives a significant financial income therefrom.

RELATIONSHIP OF THE ARBITRATOR TO THE DISPUTE

15. The arbitrator has given legal advice or provided an expert opinion on the dispute to a party or an affiliate of one of the parties.
16. The arbitrator has previous involvement in the case.

ARBITRATOR'S DIRECT OR INDIRECT INTEREST IN THE DISPUTE

17. The arbitrator holds shares, either directly or indirectly, in one of the parties or an affiliate of one of the parties that is privately held.
18. A close family member of the arbitrator has a significant financial interest in the outcome of the dispute.
19. The arbitrator or a close family member of the arbitrator has a close relationship with a third party who may be liable to recourse on the part of the unsuccessful party in the dispute.

**PREVIOUS SERVICES FOR ONE OF THE PARTIES OR OTHER INVOLVEMENT
IN THE CASE**

20. The arbitrator has within the past three years served as counsel for one of the parties or an affiliate of one of the parties or has previously advised or been consulted by the party or an affiliate of the party making the appointment in an unrelated matter, but the arbitrator and the party or the affiliate of the party have no ongoing relationship.
21. The arbitrator has within the past three years served as counsel against one of the parties or an affiliate of one of the parties in an unrelated matter.
22. The arbitrator has within the past three years been appointed as arbitrator on two or more occasions by one of the parties or an affiliate of one of the parties.
23. The arbitrator's law firm has within the past three years acted for one of the parties or an affiliate of one of the parties in an unrelated matter without the involvement of the arbitrator.
24. The arbitrator currently serves, or has served within the past three years, as arbitrator in another arbitration on a related issue involving one of the parties or an affiliate of one of the parties.

**RELATIONSHIP BETWEEN AN ARBITRATOR AND ANOTHER ARBITRATOR
OR COUNSEL**

25. The arbitrator and another arbitrator are lawyers in the same law firm.
26. The arbitrator was within the past three years a partner of, or otherwise affiliated with, another arbitrator or any of the counsel in the same arbitration.
27. A lawyer in the arbitrator's law firm is an arbitrator in another dispute involving the same party or parties or an affiliate of one of the parties.
28. A close family member of the arbitrator is a partner or employee of the law firm representing one of the parties, but is not assisting with the dispute.
29. The arbitrator has within the past three years received more than three appointments by the same counsel or the same law firm.

**RELATIONSHIP BETWEEN ARBITRATOR AND PARTY AND OTHERS INVOLVED
IN THE ARBITRATION**

30. The arbitrator's law firm is currently acting adverse to one of the parties or an affiliate of one of the parties.
31. The arbitrator had been associated within the past three years with a party or an affiliate of one of the parties in a professional capacity, such as a former employee or partner.

OTHER CIRCUMSTANCES

- 32. The arbitrator holds shares, either directly or indirectly, which by reason of number or denomination constitute a material holding in one of the parties or an affiliate of one of the parties that is publicly listed.
- 33. The arbitrator holds a position in an arbitration institution with appointing authority over the dispute.
- 34. The arbitrator is a manager, director or part of the management, or has a similar controlling influence, in an affiliate of one of the parties, where the affiliate is not directly involved in the matters in dispute in the arbitration.

Explanation 1. ___ The term “close family member” refers to a spouse, sibling, child, parent or life partner.

Explanation 2. ___ The term “affiliate” encompasses all companies in one group of companies including the parent company.

Explanation 3. ___ For the removal of doubts, it is clarified that it may be the practice in certain specific kinds of arbitration, such as maritime or commodities arbitration, to draw arbitrators from a small, specialised pool. If in such fields it is the custom and practice for the parties frequently to appoint the same arbitrator in different cases, this is a relevant fact to be taken into account while applying the rules set out above.

SCHEDULE 3

NAME

CONTACT DETAILS

PRIOR EXPERIENCE (INCLUDING EXPERIENCE WITH ARBITRATIONS)

NUMBER OF ON-GOING 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)

SCHEDULE 4

ARBITRATOR'S RELATIONSHIP WITH THE PARTIES OR COUNSEL

1. The arbitrator is an employee, consultant, advisor or has any other past or present business relationship with a party.
2. The arbitrator currently represents or advises one of the parties or an affiliate of one of the parties.
3. The arbitrator currently represents the lawyer or law firm acting as counsel for one of the parties.
4. The arbitrator is a lawyer in the same law firm which is representing one of the parties.
5. The arbitrator is a manager, director or part of the management, or has a similar controlling influence, in an affiliate of one of the parties if the affiliate is directly involved in the matters in dispute in the arbitration.
6. The arbitrator's law firm had a previous but terminated involvement in the case without the arbitrator being involved himself or herself.
7. The arbitrator's law firm currently has a significant commercial relationship with one of the parties or an affiliate of one of the parties.
8. The arbitrator regularly advises the appointing party or an affiliate of the appointing party even though neither the arbitrator nor his or her firm derives a significant financial income therefrom.
9. The arbitrator has a close family relationship with one of the parties and in the case of companies with the persons in the management and controlling the company.
10. A close family member of the arbitrator has a significant financial interest in one of the parties or an affiliate of one of the parties.
11. The arbitrator is a legal representative of an entity that is a party in the arbitration.
12. The arbitrator is a manager, director or part of the management, or has a similar controlling influence in one of the parties.
13. The arbitrator has a significant financial interest in one of the parties or the outcome of the case.
14. The arbitrator regularly advises the appointing party or an affiliate of the appointing party, and the arbitrator or his or her firm derives a significant financial income therefrom.

RELATIONSHIP OF THE ARBITRATOR TO THE DISPUTE

15. The arbitrator has given legal advice or provided an expert opinion on the dispute to a party or an affiliate of one of the parties.
16. The arbitrator has previous involvement in the case.

ARBITRATOR'S DIRECT OR INDIRECT INTEREST IN THE DISPUTE

17. The arbitrator holds shares, either directly or indirectly, in one of the parties or an affiliate of one of the parties that is privately held.
18. A close family member of the arbitrator has a significant financial interest in the outcome of the dispute.
19. The arbitrator or a close family member of the arbitrator has a close relationship with a third party who may be liable to recourse on the part of the unsuccessful party in the dispute.

Explanation 1.____ The term “close family member” refers to a spouse, sibling, child, parent or life partner.

Explanation 2.____ The term “affiliate” encompasses all companies in one group of companies including the parent company.

Explanation 3.____ For the removal of doubts, it is clarified that it may be the practice in certain specific kinds of arbitration, such as maritime or commodities arbitration, to draw arbitrators from a small, specialised pool. If in such fields it is the custom and practice for parties frequently to appoint the same arbitrator in different cases, this is a relevant fact to be taken into account while applying the rules set out above.