



## **Vidhikarya Centre for Dispute Resolution**

Online Dispute Resolution

VDCR Dispute Resolution Rules

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## **VIDHIKARYA CENTRE FOR DISPUTE RESOLUTION**

### **RULES**

- I. INTRODUCTION**
  - 1. Scope, Definition & Interpretation**
    - 1.1. Where the parties have agreed to refer their disputes to “VIDHIKARYA CENTRE FOR DISPUTE RESOLUTION” (Hereinafter referred to as “VCDR”) for settlement of their disputes in accordance with VCDR Rules, the parties shall be deemed to have agreed that the



dispute resolution shall be conducted and administered by VCDR in accordance with these Rules. The parties may refer their disputes to VCDR even if they have not incorporated the dispute resolution clause in their agreement or by incorporating the reference into their agreement.

- 1.2. Unless the parties have agreed otherwise, it is deemed to have been agreed between the parties, that the dispute settlement shall be conducted and administered in accordance with the Rules of VCDR that are in force at the time of commencement of the resolution process. The resolution process is deemed to have 'commenced' on the date VCDR receives an application online either from either of the Parties.
- 1.3. These rules shall come into force on 1st May 2021, and, unless otherwise agreed by the parties, these rules shall apply to any dispute resolution which has commenced on or after that date.
- 1.4. In these Rules:  
"Award" includes a Partial-Award, Interim-Award or a Final-Award and an Award passed by the Presiding Officer;

"Presiding Officer" means the person who shall be adjudicating the dispute resolution process and passing out the award

"Rules" mean these Dispute Resolution Rules of the Vidhikarya Centre for Dispute Resolution;

"VCDR" includes the Sole / Single Presiding Officer or all the Presiding Officers, collectively, where more than one PO is appointed;

Any pronoun in these Rules shall be understood to be gender-neutral. Any singular noun shall be understood to refer to the plural in the appropriate circumstances.

## **2. Notices**

- 2.1. For the purposes of these Rules, any Notice or Communication (including any requests / proposals) shall be in writing and be served in the manner provided under the Agreement between the parties and if there is no such provision in the agreement between the parties, all such written communications may be deemed to have been received, if it is delivered to the addressee in-person / by hand or through a registered post or courier at his place of business or habitual residence or such other mailing address agreed between the parties or transmitted through electronic communication viz., e-mail, facsimile, etc. or any other means that provides a record of its delivery thereof, or in any other manner as may be ordered by the VCDR, whence constituted.
- 2.2. Any written Notice or Communication shall be deemed to have been received on the day it is delivered and in the case of a notice or communication transmitted through electronic means is deemed to have been



received on the day it is sent/~~t~~ransmitted and such time shall be determined with reference to the recipient's time zone.

- 2.3. The periods of time specified under the present Rules shall start to run from the day on which the notice or communication is received as mentioned in Rule 2.2 supra.
- 2.4. The periods of time under the present Rules shall include the non-working business days and official holidays.

## **II. COMMENCEMENT OF PROCEEDINGS**

### **3. Reference to VCDR under these Rules:**

- 3.1. Where parties have agreed that any dispute or difference which may arise or has arisen out of or in relation to a contract or due to any legal relationship, shall be referred to VCDR in accordance with these Rules, the same shall be referred accordingly.
- 3.2. A dispute may also be referred to VCDR in accordance with these Rules, where the parties sign a joint memorandum / understanding / agreement / statement agreeing that their dispute shall be referred to Arbitration in accordance with these Rules or when the same is so referred through any proceedings in any Court.

### **4. Request for Dispute Resolution**

- 4.1. A party desirous of commencing dispute resolution under these Rules (the "applicant") shall submit an application online by visiting at the site [www.vidhikarya.com](http://www.vidhikarya.com) and the application shall contain all the details as sought in the online application form.
- 4.2. The Applicant can, at the same time as it files the 'application', intimate the other Party (respondent) and as a procedure VCDR shall intimate the other Party by sending a formal notice.

### **5. Response to the Request for Dispute Resolution**

- 5.1. The Respondent shall file a Response with VCDR within 14 days of receipt of the notice.
- 5.2. If the respondent fails to file a response within the timelines, as prescribed in Rule 5.1 then the VCDR process for settlement of dispute will be terminated and the Applicant shall be informed accordingly.



### **III. THE VCDR**

#### **6. Appointment of Presiding Officers**

- 6.1. For all resolution processes, to be governed by these Rules, the VCDR alone shall be empowered to appoint the Presiding Officer.
- 6.2. The VCDR shall have due regard to any qualifications or technical credentials that may be warranted due to the complexity of the dispute and shall try its best to appoint the most right suited Presiding Officer.
- 6.3. The Parties cannot challenge the appointment of a Presiding Officer by VCDR but if they have any objection then they shall be intimating VCDR in written form with their reason for objection.
- 6.4. The VCDR shall reasonably consider such other circumstances which ensure the appointment of an independent, impartial and a neutral Presiding Officer.
- 6.5. The VCDR shall endeavour to appoint the Presiding Officer without any undue delay and by duly taking into account all the circumstances surrounding the dispute and the communications from all the parties.

#### **7. General Provisions**

- 7.1. Every Presiding Officer, at all times, shall remain independent, impartial and neutral. For the purpose of these Rules, at the time of appointment of a Presiding Officer, VCDR draws its guidance from “The Fifth & Seventh Schedules” of the Indian “Arbitration & Conciliation Act, 1996” and the prevalent guidelines or principles on Conflicts of Interest in international arbitration.
- 7.2. When a person is approached in connection with his or her possible appointment as a Presiding Officer, he or she shall disclose any circumstances likely to give rise to justifiable doubts as to his or her impartiality or independence. A Presiding Officer, from the time of his or her appointment and throughout the arbitral proceedings, shall without delay disclose any such circumstances to the parties and the other Presiding Officers unless they have already been informed by him or her of these circumstances.
- 7.3. Before appointment or confirmation, a prospective Presiding Officer shall sign a statement of acceptance, availability, impartiality and independence in the form prescribed by VCDR. In this statement, the prospective Presiding Officer must disclose any facts or circumstances which may give rise to justifiable doubts as to his impartiality or neutrality or independence.
- 7.4. During the process, a Presiding Officer shall immediately disclose to VCDR and to the parties, any circumstances which may arise at any time



during the arbitration which may give rise to justifiable doubts as to his impartiality or neutrality or independence.

- 7.5. By accepting to serve, Presiding Officers undertake to carry out their responsibilities in accordance with the Rules and conduct themselves at all times in an impartial and neutral manner.

## **8. Objection to the Appointment of Presiding Officers**

- 8.1. A Party to the process can challenge the appointment of Presiding Officer(s) in writing to VCDR, on the grounds that such circumstances exist which raise doubts on the independence, impartiality and neutrality of the Presiding Officer(s) so appointed.
- 8.2. Such an objection shall be made in writing to VCDR, containing the specific facts and circumstances basing on which the objection is made.
- 8.3. The VCDR proceedings may be kept in abeyance until the said challenge is resolved.
- 8.4. On receipt of the notice for objection, VCDR will replace the Presiding Officer on arriving at a conclusion that the ground for objection is valid.
- 8.5. The VCDR's decision made under this Rule shall be final and binding on the parties.

## **9. Replacement of Presiding Officers**

- 9.1. A Presiding Officer shall be replaced upon –
  - a. Death; or
  - b. The challenge of a Presiding Officer's appointment is accepted by the VCDR; or
  - c. Removal of Presiding Officer in accordance with the Rules, or
  - d. A Presiding Officer resigns from his appointment.
- 9.2. A substitute Presiding Officer shall be appointed by the VCDR in accordance with the Rules.
- 9.3. If in the event, it is discovered by VCDR or an application is made by any of the party(s), that the Presiding Officer is not conducting himself impartially or independently or it is determined by VCDR that the Presiding Officer is not discharging his functions in accordance with the present Rules or within the prescribed time limits or such circumstances have arisen due to which the Presiding Officer may be disqualified to participate in the dispute resolution proceedings.
- 9.4. After allowing an opportunity to the Presiding Officer concerned, the VCDR may remove such Presiding Officer and the decision of the VCDR shall be final and binding.



#### **IV. PLEADINGS**

##### **10. Statement of Claim**

- 10.1. The Applicant shall submit the application cum claim online through the VCDR Platform
- 10.2. The Claim Statement shall set-out in detail, the facts and legal grounds supporting the claim.
- 10.3. The Claim Statement shall also be annexed with all such documents that the Claimant intends to rely upon in support of its claim.

##### **11. Statement of Defence**

- 11.1. The Respondent shall, within a period as determined by VCDR shall submit the defence online through the VCDR platform and the Statement of Defence, setting out in detail the facts, contentions and legal grounds on which the Respondent relies.
- 11.2. The Statement of Defence shall also be annexed with all the supporting documents.
- 11.3. If the Respondent fails to submit its Statement of Defence within the time granted by the VCDR (including the extension, if any), VCDR may proceed with the arbitration.

##### **12. Counterclaim**

- 12.1. Along with the Statement of Defence, the Respondent may submit any counterclaim to VCDR.

#### **V. DISPUTE RESOLUTION PROCEEDINGS**

##### **13. Conduct of Proceedings**

- 13.1. The VCDR may conduct the dispute settlement proceedings in such manner as it considers appropriate, provided that the parties are given equal opportunity to present their case at all stages. Without prejudice to the generality of its powers, the VCDR shall follow the procedures which ensure the avoidance of unnecessary delay and expense and further ensure fair and equal treatment of the parties. As such, except where the arbitral VCDR decides to proceed ex- parte, the parties shall be afforded with an equal and reasonable opportunity to present their case.
- 13.2. During the said preliminary procedural meeting, the VCDR shall establish a schedule / timetable for the proceedings that shall be followed by the parties. The said schedule of proceedings shall prescribe the time



limits for each step of the settlement process till the closure i.e. passing of the final award.

- 13.3. VCDR shall endeavour to render its final award as expeditiously as possible and where the applicable law requires, within such time as stipulated in applicable law.
- 13.4. In all matters not expressly provided for in these Rules, the VCDR and the VCDR shall act in accordance with the spirit and intent of these Rules and shall make every effort to make sure that the Award is enforceable in accordance with the law of the seat of Arbitration.

#### **14. Applicable Law**

- 14.1. The VCDR shall apply the law designated by the parties as applicable to the substance of the dispute. Failing such designation by the parties, the VCDR shall apply the law determined by the conflict of laws and rules, which it considers applicable.
- 14.2. The VCDR, if the parties expressly agree in writing, shall decide the dispute as "*amiable compositeur*" or "*ex aequo et bono*"; whereby the VCDR is vested with an authority to decide the dispute according to the principles of equity and good conscience or to take a decision as per the trade practices and usage or to give effect to the intentions of the parties as gathered from the circumstances so surrounding the dispute, giving preference to the literal meaning to the words incorporated in the contract.

#### **15. Hearings**

- 15.1. The hearing will be documents-only arbitration; where the VCDR shall pass the final award by referring to the documentary evidence relied upon by the parties to the arbitration.
- 15.2. In exceptional cases where the parties so request or the VCDR so decides, the VCDR shall hold hearings for the presentation of evidence by witnesses, including expert witnesses or for oral arguments / pleadings on the merits of the dispute, including, but not limited to any issue as to the jurisdiction.
- 15.3. The VCDR may at any time during the proceedings, if it considers appropriate, require the parties, in consultation with the VCDR, to prepare an agreed list of issues to be determined by the VCDR.
- 15.4. The VCDR may direct the parties to answer or argue any specific issue, in advance to the hearing of the remaining issues.
- 15.5. The VCDR shall fix a date, time and place for any hearing and duly communicate the same to the parties in advance. If any party fails to





appear on such date for the hearing without showing sufficient cause for such failure, the VCDR may proceed with the proceedings and make the award based on the pleadings and evidence before it.

- 15.6. Unless otherwise agreed by the parties, all the meetings and hearings under these Rules shall be held in private and the recordings, transcripts, documents or other materials used shall be confidential.

## **16. Evidence**

- 16.1. Unless otherwise specifically agreed between the parties, the VCDR shall not be bound to apply any rules of evidence and the VCDR is at liberty to adopt any procedure to determine the admissibility, relevance and weight of any evidence.
- 16.2. In addition to the powers specified in these Rules, and subject to the rules of law applicable to the arbitration, the VCDR shall have the power including but not limited to:
- a. conduct such enquiries as may appear to the VCDR to be necessary or expedient;
  - b. order the parties to make any property or item available for inspection; and
  - c. order any party to produce to the VCDR and to the other parties for inspection, and to supply copies of, any document in their possession, custody or control which the VCDR considers relevant to the case and material to its outcome.

## **17. Language**

- 17.1. Unless otherwise agreed by the parties, the language of the arbitration will be the language of the arbitration agreement.
- 17.2. In all other circumstances (including a bi-lingual Contract), the VCDR, upon its constitution, having regard to the proposals of the parties either in their request for arbitration or the response to the request for arbitration, shall determine the language in which the arbitration proceedings shall be conducted.
- 17.3. Prior to the constitution of the VCDR, if a document is submitted by a party to VCDR, is in any other language other than English, the VCDR may require the party to submit a translation in English of such document.

## **18. Seat of Proceedings**

- 18.1. For all online dispute resolution process, the proceedings shall be conducted in a virtual mode employing the technological resources.
- 18.2. In case of physical hearing of proceedings the seat of proceedings will



be mutually agreed by the Parties and VCDR.

- 18.3. The VCDR may hold hearings or meetings by any means, including electronic mode of communication, at any location it considers convenient or appropriate.

## **VI. ORDERS AND AWARDS**

### **19. Making of an Award**

- 19.1. A failure by any party to promptly object to any non-compliance with these Rules or with any requirement of the arbitration agreement shall be deemed to be a waiver of the right of such party to make such an objection, unless such party can show that, under the circumstances, its failure to object was justified.
- 19.2. In the case of questions of procedure, the Presiding Officer may decide alone, subject to revision, if any, by the VCDR.
- 19.3. Where there is more than one Presiding Officer, any decision of the VCDR shall be made either unanimously or by a majority.
- 19.4. The VCDR through its Presiding Officer may make separate awards on different issues at different times.
- 19.5. In the event the parties reach a settlement after the commencement of the arbitration, the VCDR shall, if so, requested by the parties, record the settlement in the form of an award made by consent of the parties. If the parties do not require a consent award, the parties shall inform the VCDR that a settlement has been reached. The arbitration shall only be deemed concluded and the VCDR discharged upon full settlement of the costs of arbitration.

### **20. Form and Effect of the Award**

- 20.1. The VCDR shall state the reasons upon which the award is based, unless the parties have agreed that no reasons are to be given.
- 20.2. All awards shall be made in writing and shall be final and binding on the parties. The parties shall carry out all awards without delay.
- 20.3. In the arbitration proceedings with more than one Presiding Officer, the signature of the majority of all the members of the VCDR shall be sufficient so long as the reason for any omitted signature is stated.
- 20.4. The Award shall state the date on which it is passed and the Award shall be deemed to have been made at the seat of the Arbitration.
- 20.5. An Award may be executed in any number of counterparts, each of which



is an original and all of which evidence the same Award.

- 20.6. After the Award has been made, it shall be delivered to VCDR, which shall furnish certified copies to the parties through registered post/email with acknowledgment or can be handed over in-person with acknowledgment; provided that the costs have been fully paid by the party to VCDR.
- 20.7. With the express permission of the parties in writing, VCDR may print, publish or otherwise circulate any award passed in an arbitration governed under these Rules or administered by VCDR, through publication in journal, magazine, flyers, etc. for the purpose of creating arbitration jurisprudence or precedents. If required, the parties' names, identities and such other details as requested by the parties will be redacted and kept private and confidential in such publication(s).

## **21. Settlement & Termination of Proceedings**

- 21.1. If, before the award is made, the parties agree on a settlement of the dispute, the VCDR shall either issue an order for the termination of the arbitral proceedings, or if requested by the parties and accepted by the VCDR, record the settlement in the form of an arbitral award on agreed terms. The VCDR is not obliged to give reasons for such an award.
- 21.2. Copies of the order for termination of the arbitral proceedings or of the arbitral award on agreed terms, signed by the Presiding Officers, shall be communicated to the parties.

## **22. Correction & Additional Award**

- 22.1. Within 30 days after the receipt of the award, a party, with notice to the other parties, may request the VCDR to correct in the award any error in computation, any clerical or typographical error, or any error or omission of a similar nature. If the VCDR considers that the request is justified, it shall make the correction within 30 days of receipt of the request.
- 22.2. The VCDR may within 30 days after the communication of the award make such corrections on its own initiative.
- 22.3. Such corrections shall be in writing and shall form part of the award.
- 22.4. Within 30 days after the receipt of the termination order or the award, a party, with notice to the other parties, may request the VCDR to make an award or an additional award as to claims presented in the arbitral proceedings but not decided by the VCDR.



## **VII. GENERAL PROVISIONS**

### **23. Confidentiality**

- 23.1. The VCDR, the parties, all experts, all witnesses and the personnel of VCDR shall keep confidential, all matters relating to the settlement proceedings including any award, except where disclosure is necessary for the purposes of implementation and enforcement of the award or to the extent that disclosure may be required of a party under law, to protect or pursue a legal right or to challenge an award in *bona fide* legal proceedings before a court or other judicial authority.
- 23.2. The VCDR has the power to take appropriate measures, including issuing an order or award for sanctions or costs, if a party breaches the provisions of this Rule.

### **24. Exclusion and Waiver of Liability**

- 24.1. Neither VCDR (including Governing VCDR, counsel, employees) nor the Presiding Officer shall be liable for any action or omission in whatever capacity taken in good faith, while acting in connection or in relation to a settlement proceeding under these rules.
- 24.2. The parties and the VCDR agree that statements or comments, whether written or oral, made in the course of the arbitral proceedings, shall not be relied upon to institute or commence or maintain any action for defamation, libel, slander or any other complaint.
- 24.3. Any party who proceeds with the settlement proceedings 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, without undue delay or if a time limit is provided for stating the objection, within that period of time to VCDR, shall be deemed to have waived his right to object.

### **25. Interpretation of Rules**

- 25.1. In case of any doubt regarding the meaning or interpretation of these Rules, the same may be referred to the Governing VCDR by the parties or by the Presiding Officers appointed by VCDR. The decision of the Governing VCDR on any question relating to interpretation of these rules shall be final and binding on the parties and the Presiding Officers.

### **26. Amendment of Rules**

- 26.1. The Governing VCDR in consultation with the Council and Presiding Officers may revise, amend or alter these rules or the schedule of fees and other amounts. Such amendment shall however not affect the existing



proceedings unless specifically made applicable.

**27. Miscellaneous Provisions**

- 27.1. Any matter not specifically addressed by these Rules, or any conflict or ambiguity in these Rules, will be decided by the Governing VCDR in consultation with the Presiding Officers, if needed, to ensure the enforceability of any Award.
- 27.2. The Council has the sole discretion and authority to prepare forms, resolve procedural disputes, impose time limits on the parties, and otherwise require a party to take action or refrain from taking action. The Registrar, may also seek advice from the Governing VCDR, when necessary and expedient.
- 27.3. In the event a court of competent jurisdiction shall find any portion of these Rules to be in violation of the law or otherwise unenforceable, that portion shall not be effective in such jurisdiction and the remainder of the Rules shall remain effective.
- 27.4. VCDR may destroy all documents served on it pursuant to the Rules after the expiry of a period of two years after the date of the last correspondence received by VCDR relating to the dispute settlement.

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