



INDIA ADR WEEKDAY 5: DELHI

SESSION 2

Bridging the gap: domestic arbitrations and international arbitrations

10:30 AM To 12:00 AM IST

Moderator:

James Nicholson, Senior Managing Director, FTI Consulting

Speakers:

Justice (Retd) Sanjay Kishan Kaul, Former Judge, Supreme Court of India

Aditya Jalan, Partner, AZB & Partners

Binsy Susan, Partner, Shardul Amarchand & Mangaldas & Co

Ketan Gaur, Partner, Trilegal

Gaurav Pachnanda, Senior Advocate at the Supreme Court of India



1 **HOST:** Can I request everyone to please take their seats? We'll be starting with the next
2 session soon. The next session is by FTI Consulting on bridging the gap, domestic arbitrations
3 and international arbitrations. On the panel, we have Mr. James Nicholson, Senior Managing
4 Director, FDI Consulting, as the moderator for the session. We have Justice Sanjay Kishan
5 Kaul, former Judge of the Supreme Court of India. Mr. Aditya Jalan, Partner at AZB &
6 Partners. Ms. Binsy Susan, Partner at Shardul Amarchand & Mangaldas. Mr. Ketan Gaur,
7 Partner, Trilegal and Mr Gaurav Pachnanda, Senior Advocate.

8

9 **JAMES NICHOLSON:** Thank you very much. Good morning, everyone, and welcome to this
10 panel on Bridging the Gap between Domestic Indian Arbitration and International
11 Arbitration. My name is James Nicholson. I act as an Expert Witness on Damages with FTI
12 Consulting. I'm based in Singapore and work primarily across the Asia region. Thank you all
13 for prioritizing being with us here today. And thank you to my wonderful panel, who I will
14 introduce briefly before we get into the substance of today.

15

16 So firstly, Justice Kaul, We're very honoured that Justice Kaul has joined us today. He retired
17 as a Judge of the Supreme Court of India in 2023 after nearly seven years on that court and
18 authoring some 170 judgments. Justice Kaul previously served as Chief Justice of the Madras
19 High Court and the Punjab and Haryana High Court over a 22 year career as a judge, which
20 was preceded by 17 years practicing on the commercial, civil and company side of the Delhi
21 High Court and before the Supreme Court of India. Since his retirement as a judge, Justice
22 Kaul has been nominated by parties appointed by the Delhi High Court and the Supreme Court
23 of India as sole arbitrator. In several arbitrations, domestic and international, and he's also
24 given evidence on Indian law as an expert witness in England and in the United States. And I,
25 given my background, was pleased to see that Justice Kaul also has a degree in Economics.

26

27 Moving further to the left, Aditya Jalan is a Partner with AZB's office here in Delhi with
28 industry resolution and his practice includes commercial disputes, domestic and international
29 arbitration, regulatory investigations, and white collar crime defence for a wide range of public
30 and private sector clients. To his left, Binsy Susan focuses on corporate and commercial
31 litigation and arbitration from the Delhi office of Shardul Amarchand Mangaldas. Having
32 started her career as a transactions lawyer, Binsy has a particular interest in issues of data
33 privacy protection and cybersecurity for social media companies. Binsy was among her many
34 accolades, named Litigator of the Year, India and Middle East by Asia Legal Business Women
35 in Law Awards last year

36



1 To her left, Ketan Gaur is a Partner with Trilegal also based here in Delhi. He practices across
2 arbitration, general commercial litigation, insolvency and bankruptcy and white collar crime
3 litigation. And Ketan is also registered as a foreign lawyer in Singapore with rights to appear
4 before the SICC and a Singapore Court of Appeal. And last but not least Gaurav Pachnanda is
5 a Senior Advocate, here in India with a practice before the Supreme Court of India and other
6 courts and Tribunals, focused mainly on commercial and corporate litigation including
7 domestic and international arbitration. Gaurav is also a barrister in England and Wales based
8 out of Fountain Court Chambers in London, where he engages in similar work, often with a
9 multi-jurisdictional component. And Gaurav is also a foreign registered lawyer at the SICC
10 garage, sits as an arbitrator, acts as lead counsel and has given expert evidence on Indian law
11 and international arbitrations.

12

13 And I couldn't think of a better panel to address this issue of bridging the gap between
14 domestic arbitrations and international arbitrations. Is there a gap? Where does that gap
15 consist of? Should that gap be closed? How could that gap, if it exists? These are fascinating
16 questions, and I'm very grateful to my panel for the time they've put into preparing this panel
17 and being with us all today. So with all that, I'll move to our first question, which is a question
18 for Justice Kaul. Parties often lean towards safe choices by appointing arbitrators they know
19 or who have been appointed frequently. How can we break that cycle, partly with the aim of
20 getting more diversity among arbitrators and underrepresented arbitrators, giving them a fair
21 chance to be appointed? And are there things that domestic arbitration can learn from
22 international practices in this context?

23

24 **JUSTICE SANJAY KISHAN KAUL:** Good morning. So I think there can be no caveat with
25 the proposition that an arbitration is only as good as the Tribunal, educating it and Gary Born
26 has noted, and in my view, rightly so, that the arbitral process and its procedure are at the
27 heart of conduct of any arbitration proceedings. To a large extent, the tone of the arbitration
28 or selection of those manning the Tribunal assume great significance. Now arbitration has
29 emerged as a preferred mode of dispute resolution for commercial disputes and, of course, the
30 liberty to the Parties to choose the decision maker who should educate the dispute. But then
31 the person being chosen should not be like my guy in that sense. It should be based on
32 consideration of his impartiality, independence and specified policy consideration, especially
33 taking into consideration his expertise in the subject because they may be even within the
34 commercial side, there may be different aspects which need expertise, and there are
35 arbitrators who specialize in certain fields.

36



1 On the diversity aspect, in 2012, a survey by Queens Mary University of London found that
2 92% of the practitioners who responded preferred some role in selection of their wing on the
3 arbitrators. Reason is not difficult to discover that the ability to participate in choosing
4 arbitrators gives the commercial Parties a degree of certainty and predictability of the
5 arbitration proceedings. Increasing the diversity may be governed by some of the procedures.
6 I would say that by an agreement of the parties, in the case of an ad hoc arbitration, in the case
7 of a three membered, ad hoc arbitration, the appointment to the presiding arbitrator falls
8 within the domain of the co-arbitrators. It can be by arbitral institutions. It can be by
9 professional institutions and trade associations like the Grain and Feed Trade Association or
10 the appointment by courts as the seat of arbitration.

11
12 To great degree, at least insofar as the ad hoc arbitrations are concerned, the Parties are likely
13 than not, to elect arbitrators who are already established and considerations to appointment
14 would be whether he's efficient. What is the past report on his handling? How quickly they
15 handle it, and the ability to get into a contractual interpretation. On the other hand,
16 appointment by institutions and courts of seats of arbitration as elite, where a push can be
17 given towards a more diversity of appointment. Lately, the Supreme Court of India has
18 appointed practitioners as arbitrators in international commercial arbitrations. Mr. Gourab
19 Banerji, a Senior Advocate, was appointed in a dispute by the Supreme Court and the Supreme
20 Court also appointed an accomplished lady lawyer as a sole arbitrator in an international
21 dispute. If you're looking to the issue of women representation, this marked shift from practice
22 of appointing retired judges in arbitrators, to my mind, is solitary. Personally, I have sat in
23 Delhi High Court on both the arbitration appointment jurisdiction and the appellate
24 jurisdiction and I used to make it a point that wherever, at least the stakes are not huge and
25 party, they agreed to a point from younger lawyers to senior advocates. Because I've never
26 believed it's a preserver, only the retired judges to be appointed as arbitrators. That's the
27 international practice also. So in domestic arbitration that could be incorporated. I found that
28 there's no dearth of capable young counsels who have dealt with handling these commercial
29 disputes. Some of them, I'm quite aware, are handling as many as 8-10 arbitrators already,
30 and they've grown with them. So as they handle arbitration, they grow with it.

31
32 Similar shift in appointment has taken place under Section 11, where at least in the Delhi High
33 Court we just had a discussion and Ketan is telling me the number of points are very, very
34 large. They can be up to, 20 a day almost, because there are three benches dealing with
35 arbitrations. Recently came across a report of this cross institutional task force of gender
36 diversity in arbitrator appointments and proceedings. And the committee chaired by the
37 venerate ***Carolyn Lamb and White case*** comprising women practitioners in the field of



1 arbitration across jurisdiction, highlighted the challenge of a more diverse appointment
2 structure. The report unfortunately starts by noting that the 2016 survey by International law
3 firms concluded that most Respondents state that gender diversity was either not that
4 important or not important at all. Report also makes a profound observation on diversity may
5 be necessary also to void the risk of having a decision tainted by cognitive or unconscious bias
6 and grounding. A more inclusive pool of moderators to draw from and willingness of parties
7 to appoint them would thus be better.

8
9 Let's take an example. This is also more important in case of, say, an investment arbitration,
10 where the roster of arbitration to choose from is even narrower. And thus, it exacerbates the
11 problem of double hatting. The counsel acting as an arbitrator and counsel at different
12 arbitration, which may have a similar issue while sitting in arbitration and may have
13 unconscious bias is something which may slip into such a situation. It's not to cast an aspersion
14 on his independence, but this is the possibility. I am saying that in the short term we would
15 see a positive shift in the arbitrator appointments being made, including domestic levels and
16 internationally. From my own experience, I can say, I was a nominee arbitrator in
17 International Commercial Arbitration and a lady QC was appointed by the other party, and it
18 came to a presiding arbitrator. We mutually agreed to draw a list of the practitioners and
19 judges as well, from varying nationalities, including relatively younger women practitioners,
20 but we could not get down to the choice of women practitioners somehow. But taking this into
21 account, I feel this diversity will take a little more time to pan it out. But it is necessary so that
22 it is spread out as arbitration work course. In some countries, I would say in this process, I
23 found that we were picking up people in that list, even from countries, say Ukraine, from
24 Singapore, from China, and as a Supreme Court judge appointing arbitrators, we made a
25 conscious effort, I would say where there were two countries in world who tried to pick up a
26 person from a third country. Thank you.

27
28 **JAMES NICHOLSON:** Thank you, Justice Kaul. And Gaurav, just expanding further on that
29 issue of women in arbitration, the community of arbitrators often can seem quite male
30 dominated. Are there things that the community can do and that women in arbitration can do
31 to help break into that community?

32
33 **GAURAV PACHNANDA:** Thank you, James. As by way of a background, there are two
34 trends that we need to acknowledge. One, of course, is that when it comes to the number of
35 women sitting as arbitrators in international arbitration, and the number of women sitting as
36 arbitrators in domestic arbitration, there is a significant gap. I wouldn't have the exact
37 numbers, but based on my experience, I can quite conclusively make a statement that you are



1 more likely to find a good woman arbitrator sitting as an arbitrator in a high value dispute
2 more often, and it is still an upcoming trend in domestic arbitrations. The other trend is that
3 even the process of bridging this gap internationally is moving much faster than the process is
4 moving in domestic arbitration. Now, both of these might be a result of conscious efforts, but
5 both of these might also be a result of some inherent shortcomings in the arbitration
6 ecosystem. My own view is that we need to look at this gap, particularly when we want to bridge
7 the gap between domestic arbitration and international arbitration for these two trends. We
8 need to look at this from two perspectives. The first perspective is the perspective of what is
9 the state of our legal profession generally, as of today. And the state of our legal profession, in
10 a domestic context, is still such that women are much more present in all limbs of the
11 ecosystem than they were before. But there is a lot more that is to be done. There is scope for
12 greater accommodation. There is scope for greater overcoming of biases, institutional biases
13 in the domestic arbitration setup. It is a process of constant engagement, and the domestic
14 arbitration set up and then the legal profession generally in domestic arbitration. They are all
15 subsets of our society, and this is a long drawn process. We require patients time for that to
16 catch up. But that does not mean that short term efforts should be lost sight of, and I think
17 short term efforts are significant and I personally think that they can broadly be divided into
18 three steps or three prongs.

19

20 First, of course, is acknowledgment. Acknowledgment of the trend that we are not doing
21 enough that is being done internationally and acknowledgment that there is need for fairer
22 representation for women.

23

24 Second is to nurture your talent. There are increasingly a significant number of commercial
25 practitioners from amongst women who are respected, do very good quality work. But I am
26 not sure whether very many of them would have started thinking about the next stage in their
27 professional development, which is preparing to sit as an arbitrator. So that is the commercial
28 bar generally needs to nurture that talent, professionals at that level need to help each other
29 to nurture that talent from amongst the commercial bar.

30

31 And third, of course, is appointment and to some extent, there should be a conscious effort to
32 make sure that more and more women are appointed to give fairer representation for those
33 who could potentially be very good arbitrators, but don't feel confident enough to sit
34 immediately. They should look for appointments as Tribunal secretaries for the first two cases
35 and then think seriously about exploring appointments as arbitrators. And I think women who
36 are in positions of significance in the commercial bar should help women to the extent that
37 they can.



1

2 **BINSY SUSAN:** James, being the only woman on the panel, can I quickly chime in. On the
3 first issue of widening the pool of arbitrators, while I think there's obviously a much wider pool
4 of arbitrators today than there were seven years ago, eight years ago, I think what's lacking is
5 a concerted effort towards training arbitrators. And while we have very highly trained judges,
6 a lot of commercial lawyers sitting in law firms and at the bar are not trained to be arbitrators,
7 and really, there is a gap to be bridged in terms of the international practices followed in
8 international arbitrations and domestic arbitrations. The CI Arb, of course, trains a number of
9 arbitrators globally. Singapore, a number of years ago made its own SIAC up to create that
10 wide pool of trained arbitrators. I think, given the scale that we have of arbitrations in our
11 country, it's something that we should think of to put in place legislatively, create a body that
12 will train arbitrators. On the issue of women representation, I must say that it seemed to say
13 that while there are issues of bias, always, of course, as Justice Kaul mentioned, now, we have
14 a number of appointments of women lawyers, even coming from the Supreme Court globally,
15 MCIA, even in India and NCAC. They follow this system of rotation of appointment of women
16 arbitrators. At least every third arbitrator is a woman arbitrator. Perhaps even courts could
17 adapt that to make sure that it's more balanced in the future. But I think there needs to be,
18 there is a lot of onus on institutions to make sure that that happens but equally as Gaurav said
19 there is also a lot of onus on the law firms who are mostly, or the lawyers who are pointing
20 arbitrators to push that through.

21

22 **JUSTICE SANJAY KISHAN KAUL:** Incidentally, yesterday the Supreme Court has passed
23 a model on representation of women in Bar Association in Delhi asking them to adopt a norm
24 so that there is a greater representation. I'm only on the representation aspect and for judicial
25 appointments across the country, I've been. The number now by merit, with no reservation, is
26 gone beyond one-third in a place like Delhi where I did a selection. It was 78% women at that
27 time. So the changeover is taking place, needs to be a little faster.

28

29 **JAMES NICHOLSON:** Seems some very positive moves there and looking at how the
30 representation of women as arbitrators has evolved internationally in the last ten years shows
31 that a lot can be done because a lot has changed internationally. So, hopefully India can follow
32 in that direction. So an important topic, but we'll move on to the next topic which is advocacy,
33 written advocacy versus oral hearings. And Ketan, do you think written advocacy can make
34 domestic arbitration proceedings more time and cost efficient? And what benefits and
35 challenges do you see? And perhaps for those of us who are less familiar with domestic Indian
36 practice you could start with a word about how advocacy is currently done in India?

37



1 **KETAN GAUR:** Sure. In domestic arbitrations, based on experience, arbitrations can, final
2 hearings can sometimes go on for... you can have 14 days, 15 days of oral advocacy after trial
3 which is conducted. And typically, to get dates from arbitrators, you'll be given dates in slots
4 of either two days or three days or four days. And to get those slots can be a fairly time
5 consuming process. You have a lot of adjournment requests that are often made. And we've
6 seen just finally, hearings going on for a period of anywhere between six months to twelve
7 months where parties will take in domestic arbitrations to conclude the final hearings. So,
8 there is a lot of benefit that one could potentially make if we limit the time spent on oral
9 advocacy in final hearings and move to a pattern of Britain advocacy, a whole host of benefits
10 which I'll, of course, deal with, and like you said the question itself answers it. It's time and
11 cost. It's cost efficient as well. You'll be saving on fees of counsel, which not many of us here
12 would be happy with, but arbitrator's fees, per sitting charges, charges towards lodging, travel,
13 transcription, evidence, there's a lot of cost saving that will also take place. And based on some
14 surveys that we've seen in the domestic market as well, there is an overwhelming response
15 towards moving towards written advocacy and moving away from final hearings and oral
16 advocacy in arbitrations now.

17

18 Now, looking at ways in which these final hearings and oral advocacy can be dispensed with
19 situations, there are some in-bridge mechanisms which are there in institutional rules, the
20 MCI A as well, where if you can opt in for an expedited procedure, if the team threshold meets
21 the requirement. But it would still require Parties to opt in for it. It's still the exception, not
22 the rule. So while these mechanisms are there in institutional setups, the majority of
23 arbitrations in India are domestic arbitrations and we haven't really seen... In my experience,
24 I haven't come across a domestic arbitration where we've dealt away with oral advocacy and
25 final hearings and there's a lot of concentration by counsel and arbitrators towards final
26 hearing matters where you rely on the last few days to ensure that you've made your point
27 across. You're also ensuring that the arbitrators would make their notes in the last few days if
28 they missed something in trial, and specifically because of the time between the trial and the
29 final hearing. You'd also want to keep refreshing the mind of the arbitrators who are very busy
30 in India as to what's transpired during the trial and the final hearing. So there is that gap there,
31 and that needs to be certainly bridged.

32

33 We've seen in international arbitrations where, irrespective of the claim amount, the Tribunal
34 will perhaps dispense with the requirement of having a final hearing. The trial itself is
35 compressed to maybe three or four days, depending on the number of witnesses, and that's
36 really unheard of in the domestic circles where you'll have one witness who will be clocking
37 them in for three to four days. That's routine because of also the manner in which questions



1 are put, not having means to have live transcription services because parties have not opted in
2 for it and recording of evidence becomes very slow. These are all measures that one could, of
3 course have there. The other benefit would, of course, be that parties would be able to focus
4 on their pleadings in a far more efficient manner, to have more detailed pleadings, to have
5 more relaxed times to file pleadings and written submissions, document disclosures for
6 instance. Parties can spend a lot more time towards those aspects on procedural requirements
7 and move away from the requirement to have a detailed cross examination where everything
8 on the witness statement or every statement made by a particular witness has to be questioned
9 by counsel and allowed by arbitrators. That comes with a few challenges in India, particularly
10 in the context of natural justice challenges in set aside proceedings. And it is fairly common
11 for parties to take those objections in a set aside and to do away with that to show why in the
12 circumstances no advocacy was dispensed with, would be required to be shown to the judge
13 who's hearing your application. Because like I said, that is the rule, to have a rule to have oral
14 advocacy and not the exception. The other thing is to have a clear waiver of parties when
15 dispensing with the requirement of having oral advocacy or final hearings and moving away
16 to and moving towards written advocacy and written submissions. We've seen this play out in
17 some situations in favour, particularly to dispense with the requirement of, particularly
18 dispensed with the set aside ground in the 34 in the High Courts here.

19

20 And lastly it should be made clear that, if at all, there are any clarifications or questions that
21 either parties or the arbitrators have, for those aspects, if at all required, an oral hearing can
22 take place. Can take place virtually to save time, it needn't be physical, and these are sort of
23 some steps which can be taken to do away with the challenge. Do away with the problems that
24 will arise out of the challenges dealing with dispensing with the requirement to have oral
25 advocacy.

26

27 **JAMES NICHOLSON:** Thank you. And the way that would be an agreement between the
28 parties not to challenge, preventing them from challenging in court, the procedure.

29

30 **KETAN GAUR:** That's right. Or having that waiver recorded as part of a procedural order in
31 the arbitration.

32

33 **JAMES NICHOLSON:** Yeah, thank you. And Gaurav back to you. In international
34 arbitration, the parties often submit very organized, detailed written arguments. They can also
35 be quite long at times. Are there things that the domestic Indian arbitration can learn from
36 those international practices?

37



1 **GAURAV PACHNANDA:** Yes, of course. As Ketan was mentioning, I think first of all, as a
2 general trend in domestic arbitration, you do not see the same kind of reliance on written
3 advocacy as you should. Of course, my personal view is that oral advocacy is overrated when
4 it comes to commercial disputes. Written advocacy is a very powerful tool of distillation of
5 your case, post-trial, and then placing it in the most efficient manner for consideration. It's
6 resorted to not as frequently as I would expect it to be in domestic arbitration as well as
7 commercial dispute resolution in courts in commercial trials. If I was to give some general tips,
8 I don't think I'm perhaps not perhaps the best person to give those tips, but if I was to give
9 some advice to my colleagues who have decided that they are going to focus mainly on written
10 advocacy for a post-trial hearing, the first thing that I would suggest is focus on simplicity. Our
11 style of advocacy generally is unnecessarily verbose. We rely a lot on technical terms. I think
12 simplicity is one of the most powerful tools of written advocacy, and simplicity requires a lot
13 of conscious effort.

14

15 Second, is brevity. To be brief in what you write, and I don't remember who said this, but
16 somebody started writing a long letter. I think it was Shaw who wrote a long letter and said,
17 I'm very sorry for writing this long letter because I didn't have enough time to write a short
18 one. Brevity also requires a lot of effort, but it assists the Tribunal no end, because the job of
19 the Tribunal is to sift through all the irrelevant facts, deliver irrelevant developments and come
20 to the meat of the matter. In a complex commercial trial, it requires a lot of time and lot of
21 effort to sift through tons of documents, and if assistance can be provided in that exercise that
22 is valuable.

23

24 Third, I think... simplicity, brevity, and the third, I think, would be distillation. I think analysis
25 and distillation is the most important tool of successful written advocacy. And I would say the
26 process of distillation would involve first, thinking. A lot of written advocacy that I see in
27 domestic tribunals is a cut and paste of the pleadings and cut and paste of applications and
28 replies that have been submitted during the stage of the trial. But when you're coming to
29 written advocacy for the purpose of final hearing, it requires a lot of thinking and analysis to
30 then be able to focus only on point that are winning points that are of significance and be ready
31 to throw in the bin, points that have lost significance post-trial. The second, I think most
32 important process of distillation is to pre-empt the other side's case to the extent possible, and
33 deal with it in written advocacy. The best scenario would be that a Tribunal would ask the
34 question, and you're able to see that the answer is in the next sentence of what you're reading.
35 So I think pre-empting is also a very important tool that would make written advocacy very
36 efficient.

37



1 And perhaps the fourth point would be not to waste paper on explaining the other side's case.
2 I see that very often that one party, that is trying to put forward its case, spends a lot of time
3 in explaining the other side's skills, and I think that leads to a lot of, increases the length of
4 written submissions. Those are tools that can be relied upon to make efficient written
5 submissions. The most important practice that I think that can be followed in written
6 submissions is that, to the extent possible we have, a lot of us think that we will have a practice
7 of developing our case during oral submissions and then following it up with a written
8 submission. But I think preparing a pre-hearing written submission is the best exercise for
9 preparing for the oral hearing because then the oral hearing would be very focused, very
10 limited. And if the Tribunal or a judge has read your written submissions, the deed is done.
11 You've put your best case forward. In shorter hearings even if you don't have time for detailed
12 written submissions, use of short skeletal submissions prehearing is a very good idea. It's a
13 very good idea. Thank you.

14

15 **JAMES NICHOLSON:** Thank you very much. Yes?

16

17 **BINSY SUSAN:** So, I think my favourite point, of course, is to identify what the winning
18 points are. Because by the time you're at the end of the trial, you should know what your
19 winning points are. But in the Indian context everyone has FOMO, right? They feel that if they
20 give up that point, then it's going to come and bite them at the stage of enforcement and it's a
21 waiver, and a lot of public sector undertakings won't be willing to do that. Right? So it's a very
22 difficult call to take as to how to balance those winning points and where you're waiving
23 something because you haven't.

24

25 **GAURAV PACHNANDA:** In a good commercial case that is the role of the lead counsel, and
26 he or she should be able to take those calls.

27

28 **ADITYA JALAN:** I'm sorry. If I may, as lead counsel, the difficulty's also sometimes not your
29 counsels or briefing counsels, but the client itself because the client normally does not care
30 about either brevity or how much time does he take written advocacy or oral advocacy. What
31 he wants to do is, at the end of the day, he wants you to take all arguments that are available
32 so that at the end of the day, he wins the case. So I believe clients also need to have that faith
33 in their lead counsel, the team of counsels that you can let go of certain points, and it's not
34 going to negatively impact your case.

35

36 **GAURAV PACHNANDA:** At the cost of taking more time than I should have taken I'll give
37 you one example. In the rules of professional ethics applicable to barristers in England, it is



1 professional misconduct if you argue a point which you believe doesn't have good chances of
2 success. That is the extent of obligation imposed on the counsel. That is putting forward a case
3 and imagine if in India we had that rule, or even if it was not a written rule, an unwritten rule
4 that it is not proper for a counsel who's making submissions to waste the time on court on
5 matters which he knows *ex facie* have no chances of success, on points that have no chances
6 of success. It requires a little bit of change of culture, I think.

7

8 **JUSTICE SANJAY KISHAN KAUL:** Actually, the task is more difficult for an arbitrator as
9 compared to a judge, because all said and done, judge after a stage can ask you to shut up
10 which doesn't happen in an arbitration because I've realized the situation in a short time. You
11 have to be far more lenient in what you do, but yet I think the arbitrator can control the
12 proceedings and the arbitrator has done his groundwork and controls the proceedings, the
13 task would become simpler.

14

15 **JAMES NICHOLSON:** Thank you. Very interesting ideas there. And to continue on the
16 theme of efficiency but from quite a different angle. Binsy, you've done a lot of work in the tech
17 space, so this is a good question for you around the use of AI and technology. Can those tools
18 make domestic arbitrations more cost than time effective? And are there things again that can
19 be learned from international practice?

20

21 **BINSY SUSAN:** Yeah, I think the answer to that is an emphatic yes, of course. And I think
22 technology is here and it is pervaded all aspects of our life, and there is just so much efficiency
23 that can be brought about by use of technology. And obviously a lot of good work is already
24 being done, and this is something that's, I think, talked about fairly in all conferences these
25 days. I think it's something that we have started to change about how we run our arbitrations.
26 And thanks to COVID, of course, we've had virtual hearings. We now have our own
27 transcription companies, which are Indian companies, and I think that's brought down the
28 price levels significantly and those are all very good things. But if I were to critically evaluate,
29 in terms of time, what an efficiency, what are the big stages where we could deploy technology
30 to make it more efficient? I think it would be the stage of discovery and disclosure. Very
31 surprisingly, I think discovery and disclosure still takes a very, very long time in domestic
32 arbitrations and even if parties follow the Redfern Format, the process of just responding to
33 that goes on there are supplementary schedules and there are hearings, and arbitrators tend
34 to spend a lot of time on discovery and disclosure. So I think that is a stage where we can
35 effectively deploy a lot of technology. There are of course, a lot of e-discovery platforms
36 internationally, which I think we use a fair bit in a lot of other practice areas, like white collar
37 for instance. It's just not used as much in discovery and disclosure platforms like Relativity



1 and Nova. I think these are very, very good platforms for people to disclose documents. We
2 should also put a certain amount of onus on them, because in India, everybody wants to hold
3 back. And there is, unfortunately, that culture of holding back relevant documents on the basis
4 of confidentiality or privilege and all of that. The beauty of these platforms is that even if
5 something is confidential and privileged, a party has the onus of putting it out there and
6 flagging or tagging it as privileged and confidential, which would mean that the arbitrators, it
7 would be only for the arbitrator's eyes, and he would have the ability to quickly determine
8 whether or not it is in fact privileged and whether disclosure should be denied.

9
10 I think use of e-discovery platforms will significantly simplify the process and actually dilute a
11 lot of these tactics, which are followed by parties to resist discovery and disclosure. Of course,
12 there is that larger issue of, is this a very intrusive style of discovery and whether India is ready
13 for that. But even if we were to use this in a modified form, I think we will have great learning.
14 The other area where I think, again, we've started to make some progress, and I think we can
15 benefit greatly from other players coming to the market as transcription because traditionally
16 trial has of course taken a very, very long time. It's not unheard of for trials to go on for months,
17 sometimes six, seven months spread over several years. We have TERES now doing some
18 extraordinary work. But I think it's telling that in a country as large as India, where we have
19 so many arbitrations, we still have only one or two such players, and I hope that changes in
20 the coming few years, and we have a lot more players in the market.

21
22 The third, I think, is something which law firms can use. And again, I think a lot of law firms
23 are now adopting AI in a lot of document management, document processing, drafting, proof
24 reading, contract, compare, there are a number of tools. I mean, SAM, for instance, uses
25 Glittera and Luminance which are extraordinary. They're very, very useful. And I know a lot
26 of other international offerings also follow it. I think we should use that more and more and it
27 will cut down the time that is taken for document review, which is the other heavy piece in
28 arbitration. So I think, obviously, some good work is being done, but a lot more can be done
29 and technology can be put to good use.

30
31 **JAMES NICHOLSON:** Excellent, it's good to talk about what's happening with AI now,
32 rather than what might be happening in the future which doesn't always come as quickly as
33 this promise. So that's all very interesting,

34
35 **GAURAV PACHNANDA:** But as Binsy has been, she said now in India is yesterday in the
36 rest of the world.

37



1 **JAMES NICHOLSON:** There are risks. So what are the risks? What are the hurdles to
2 further adoption of AI in dispute, in India particularly?

3

4 **ADITYA JALAN:** So, I believe more hurdles than risks because AI yesterday is a topic in
5 conferences for sure but gradually it's also becoming a reality. And the biggest example of AI
6 becoming a reality is what happened earlier this week. Earlier this week the Supreme Court of
7 Singapore has issued its first ever guidelines on use of AI. Now, the guidelines don't only
8 recognize the fact that you can use AI in Supreme Court of Singapore, but it also identifies the
9 risks with AI. Importantly it has a guideline which defines what AI is. Now, loosely speaking,
10 AI is not all technology, not all advancement is AI. It's very interesting to read how the
11 guidelines are defining what AI is, and I'm going to actually do that.

12

13 So the guidelines of the Supreme Court of Singapore identify AI refers to technology, set to be
14 able to perform tasks that require intelligence. These tasks include reasoning, problem solving,
15 learning, and planning. For the avoidance of doubt, it does not include technology which
16 merely corrects spelling or grammar and does not generate content based on prompts. So it
17 sort of today reduces what people understand AI to be. And Mr. Pachnanda, you're, right.
18 What possibly is today internationally will be tomorrow in India. So India also needs to
19 recognize how to use these AIs more accurately, identifying its risks, identifying the hurdles
20 that are there. If I am to go with the 'A' theme of Alternate Dispute Resolution, ADR and AI.
21 The three A's that I believe one should keep in mind when talking about risks or hurdles in AI
22 it's Adept, Allow and then Adopt. I believe AI today is still pretty young. In 2023, there were
23 two lawyers in New York who were sanctioned for having used AI to come up with judgments
24 that never existed. It is the fault of those lawyers that they used those AI generated judgments
25 without doing a fact check or a reality check. It is equally the fault of AI for not recognizing
26 that these are fake judgments and producing it for use in courts. So I believe there is a distance
27 that needs to be travelled by all AI tools in order for it to be able to be used either in court
28 proceedings or in arbitrations by either practitioners or by arbitrators.

29

30 Yes, Binsy is absolutely right when she says that there is immense amount of use case for AI.
31 And again, James, mentions that let's talk about how AI is today and not what it can become
32 tomorrow because that's just guesswork. But in order for it to be able to be used with a factor
33 of trust and confidence by Arbitrators, by practitioners, or by clients it has to be more adept.

34

35 Second, is Allow. There actually needs to be a legislative recognition for AI to be allowed,
36 especially in international arbitrations and domestic arbitrations because you do not want
37 issues such as natural justice, unfair play, bias to creep in as challenges because an arbitral



1 award is a work product, partially or fully of AI, either by use through arbitrators or by
2 practitioners. Also, as more and more arbitrations in India start getting an international
3 flavour, one needs to recognize that different jurisdictions across the globe may have different
4 limits of recognizing AI. So until there's a balance of that it could be an issue of fair play as
5 well, where for example, one country which is technologically most sound and is willing to
6 adopt AI more emphatically, allows its lawyers and arbitrators to use AI. But the enforcing
7 court or lawyers in another jurisdiction are not permitted to use AI because their country does
8 not recognize it. So that's why being allowed is equally important.

9
10 And of course, after that, it is to Adopt. While there may be a possibility that tomorrow you
11 have a judgment where all the data is fed into an AI tool, and the AI comes out with a judgment
12 that is fair and considering all algorithms, but I think that's a little bit too in the future. I believe
13 the first use case is where practitioners and arbitrators adopt AI as an assistive tool and as an
14 assistive tool, it may have a lot of case benefit. For example, we recently have EPC Contractors
15 internationally who've reached out to us discussing how AI can be used in their standard form
16 contracts to see mitigation of risks, to identify which clauses are more risk prone in disputes.
17 Because at the end of the day, EPC contracts we see a general trend of disputes, how it happens.
18 So they want to identify what is the trend? Which are the more riskier clauses, and how can
19 those clauses be tighter? I believe this is a very important use case where industries identify
20 what in international practice can be used in order to tomorrow have lesser disputes? Because
21 dispute avoidance is equally important as dispute resolution and if AI can be used to avoid
22 certain style of disputes, I believe that's going to be very beneficial and we can fight over the
23 real things and not over procedural aspects and mundane issues which really are being fought
24 only because lawyers can make more money over it and clients are not really interested with
25 it. Goldman Sachs has in fact, come out with some statistics where it has identified that
26 approximately 25% of all tasks that are currently being doing can be shifted or done by AI.
27 They also say that when it comes to the legal industry, the numbers rake up to 44% instead of
28 25%, in general. The worry is, are any of us losing our jobs? I don't think so. If we can adopt
29 an adept technology in our use, I believe there will be at a time when there are going to be two
30 kinds of people. One who've ignored AI and the others who've adopted it and advanced with
31 AI. And once these hurdles are crossed, I believe AI is going to be what transcription is today
32 or what e-discovery platforms are today, is the AI for tomorrow. Thank you.

33

34 **BINSY SUSAN:** I really like that point Aditya, on how AI can be more better used in certain
35 kind of disputes. And when we sit down and talk about AI being... So, one is AI being a tool,
36 right, in dispute resolution. And the other use of AI is as the decider itself as the person making
37 the decisions. And we think we get very nervous when we talk about this on this issue because



1 we believe there's no legislative framework today. It could potentially be hit by public policy at
2 the stage of enforcement, et cetera. But what we do not realize is that there is a great deal of
3 acceptance already in our systems. Amazon, for instance, your regular complain that you raise
4 on Amazon for a faulty product for over 15 years is being resolved through AI, right? Your
5 regular social media platforms, when a complaint is made that there is, for instance, or maybe,
6 for instance, sexual imagery or something. When someone flags it, it's AI that takes it down.
7 So there is, I think, a great deal of use of AI, even today without worrying about use of AI in
8 complex disputes, where you know that a judge has to evaluate complex evidence and, you
9 know, apply his mind and AI can't replace that. But it's here and now I think, we should accept
10 that.

11

12 **KETAN GAUR:** For example, case management. Just understanding what timelines should
13 be given in a particular kind of dispute. While an arbitrator spends a lot of time trying to
14 understand what the parties needs are based on his experience. And AI with the right data fed
15 in and there being a repository of the correct data, can identify that in certain kinds of cases,
16 the procedural timeline that is required is of a certain nature. And that could possibly be the
17 first draft of our PO 2s and 3s. And PO 3s that we see, which the party can discuss and
18 practically decide on whether it works in their case or not.

19

20 **SUJATH BIN ALI:** And perhaps Justice Kaul can also come in here, where we've seen over
21 the last, especially post pandemic steps that the courts have taken in India, including there are
22 several AI platforms currently which are pitching to Indian courts for case management
23 techniques. We move to an e-filing system. Most judges are now very comfortable with
24 technology. So even Indian judges and Indian courts have taken a step in that right direction.
25 So matters of public policy, for instance.

26

27 **JUSTICE SANJAY KISHAN KAUL:** The effort, courts are a little different, I would say you
28 have that authority behind you, so it's easier to cut time periods. I used to put a note saying
29 that nobody will file as an option more than four pages. You have to seek a permission. If there
30 is a fifth page, I have to take it out and give it back to the lawyers. You can't do it in... That's
31 the challenge.

32

33 **JAMES NICHOLSON:** Thanks, everyone. Very interesting on AI. We're moving towards
34 case management techniques. I'll be interested in your thoughts on guerrilla tactics, and I
35 understand that, particularly in ad hoc arbitration.

36



1 **JAMES NICHOLSON:** I think in India, one often sees guerilla tactics, including late filings,
2 dumping of huge numbers of documents flouting procedural rules, et cetera. Do you see that
3 to the same extent in international arbitration? And are there ways to prevent that that
4 domestic can learn from international?

5
6 **BINSY SUSAN:** I think it'd be fair to say that guerilla tactics are adopted world over, and I've
7 seen more guerilla tactics being adopted in Brazil, for instance, than I've ever seen in India. So
8 I think people are the same everywhere. The question is, how prevalent is it in our country?
9 And I think traditionally, a lot of us have adopted a lot of guerilla tactics and had to fight them
10 because parties, which is used to filing documents very late in the day, introducing evidence
11 very late in the day. A lot of that has gone down again. I think arbitrators are beginning to take
12 a more strict view but all arbitrators are worried about giving a party an opportunity to file
13 that last document, to bring in that affidavit of evidence last minute because they believe the
14 arbitrator or what is ultimately going to be challenged if they do not allow it. I think there are
15 other ways, and that's a valid legitimate concern. I think there are other ways to control or
16 limit such tactics. One of the big differences between how domestic arbitration and
17 international arbitration are run is that domestic arbitrations offer staggered timeline where,
18 when the first procedural hearing takes place, the Tribunal will say, let's set timelines till the
19 pleadings are over, and then let's come back and then talk about the rest, right? As you all
20 know, in international arbitrations that almost never happens. There is always an end date for
21 final hearings and everyone works backwards. I think that is a practice we must adopt because
22 even allowing for a very healthy float, if parties know that there is an end date where trial will
23 go on and final hearing will take place, all tactics must be adjusted within that float. Right?
24 And I think that change will bring about a lot in efficiency also there must be right at the
25 beginning with procedural hearings are held clear consequences for certain actions, right? For
26 instance, if there are repeated adjournments, if hearings are discharged last minute most
27 arbitrators in India today are so kind that they wouldn't even ask for their hearing fees, sitting
28 fees, if their hearings cancelled one day before. And I think we must give up some kindness.
29 There should be consequences for that hearing being called off last minute, and if parties know
30 that upfront their costs are imposed. For instance, they know it is thought often by parties,
31 that cost will never be imposed in arbitrations. And I think ICC and MCIA act through their
32 procedural rules have effectively implemented some discipline by imposition of costs, for
33 instance. So clear procedural timelines, clear procedural rules, consequences for action and
34 making all of that clear upfront will perhaps control a lot of these tactics.

35
36 **JAMES NICHOLSON:** Thank you. And is that in control of the parties and the counsel and
37 the arbitrators or does it need legislative or other enablement?



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

BINSY SUSAN: I think there can certainly be procedural guidelines that can be issued by the legislature. There can be, like, draft guidelines regarding procedure, evidence taking which can be included as a part of the legislation. But the reason why ad hoc arbitrations are attractive is because it affords party's flexibility. So this is very much within the domain of parties to agree and for the arbitrators to discuss with the parties upfront and put in a procedural order.

JAMES NICHOLSON: Thank you.

KETAN GAUR: So, if I can just add on it. A very important point, Binsy makes here that the idea is also not only India versus abroad, but also domestic versus institution because in domestic arbitrations mostly ad hoc arbitrations really speaking, there is no rule because the Evidence Act strictly does not apply. There are no institutional rules. The IBA guidelines don't necessarily apply and each Arbitral Tribunal identifies to the extent it wants to use a rule of evidence. Now, it would then depend on who your arbitrators are. And Justice Kaul possibly can throw more light on it that if one Tribunal decides it in a particular manner as to what the evidentiary rules are, or how much the evidence, act or rules apply. The other Tribunal could definitely take it to the other end or the other end of the spectrum, which results in inconsistencies. And therefore, possibly an institutional guidance on it will really help, bring about more consistency in one way or the other.

JUSTICE SANJAY KISHAN KAUL: The arbitrator actually has to go to the parties. It can't be an absolutely neutral approach. You may not have the power of the judge but you have to go to the party. I think a very, very interesting thing with Binsy said was we must see the deadline and work. I think that's the issue which is there. If we do that and don't look at it as an endless exercise, then we can possibly control.

JAMES NICHOLSON: Thank you, Justice Kaul. I'll turn to you now on the drafting of arbitral awards. So, international arbitration institutions often provide a well-established drafting guidelines are there. Things that domestic arbitration can benefit from standardization seen in tools such as the IBA Toolkit for award drafting and the CIA guidelines.

JUSTICE SANJAY KISHAN KAUL: So something which Gaurav said, I have great love for brevity. I feel that it is far more difficult to say something whether orally, briefly, or in writing briefly, because you have to think before you speak. And I followed that as a judge's practice. I have said that I've commented judicially that orders should be briefed by court, so that the



1 appellate courts should be able to understand it better. The same applies to an award in any
2 case which has to go to court. So we have to look to a scenario where we avoid products kind
3 of a scenario and repetitive in nature. Now, the proceedings the way they are done also, when
4 you're talking about synopsis and things being filed, they also get products. And to my mind,
5 one of the crucial issues for purposes of curtailing all this is when you settle the points, which
6 are for determination if those are carefully settled. So in suits used to say that issues are very
7 important in settling. Similarly points for determination are very important. What often I have
8 seen in the short time is people make each claim into some kind of an issue, you give some 30
9 issues. Now, with those 30 issues, you have to address submissions on those 30 issues, and
10 you have to write an award on those 30 issues. Actually, there are no 30 issues, they are claims.
11 So it's important to curtail the manner in which the proceedings go from the stage of
12 settlement of the principles which are there and if we can do that, I think it will curtail
13 evidence. If the evidence, oral evidence, is curtailed in the session because you're confined to
14 that, then the award will be more structured. I would say I have seen many awards. A lot of the
15 local awards are being structured now. They are trying to do that. I have seen some of the
16 younger arbitrators do so, and I'm very happy at it. I must say I've read it, that the lawyers are
17 more conscious of it, I think in doing so, we as judges sometimes tend to be verbose, I think.
18 And the idea is not to expound what you know, but the idea is to decide the list between the
19 parties. If we keep that factor in mind, I think the whole trend will be there. Question is
20 whether should we prescribe any methodology? I don't know how can you. How easy is to
21 prescribe? How will you write something? I mean, ultimately, there's an innovativeness in
22 writing an award. It's like an author. I've always felt that when you write something, you are
23 like an author and how briefly you write it depends on how much you have control of it.
24 Standardization of arbitral award would also avoid some degree of when it comes to
25 reinforcement, but that will depend on the headings and how you structure it rather than
26 doing. So if you can find it to the structured case of what you are deciding I am sure the product
27 would be something. Recently, Supreme Court has 20th September seems to have laid down
28 in OPG Power Generation case, an attempt in laying down guidelines to protect arbitrator
29 awards where reasons appear to be insufficient or inadequate. But coupled with documents
30 cited in the underlying reasoning of the discountable and intangible court should not interfere
31 with such award. So what they've said you have to look at what is there it's not that everything
32 must be founded to the nth level to do so, so I personally feel this is very important. It's a whole
33 sequence have clear points and determination, have submissions curtailed slowly by going into
34 that area and write an award confined to that and not to everything else.

35

36 **JAMES NICHOLSON:** Thank you. Thank you very much. Moving on to another topic,
37 "Discovery versus Disclosure". One of the biggest time blocks in domestic arbitrations is



1 around Discovery and Disclosure, and we touched on this already. Ketan are there other things
2 that can be done to make that process more efficient?

3

4 **KETAN GAUR:** Yeah, I think people have spoken about e-discovery and AI and other tools,
5 but we must remember and as Binsy also said, there's nothing codified in India currently. It's
6 not common for parties or arbitrators to resort to the IBA Rules also, for that matter of fact.
7 Resultantly you will fall back to the CPC between the Indian Civil Procedure Court, which dates
8 as far back as 1908 and look at procedures for disclosure, discovery and interrogatories. So,
9 ad hoc arbitration, in particular, flexibility does need to be given to parties and the tribunal to
10 adopt. Something that's a lot more time and cost efficient adopting Redfern Schedule to have
11 timely disclosures and to bring in a concept of cost like Binsy said, would be a few factors that
12 one could have to move a lot faster. So, I think a lot of these aspects, people have already
13 spoken much already on what one could potentially do, and these are really pretty much it to
14 have a sense of flexibility while also dealing with consequences of non-compliance.

15

16 **BINSY SUSAN:** We should also stop having detailed hearings for discovery disclosure. I
17 don't think it's done anywhere, world over. It is something that arbitrators can decide based
18 on the filing of the Redfern and the documents and the pleadings. It's something that wastes
19 too much time.

20

21 **JAMES NICHOLSON:** Yeah, thanks. And Aditya, with e-discovery, we can get a tremendous
22 volume of material are there processes for managing that volume so that the efforts involve
23 time and costs, remain fair and proportionate?

24

25 **ADITYA JALAN:** Of course. Again, Binsy already mentioned a few platforms that provide
26 excellent assistance for e-discovery. The good part is you can use these platforms for carving
27 out what you want for all parties to see. You can also create flags which are confidential and
28 for decision of the arbitrators as to whether the other side should have the right to look at these
29 documents or it should be more confidential for the eyes of the arbitrator only. The one biggest
30 problem of e-discovery is the problem of plenty. Now, with most arbitrations having
31 documents which are filed in e-form, it's easy for parties to actually do a data dump on the
32 other party. And a concept which was very popular in US earlier, where as a part of the
33 discovery object, you give them so much material that the relevant is buried in the irrelevant.
34 And in that 50,000 pages the 200 important pages take ages for the parties to actually
35 discover. Interestingly, now there are tools, AI tools and other technologies which parties can
36 use to filter through these concepts much easier.

37



1 **BINSY SUSAN:** De-duplication.

2

3 **ADITYA JALAN:** Where deduplication, as she rightly says. The other problem, of course, is
4 to identify deep fakes, which is again, very important in a e-discovery process, which has
5 become very easy right now. But I believe as long as a system of e-discovery is still forthcoming,
6 it's still easier than if you had to do it in a physical disclosure process because it saves time, it
7 saves cost and well, it is better for the environment.

8

9 **BINSY SUSAN:** Also, these platforms now have predictive coding. Right? So based on the
10 review of documents by the other side and they're flagging or whether something's relevant or
11 not relevant. You could use those codes to then run a search on the remaining data term. So
12 you can significantly reduce the volume of data that a party has to see films.

13

14 **JUSTICE SANJAY KISHAN KAUL:** We used to see films. We used to dump, in the US
15 also, dump a lot of material.

16

17 **BINSY SUSAN:** Very, very effective.

18

19 **JUSTICE SANJAY KISHAN KAUL:** James, may I ask you, is there a difference in how lost
20 quantification is approached is difference in Indian arbitration and international arbitration,
21 if you would like to help, and how that can be of assistance in the Indian outreach.

22

23 **JAMES NICHOLSON:** Thank you for the question. And I'm reverting to my usual role of
24 answering questions from the lawyers rather than asking them. I think I prefer asking the
25 questions, actually. So maybe I chose the wrong career. I've been doing that for long. My
26 experience is much more in international arbitration, but I've spoken with a number of you in
27 the room and done a little research. My wonderful India damages team have helped me with
28 a bit of research. So I hope I'm not treading on any toes or upsetting anyone with the
29 comments. But if I do, please forgive me. I'm just trying to relay facts as I've understood them
30 from that research and I'll try to speak for all experts.

31

32 My own expertise is in valuation of damages but of course, there are other types of experts in
33 construction and technical matters and so forth. So, I'll start with the use of experts in AI, and
34 I think that use can be characterized in a few ways. So firstly, party appointed experts are
35 widely used, and they have been for many years. And I think it's important that they happen
36 for many years across a wide range of matters. Because as a result, arbitrators and counsel
37 have quite a wide and deep experience of working with experts and with the kinds of issues



1 that tend to come up again and again, be it on a lost profit case on an investment treaty case
2 or a construction delay matter or what have you. And there are people like me and like the
3 other experts in the room who have a lot of experience in working in this context and of trying
4 to distil their expertise and their insights into ways that are digestible for Tribunals and for
5 counsel and parties. Also, particular tools have become well accepted. So a classic example is
6 the use of Discounted Cash Flow Analysis, which is a very classic valuation method. It's the go
7 to valuation method in finance and business. It's the tool that many of us who do value reach
8 for when we want to value a business or project, but it's taken some time to become generally
9 accepted as a method for valuation in international arbitration. It is, I think, now pretty widely
10 accepted, but that was not so true 15 years ago when I started giving evidence in these sorts of
11 matters. Associated with all of that, there's soft law on the use of international experts in IA.
12 There's some IBA rule. The IBA rules on the taking of evidence have two sections on the use
13 of experts. The CIO has a protocol as well. Norms have arisen as to the style and contents of
14 reports. And particularly there's an expectation that expert witnesses will tend towards
15 objectivity and independence. It's difficult when your party appointed and party paid to be
16 fully objective and independence, however hard you try, but there's a tendency towards that.
17 And Tribunals will criticize experts who diverge from that which helps focus the mind on
18 experts who attempted to stray in the direction of their client's wishes.

19
20 So, contrasting that with India, I think, from what I understand, the use of experts in domestic
21 arbitration is much less developed. It's a newer feature. I'm encouraged to see some nods on
22 this side of the table. If I see frowns, I'll diverge. So not been used as much as a result the
23 experience of arbitrators, of counsel of working with experts, at least those arbitrators and
24 counsel who don't have a wide international practice. It's not as deep that there's less
25 familiarity with the issues, the discounted cash flow analysis. For example, I understand is less
26 generally accepted in domestic arbitration in India, with a tendency towards looking at more
27 cost based measures of loss. So what are the wasted costs rather than what are the profits that
28 have been lost? I understand there's fewer norms as to how expert reports are written, which
29 I presume means that they are not always as helpful as they could be for the decision makers.
30 That some of the standard tools for soliciting expert evidence used in international arbitration
31 are not used as widely in domestic. So, although expert reports are written in all contexts in
32 international arbitration, very often an expert will give a presentation at the beginning of their
33 evidence for 30 minutes with PowerPoint slides explaining their views. And I understand
34 that's less common domestically. And also witness conferencing or hot tubbing is quite often
35 used in international arbitration. I understand not so much domestically. And I also
36 understand that there's more of an expectation that experts will wear, will be less independent



1 in domestic Indian arbitration and that arbitrators are perhaps less willing to criticize experts
2 for doing that.

3

4 So, those are the differences, I think just listening to all of this, it sounds like it's just a question
5 of evolution that India started a bit later in using expert evidence, perhaps because of the way
6 that arbitration has grown so quickly and the economy has grown so quickly in India. It's just
7 come to it slightly later and these issues are partly issues of just familiarity among all involved
8 in the ecosystem with how expert's evidence can be used. I think if we just look at the rest of
9 the world, there will be more and more use of expert evidence. Parties will see the value in that
10 and once one party appoints an expert, the other party typically appoints an expert so you so
11 you get more use of experts. I think if one wants to accelerate the use and the efficient and
12 effective use of experts in domestic Indian arbitration, there are several things come to mind.
13 I'm sure there are others, but explicitly adopting the soft floor, such as the IBA rules in
14 procedural orders might be one area of getting everybody aligned around. Okay. What are we
15 trying to do here with the experts. I hesitate with the second one. But if tribunals can be a little
16 stronger in criticizing experts who don't follow the independence and objectivity that I think
17 would help because that does focus the mind of experts. Of course, that means Tribunals need
18 their confidence to do that. They need to make sure they understand the issues, so that they
19 are right, correct, when they are criticizing because nobody wants to criticize falsely. And then
20 another thing I wonder is whether there's a room for experts of all types to offer more training
21 for counsel and potentially tribunals on how to work with experts, what's useful for us and also
22 on some of the key concepts in valuation and construction disputes and other areas. The same
23 thing forcefully could go for experts without significant experience. There are institutions in
24 other parts of the world, such as the Academy of Experts in Singapore. They've just set up the
25 Asia Pacific Institute of Experts that seeks to train individuals wanting to be experts in what
26 that involves, how to do it. How to be effective, independent and so forth. I'm not aware if
27 there's a similar body in India, but that's another.

28

29 **JUSTICE SANJAY KISHAN KAUL:** No.

30

31 **JAMES NICHOLSON:** No. Okay good

32

33 **ADITYA JALAN:** and actually it is the Institute of Chartered Accounts of India who believe,
34 at least for everything, finance, they are the experts, but not the real kind, which you're talking
35 about.

36



1 **JAMES NICHOLSON:** And then, of course, parties have a role as well. They choose the
2 arbitrators, they choose the counsel. They can veer towards parties, counsel and arbitrators
3 and experts who understand how to get the most out of the use of experts in arbitration. I think
4 I'm back to asking the question. Now there's a red screen in front of me that says time's up. Do
5 we have time for a couple of questions or are we really timed up? Okay, one question is fine. I
6 think I heard so, yes. Okay, gentlemen, one at front, one at the end. I think a microphone is
7 coming.

8
9 **SUSHIL SHANKAR:** Sushil Shankar, here. First, a disclaimer. I have nothing against
10 women. In fact, personally, I prefer women to men. But coming to your discussions about the
11 differences between international arbitration and domestic arbitrations and the number of
12 women acting as arbitrators in the domain arbitrations. You spoke about the courts needing
13 to do more, about the institutions needing to do more, and also about more training being
14 given by CIArb and things like that. But there's one thing that you did not discuss which, in
15 my opinion is a big omission and that you didn't talk about the parties. When you consider
16 that the cornerstone of arbitration is party autonomy, what if the parties themselves are more
17 comfortable with men as arbitrators? That's the problem.

18
19 **BINSY SUSAN:** Yeah, and at the end of the day, the arbitration is happening because of
20 them.

21
22 **JUSTICE SANJAY KISHAN KAUL:** That's why we said, I said that it's really an
23 institutional operations where the nomination is by the institution.

24
25 **SUSHIL SHANKAR:** That possibly it can play a better the majority of arbitrations in the
26 domestic context are ad hoc if I'm [UNCLEAR].

27
28 **GAURAV PACHNANDA:** I think one of the reasons why parties might prefer a male over a
29 female arbitrator is...

30
31 **SUSHIL SHANKAR:** I'm not saying that they do.

32
33 **GAURAV PACHNANDA:** But if they do, then we have to respect that. Inherent in that very
34 proposition is a statement of a certain bias. I do not understand why choosing a professional,
35 anything other than merit should be the primary consideration of a party, and I would not
36 understand why a party would say, I want a male arbitrator instead of a female arbitrator.
37 That's number one. And number two, although party autonomy matters a lot in arbitration,



1 but if you take it to another extreme, parties would want arbitrators that they can speak to
2 during the course of the arbitration. But you wouldn't allow that, would you? The role of
3 counsel is to bring about greater sanity and greater balance in the process of appointment of
4 arbitrators. And I think as long as the arbitrator who's being appointed is a competent woman
5 professional, the parties should have no sane reason to overrule it.

6

7 **BINSY SUSAN:** In fact, one of the things that's being discussed globally now and considered
8 by institutions is that whenever parties want the institution to appoint an arbitrator, they
9 circulate a blind CV without the names or the gender set out in there, only with the
10 qualifications which would only reflect on the merits of the candidate that has been
11 considered. So full party autonomy. The party is considering whether this arbitrator is fit for
12 the job without and eliminating that bias, that would creep in just because the arbitrator is a
13 woman. And I mean, those are the things that are being discussed, but I think would be aware
14 today because of the problems that you flagged? Very far from it. Because perhaps clients
15 themselves would not be agreeable to it. But these are good ways to fix the bias that exists in
16 our system.

17

18 **JUSTICE SANJAY KISHAN KAUL:** Let's look at a parameter for mediation. For example
19 the gender female mediators play very, very important role and parties have had no issue
20 involved in mediation, so I know this. There'll be never a problem.

21

22 **BINSY SUSAN:** I think we are instinctively good dispute resolvers, right? From home to
23 office, I think we are instinctively better at it.

24

25 **JAMES NICHOLSON:** Okay. Was there one more question? Okay. Thank you. Nishi. Please
26 join me in thanking this wonderful panel for the reviews and thank you all for joining us today.

27

28

29

~~~END OF SESSION 2~~~

30

31