

1. i. The Managing Committee of the Karnataka Paper Merchants' & Stationers' Association (Regd) (KPMSA) shall constitute a Board of Arbitrators for settlement of the disputes and differences between the members of the Association or a Member and Non-member of the Association dealing in or consuming Paper, Board & Stationery.
xxxxxxx and Allied Paper Products Manufacturers
- ii The Managing Committee of the KPMSA shall nominate one of the Arbitrators from the Board of Arbitrators as Registrar of Arbitration who shall look after the entire administration work of Arbitration.
2. All the dispute between the members of the Association or a member and Non-member shall be settled by Arbitration before the Arbitrator / Arbitrators to be appointed by the Registrar of Arbitration from amongst the Board of Arbitrators. The appointed Arbitrator / Arbitrators shall be an ARBITRAL TRIBUNAL.
3. All the members who are interested to settle their disputes with Non-
/or Mfg members, they shall incorporate on their invoice / delivery challans an Arbitration clause to the effect that all disputes on such transaction shall be decided by an Arbitrator / Arbitrators appointed under the Association's Arbitration Rules.
4. i. Any member of the Association who is interested in settling his dispute with a member or a Non-member and a Non-member who is interested in settling his dispute with a member of the Association shall make an application to the Registrar of the Arbitration requesting him to refer the dispute to an Arbitrator for settlement of dispute.
- ii. However, every member or a Non-member before approaching the Registrar to refer the dispute to Arbitral Tribunal, he shall serve a notice on the other party call upon him to settle his claim with in a period of 15 days and further informing him that in the event of not settling his claim, he will take recourse to settlement of his claim through Arbitration under KPMSA.



- iii. An applicant shall pay an amount of Rs.200/- along with the application for Initiation of Arbitration proceedings.
- iv. The KPMSA will collect 1% of the Disputed amount or Rs.2500/- whichever is more and plus cost of the expenses incurred if any.
5. On receipt of an application either from a member or a Non-member for referring the dispute to Arbitration, the Registrar of Arbitration shall refer the application to an Arbitral Tribunal consisting of either a sole Arbitrator / three Arbitrators having regard to the nature of the dispute.
6. On reference, Arbitral Tribunal shall issue notice to both the parties requiring them to submit their written statement of case and the documents in support of their cause within specified time. The Arbitral Tribunal shall enclose a copy of the application submitted by the aggrieved Applicant along with the notice. If any of the parties either fails to submit their written statement within the specified time or attend the proceedings of the Arbitral Tribunal without sufficient cause, the Arbitral Tribunal shall decide the case ex parte / or dismiss the application for default .
7. The Arbitral Tribunal shall adopt its own procedure for hearing and disposal of the case, which shall be in conformity with the principles of Natural Justice.
8. The Arbitral Tribunal shall make the Award as expeditiously as possible preferably within four months from the date of their entering on the reference. The date of service of notice on the parties shall be taken as the date of entering on the reference. The Arbitral Tribunal shall be entitled to make one or more interim Awards.
9. (a) An Arbitral Award shall be made in writing and shall be signed by the members of the Arbitral Tribunal. In Arbitral Tribunal proceedings with more than one Arbitrator, the Signature of the majority of all the members of the Arbitral Tribunal is sufficient so long as the reasons for any omitted signature are stated.



(b) The Arbitral Award shall state the reasons upon which it is based unless the Arbitral Award is based on agreed terms of the parties.

(C) The Arbitral Award states its date and the place of Arbitration

(d) After the Arbitral Award is made; a signed copy of the Award shall be delivered to each party. The Arbitral Tribunal shall also deliver one copy of the Award to the Registrar for the purpose of record.

10. Where the Arbitral Award is for the payment of money, a sum directed to be paid by an Arbitral Award shall, unless the Award otherwise directs, carry interest eighteen per centum from the date of the Award to the date of payment.

11. (a) The costs of the Arbitration shall be fixed by the Arbitral Award.

(b) The Arbitral Tribunal shall specify the party entitled to costs and the party who shall pay the cost.

Explanation: "Costs" means reasonable costs relating to the:

(i) The fees and expenses of the Arbitrator and witnesses if any.

(ii) Legal fees and expenses if any.

(iii) Any administrative fee of the Association for supervising the Arbitration and

(iv) Any other expenses incurred in connection with the Arbitral Proceedings and the Arbitral Award.

12 SETTLEMENT: It is not incompatible with an Arbitration agreement for the Arbitral Tribunal to encourage settlement of the dispute and with the agreement of the parties; the Arbitral Tribunal may use mediation, conciliation or other procedure at any time during Arbitral Proceedings to encourage settlement.



13. TERMINATION OF PROCEEDINGS:

- (i) The Arbitral proceedings shall be terminated by the final Award.
- (ii) The parties agree on termination of the proceedings
- (iii) The Arbitral Tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.

14. FINALITY OF AWARD: An Arbitral Award shall be final and binding on the parties and persons claiming under them respectively.

15. ENFORCEMENT: On expiry of thirty (30) days from the date of Award, the Arbitral Awards shall be enforced under the code of civil procedure code, 1908 in the same manner as if it were a DECREE of the court.

16. All the Arbitral Proceedings shall be subject to and be governed by the Arbitration and Conciliation Proceedings Act, 1996, wherever these rules are silent on any aspect.

17. The managing committee of KPMSA will review the procedures and rules as and when required.

18. The Members of Arbitration Board's term will be for 2 Years and there after AGM of KPMSA will nominate New Board.



ARBITRATION CLAUSE TO BE INSERTED IN INVOICES / DC / LR

1. All the dispute and differences in respect of this transaction shall be settled through Arbitration under Karnataka Paper Merchants & Stationers' Association (Regd) Arbitration Rules.
2. All the disputes are subject to Bangalore Jurisdiction and will be decided at Bangalore only.



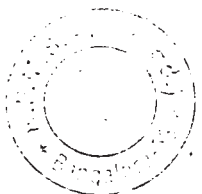
Please submit the following declaration to the Association immediately

I, ASHOK KUMAR GUPTA son of Sri NARSINGH DASS GUPTA
---, am the Proprietor / Managing Partner / Managing Director of
M/s INDIA PAPER PRODUCTS / SUDHIR PAPERS / SYNCEM

Hereby declare that, I have read The Karnataka Paper Merchants' & Stationers' Association (Regd) Arbitration Rules and I hereby agree to abide by The Karnataka Paper Merchants' & Stationers' Association (Regd) Arbitration Rules in order to settle my disputes expeditiously, if any, with a Member or Non-Member of Karnataka Paper Merchants' & Stationers' Association (Regd) Arbitration Rules

Bangalore
Dated:

Signed by
Ashok Kumar Gupta
With the seal of the Firm



SYNCEM
4506, HIGH POINT IV
45, PALACE, ROAD,
BANGALORE - 560 001

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