

**THE JAMMU & KASHMIR INTERNATIONAL ARBITRATION CENTRE (JKIAC)
(ADMINISTRATIVE COSTS & ARBITRATORS' FEES) RULES, 2020**

	Page
1. Title	1
2. Administrative Costs	1
3. Arbitrator's Fee	1
4. Secreterial Services	2
5. Miscellaneous Expenses and Secreterial Expenses	2
6. Accounts	2
7. Expenses	2
8. Release of Payments to Arbitrator(s)/Parties	3
9. Lien on the Award	3
10. Power to exempt payment of costs and expenses	3
11. Amendment of Rules	4
12. Residuary Provision	4
<i>Schedule A</i>	4
Administrative Costs	
I. Domestic Costs	4
II. International Arbitration	4
III. Emergency Arbitration	4
<i>Schedule B</i>	
Miscellaneous and Secreterial Expenses payable in all arbitrations	5
<i>Schedule C</i>	
Arbitrator's fees in Domestic Arbitrations	6
<i>Schedule D</i>	
Arbitrator's fees in Summary Arbitration	7
<i>Schedule E</i>	
Arbitrators' Fees in International Commercial Arbitration	8
<i>Schedule F</i>	
<u>Arbitrators' fees in Emergency Arbitration</u>	9
<i>Schedule G</i>	
<u>Fee Entitlement Indicator</u>	10
<u>(in case of termination of mandate of Arbitrator before Final Award)</u>	

HIGH COURT OF JAMMU AND KASHMIR AT SRINAGAR
(Office of the Registrar General)

Subject: The Jammu & Kashmir International Arbitration Centre (JKIAC)
(Administrative Costs & Arbitrators' Fees) Rules, 2020.

NOTIFICATION

No: 45

Dated: 19.09.2020.

To regulate the Administrative Costs & Arbitrators' Fee in the Jammu and Kashmir International Arbitration Centre (JKIAC), the High Court of Jammu and Kashmir hereby frames the following Rules.

1. Title
2. Administrative Cost
3. Arbitrators' Fees
4. Parties to share equally Administrative Cost and the fees of the Arbitrator
5. Miscellaneous Expenses
6. Accounts
7. Release of Payments to Arbitrator(s) / Parties
8. Amendment of Rules.
9. Residuary Provision

<u>SCHEDULE 'A'</u>	- Administrative costs
<u>SCHEDULE 'B'</u>	- Miscellaneous and Secreterial Expenses payable in all arbitrations
<u>SCHEDULE 'C'</u>	- Arbitrators' Fees
<u>SCHEDULE 'D'</u>	- Arbitrators' Fees in Summary Arbitration
<u>SCHEDULE 'E'</u>	- Arbitrators' Fees in International Arbitration
<u>SCHEDULE 'F'</u>	- Arbitrators' Fees in Emergency Arbitration
<u>SCHEDULE 'G'</u>	- Fee entitlement Indicator (in case of termination of mandate of Arbitrator before Final Award)

1. **Title** - These Rules shall be called as "The Jammu & Kashmir International Arbitration Centre (JKIAC) (Administrative Cost & Arbitrators' Fees) Rules, 2020" [for short, JKIAC (Fee) Rules, 2020].

The Rules shall come into force from the date of notification.

2. **Administrative Costs**- The Administrative costs payable by the Parties shall be determined in accordance with the scales specified in Schedule 'A' to these rules. The scales of the Administrative charges shall be decided by the Chairperson, from time to time.
3. **Arbitrator's Fee**-
 - (i) The fees payable to the Arbitrators shall be determined in accordance with the scales specified in Schedules 'C, D, E, F & G' to these rules.
 - (ii) The fee shall be determined and assessed on the aggregate amount of the claim(s) and counter claim(s).

PROVIDED that in the event of failure of party to arbitration to pay its share as determined by the centre, on the aggregation of claim(s) and counter claim(s), the Centre may assess the claim(s) and counter claim(s) separately and demand the same from the parties concerned.

PROVIDED FURTHER that for the purposes of valuation or quantification of the Claims, the Centre shall be governed by the laws of India, and the principles governing the valuation of claims before the Courts of Civil Jurisdiction.

PROVIDED FURTHER that the in case of undervaluation or where the value is not determinable in pecuniary terms, the Coordinator would be entitled to assess and demand the revised fee on the basis of assessment and to decide the objections, if any, relating to the quantification or valuation.

- (iii) The Administrative Cost and the Arbitrators' fees set forth in these Rules shall be initially shared equally by the parties, subject to the cost of arbitration as may be finally determined by the Arbitral Tribunal.
- (iv) The fee, costs and expenses, determined by the Centre, shall be payable entirely in advance.
- (v) The Arbitrator(s) shall ensure that the fees and all expenses are deposited by the respective parties before the commencement of the arbitral proceedings on the date fixed.
- (vi) Any Claim or dispute which is not valued in terms of money, shall attract a minimum deposit of Rs. 25,000/- (Rupees Twenty Five thousand only) subject to evaluation of the fee based on the actual value of the property/claim as may be determined.
- (vii) Matters which are connected/consolidated/bunched for hearing/evidences adjudication shall be treated as separate matters for payment of administrative expenses. Secreterial expenses shall be individually assessed by the Coordinator and so payable by parties.
- (viii) The Coordinator shall ensure compliance with clauses (iii) to (Vii) above.

4. Secreterial Services

The JKIAC will provide secretarial services only for the purposes of arbitration. The direction(s), if any, for service of summons/notices/summoning of the record/witnesses shall be issued only to the respective parties to the arbitration proceedings and to no other person or body.

5. Miscellaneous Expenses and Secreterial Expenses

The parties shall be liable to pay miscellaneous expenses and secretarial expenses during arbitration as set out in Schedule 'B' or as assessed by the Coordinator, whichever is higher, and, shall be paid equally by the parties.

6. Accounts-

- (i) Funds of the JKIAC shall comprise of administrative expenses, miscellaneous expenses, secretarial expenses, sitting charges.
- (ii) The Coordinator may maintain an account of the amounts received and for which purpose, the Coordinator shall be entitled to open and operate a bank account with a scheduled nationalized bank in the name of the Jammu and Kashmir International Arbitration Centre.
- (iii) The said account shall be operated by the Coordinator as per these Rules. In the absence of the Coordinator, an Additional Coordinator may be permitted by the Chairperson to operate the account.

7. Expenses-

The administrative costs and miscellaneous expenses (as stationery, pantry etc) shall be incurred from the above account.

8. Release of Payments to Arbitrator(s)/Parties

- (i) Arbitrators' Fees shall be payable when proceedings are terminated, withdrawn or settled

- (ii) In the event of the arbitration being terminated, withdrawn or settled, the Coordinator, in consultation with the Chairperson, shall fix the quantum of fees payable to the arbitrator(s). The Coordinator shall take into account the stage at which the arbitration proceedings stood terminated, the extent of work done and time spent by the Arbitrators on the matter.

PROVIDED that no separate fee or charges shall be payable to the Arbitral Tribunal in relation to any Application under section 17 or Section 33 of the Arbitration and Conciliation Act, 1996.

- (iii) Unless otherwise directed by the Court or except in case of *de novo* trial directed by the Court, the Arbitral Tribunal shall not be entitled to fresh fee in the event the award is set aside and remanded to the same Arbitral Tribunal for consideration.
- (iv) The Administrative Costs, miscellaneous and secretarial expenses paid by the parties shall not be refundable, under any eventuality.
- (v) The fees shall be paid to the Arbitral Tribunal in the event of the occurrence of the following circumstances and in the manner indicated in Schedule G during the course of arbitration:
- a) In matters which are stayed or adjourned sine die by any order of a court or in cases which are pending before the NCLT or like authorities.
 - b) In the event of recusal by the Arbitrator(s).
 - c) In the event of demise of the Arbitrator(s), fees will be paid to his / her legal heirs.
 - d) Matters in which settlement is arrived at between the parties.
 - e) In cases where proceedings are terminated or withdrawn.
 - f) In matters where the mandate of the Arbitrator(s) terminates by efflux of time as provided in the Act.

9. Lien on the Award

The JKIAC shall have a lien on the Arbitral Award for any unpaid fees of the Arbitrator and costs of the Arbitration including miscellaneous costs, secretarial expenses and adjournment costs. The Award shall not be notified to the parties unless all such costs have been fully paid to the JKIAC by the parties or by one of them.

10. Power to exempt payment of costs and expenses

The Chairperson would have the discretion to exempt any party from payment of any portion of or entirety of the costs and/or expenses.

If such discretion is exercised in favour of one of the parties, the non-exempted party to the matter shall bear the portion of costs and expenses which were exempted.

11. Amendment of Rules

- i) These Rules may be amended by the Chief Justice of the Common High Court of Jammu & Kashmir and Ladakh.
- ii) The Arbitration Committee may recommend amendment(s) in these Rules to the Chief Justice of the Common High Court of Jammu & Kashmir and Ladakh.

12. Residuary Provision - The Arbitration Committee may take appropriate decisions, as it considers necessary in respect of all matters which are not specifically provided in these Rules.

Schedule A
Administrative Costs

I. Domestic Arbitration

As may be determined by the Chairperson of Arbitration Committee from time to time.

II. International Arbitration

Fixed Costs	Rs.30,000/- (To be paid along with the request for arbitration)
From Rs.10,00,000/- to Rs 50,00,000/-	Rs. 30,000/- + 1% of the claim amount over and above Rs 10,00,000/-
From Rs.50,00,000/- to Rs 1,00,00,000/-	Rs. 70,000/- + 0.5% of the claim amount over and above Rs 50,00,000/-
From Rs.1,00,00,000/- to Rs 10,00,00,000/-	Rs. 95,000/- + 0.25% of the claim amount over and above Rs 1,00,00,000/-
Over Rs. 10,00,00,000/-	Rs. 3,20,000/- + 0.15% of the claim amount over and above Rs 10,00,00,000/-

Note: (a) Airfare and cost of stay in hotel of the member(s) of the Arbitral tribunal are excluded, which are to be equally borne by the parties.

III. Emergency Arbitration

Fixed Fee - Rs.5,00,000/-

Note: Air fare and cost of stay in hotel of the member(s) of the Arbitral tribunal are excluded, which are to be equally borne by the parties.

Schedule B

Miscellaneous and Secretarial Expenses payable in all arbitrations

1. In addition to the foregoing, each party in all arbitrations shall be required to pay miscellaneous expenses at a rate of Rs. 2,500/- per session for use of facilities of the JKIAC on the days the Arbitral Tribunal holds its sittings or such charges as assessed by the Coordinator, whichever is higher.
2. Each party shall pay secretarial charges as may be assessed by the Coordinator subject to a minimum of Rs 500/- per session.



Schedule C
Arbitrators' Fees in Domestic Arbitrations

Sum in dispute	Model fee
Upto Rs.5,00,000	Rs. 45,000
Above Rs. 5,00,000 and Upto Rs.20,00,000	Rs.45,000 plus 3.5 percent of the claim amount over and above Rs.5,00,000
Above Rs.20,00,000 and upto Rs.1,00,00,000	Rs.97,500 plus 3 percent of the claim amount over and above Rs.20,00,000
Above Rs.1,00,00,000 and upto Rs.10,00,00,000	Rs.3,37,500 plus 1 percent of the claim amount over and above Rs.1,00,00,000.
Above Rs. 10,00,00,000 and upto Rs.20,00,00,000	Rs.12,37,500 and plus 0.75 percent of the claim amount over and above Rs.10,00,00,000.
Above Rs.20,00,00,000	Rs. 19,87,500 plus 0.5 percent of the claim amount over and above Rs. 20,00,00,000 with a maximum ceiling of Rs.30,00,000

*The Fee schedule indicates the fee payable to each Arbitrator comprising the Tribunal.

Note:

1. In the event, the Arbitral Tribunal is a sole arbitrator, he shall be entitled to an additional amount of twenty-five per cent of the fee payable as per the table set out above.
2. All Arbitrators will be entitled to the release of 10% of the fee in advance after all the pleadings in the matter are complete.
3. The fee of the Arbitration Tribunal will only be released after the conclusion of the arbitral proceedings i.e after either the publication of an Award, or after Termination of the Mandate of the Arbitrator, as the case may be.
4. The fees payable to an arbitrator shall be paid only out of the amount(s) deposited by parties to the arbitration.



Schedule D

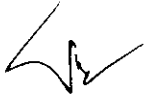
Arbitrator's fees in Summary Arbitration*

Sum in dispute (in Rs.)	Fees
Upto Rs.10,00,000/-	Rs.25,000/-
Above Rs.10,00,000/-	As per Schedule B

***Sums in dispute mentioned in the Schedule C and D above shall include any counter-claim made by a party.**

Note:

1. Fee in respect of claims/counter claims either wholly or partially, monetary value whereof cannot be ascertained will be fixed by the Chairperson, having regard to, effective and substantial relief sought, and complexity of the subject matter.
2. All Arbitrators will be entitled to the release of 10% of the fee in advance after all the pleadings in the matter are complete.
3. The fee of the Arbitration Tribunal will only be released after the conclusion of the arbitral proceedings i.e after either the publication of an Award, or after Termination of the Mandate of the Arbitrator, as the case may be.
4. The fees payable to an arbitrator shall be paid only out of the amount(s) deposited by parties to the arbitration.



Schedule E

Arbitrators' fees in International Commercial Arbitration

Sum in dispute	Fees
Upto \$ 50,000 or equivalent in Rupees	Rs.3,00,000/- (minimum)
From \$ 50,001 to \$ 1,00,000 or equivalent in Rupees	6% of the additional amount
From \$ 1,00,001 to \$ 5,00,000 or equivalent in Rupees	3.5% of the additional amount
From \$ 5,00,001 to \$ 10,00,000 or equivalent in Rupees	2.5% of the additional amount
From \$ 10,00,001 to \$ 20,00,000 or equivalent in Rupees	1.5% of the additional amount
From \$ 20,00,001 to \$ 50,00,000 or equivalent in Rupees	0.75% of the additional amount
From \$ 50,00,001 to \$ 1,00,00,000 or equivalent in Rupees	0.35% of the additional amount
From \$ 1,00,00,001 to \$ 5,00,00,000 or equivalent in Rupees	0.15% of the additional amount
From \$ 5,00,00,001 to \$ 8,00,00,000 or equivalent in Rupees	0.075% of the additional amount
From \$ 8,00,00,001 to \$ 10,00,00,000 or equivalent in Rupees	0.03% of the additional amount
Over \$ 10,00,00,001 or equivalent in Rupees	0.02% of the additional amount

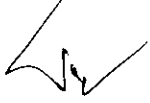
Note:

1. Fee in respect of claims/counter claims either wholly or partially, monetary value whereof cannot be ascertained will be fixed by the Chairperson, having regard to, effective and substantial relief sought, and complexity of the subject matter.
2. All Arbitrators will be entitled to the release of 10% of the fee in advance after all the pleadings in the matter are complete.
3. The fee of the Arbitration Tribunal will only be released after the conclusion of the arbitral proceedings i.e after either the publication of an Award, or after Termination of the Mandate of the Arbitrator, as the case may be.
4. The fees payable to an arbitrator shall be paid only out of the amount(s) deposited by parties to the arbitration.

Schedule F

Arbitrators' fees in Emergency Arbitration

Fixed Fee	15% of the fees payable to the Arbitrator in accordance with the fee structure in Schedule C or E as the case may be.
------------------	--



Schedule G

Fee Entitlement Indicator (in case of termination of mandate of Arbitrator before Final Award)

In case of Termination of the mandate of the Arbitration Tribunal, for any reason whatsoever, including challenge to the Arbitral Tribunal, Settlement and Consent Award, the Arbitrator shall be entitled to fees on a proportional, stage-wise basis out of the total fees payable, which shall be as per the following tabulation:

S.No.	Stage of termination of mandate	Fee Schedule
i)	Preliminary Hearing	Not more than 5% of total fees.
ii)	Successful challenge to Arbitrator	Nil (and in no case more than 10% of total fees).*
iii)	Where pleadings have been completed	Not more than 10% of total fees.
iv)	Passing of an Interim Relief/Award	Not more than 20% of total fees.
v)	Framing of issues, if any/Admission denial of documents	Not more than 20% of total fees.
vi)	Upon completion of Claimant's Evidence (CE)	Not more than 50% of total fees.
vii)	Upon completion of Respondent's Evidence [RE], if any	Note more than 65% of total fees.
viii)	Upon conclusion of Final Arguments	75% of total fees.
ix)	After passing of Award	100% of total fees.


* In cases where the Committee finds that the challenge to the Arbitrator is not within reasonable time and the applicant is unable to provide any satisfactory explanation to the cause of delay, in those cases, up to 10% of the fee may be released to the Arbitrator as per the discretion of the concerned Sub-Committee.

Note:

- 1) Notwithstanding the above schedule, it shall be the discretion of the Chairperson of the Committee to fix/revise the fees and the stage at which payable to the Arbitrator on case to case basis.
- 2) In cases which are decided on preliminary issue, it shall be the discretion of the Chairperson of the Committee to release such fees of the Arbitrator as may be

- deemed appropriate having regard to factors, which may include nature of the claim, number of hearings, etc.
- 3) In case the application under Section 16 is allowed by the Arbitrator, then the Arbitrator shall be entitled to the fees as payable up to that stage.
 - 4) It is clarified that the slab applicable from the above table will only apply in case of conclusion of the relevant stage and in case it is not concluded, the previous slab shall be made applicable.
 - 5) All Arbitrators will be entitled to the release of 10% of the fee in advance after all the pleadings in the matter are complete.
 - 6) The fee of the Arbitration Tribunal will only be released after the conclusion of the arbitral proceedings i.e after either the publication of an Award, or after Termination of the Mandate of the Arbitrator, as the case may be.
 - 7) The fees payable to an arbitrator shall be paid only out of the amount(s) deposited by parties to the arbitration.

By Order

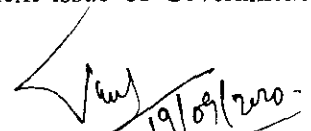

(Jawad Ahmed)
Registrar General

No: 7112-39/RG

Dated: 19.09.2020

Copy of the above forwarded to:

1. Advocate General, Government of UT of Jammu and Kashmir at Srinagar.
2. Chief Secretary, Government of UT of Jammu and Kashmir at Srinagar.
3. Advisor to LG UT of Ladakh, Leh.
.....for information.
4. Principal Secretary to Hon'ble the Chief Justice High Court of J&K.
5. Secretary to Hon'ble Mr/Mrs Justice _____
.....for information of their Lordships.
6. Secretary to the Department of Law, Justice and Parliamentary Affairs,
Government of Jammu and Kashmir, Srinagar.
7. Secretary to the Department of Law and Justice, Government of UT of Ladakh, Leh.
8. Registrar Vigilance, High Court of J&K, Srinagar.
9. Registrar Rules, High Court of J&K, Srinagar.
10. Member Secretary, J&K State, Legal Service Authority, Srinagar.
11. Registrar Judicial, High Court of J&K, Jammu/Srinagar.
.....for information.
12. CPC e-Courts J&K High Court Jammu for information and with the request to upload the Notification on the official website of the High Court.
13. Manager, Government Press, Jammu for publication in the next issue of Government Gazette.


Registrar General