



ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹಣಕಾಸು ಸಂಸ್ಥೆ

1951ರ ರಾಜ್ಯ ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳ ಕಾಯಿದೆ ಅನ್ವಯ ಸ್ಥಾಪಿತ

KARNATAKA STATE FINANCIAL CORPORATION

Established under the State Financial Corporations' Act, 1951



ಸಂಖ್ಯೆ : ಕ.ರಾ.ಹ.ಸಂ./ಪ್ರ.ಕ./
Ref. No. KSFC/H.O./

Legal | ED-1 | 018 | 16-17

ದಿನಾಂಕ : 22/8/2016
Date.....

INTER OFFICE NOTE

Sub: Incorporation of 'Arbitration Clause' in the
Contracts/Tenders, etc. - reg

We have received Circular No. LAW 273 LAC 2012 (p), dated 10/1/2014 issued by the Law Justice and Human Rights Department, Government of Karnataka. It has been stated in the circular that in Government contracts entered, suitable Arbitration Clause may be incorporated in the Agreement/Documents pertaining to various Agreements. The terms and conditions of appointment of private arbitrators are not beneficial as the arbitration expenses are enormously high and therefore, Government has felt the need to make use of Arbitration Centre which is more cost effective and has therefore felt it desirable to include an Arbitration Clause in all the Agreements/Documents in the Form that is suggested in the said Circular, as reproduced below :

"Any dispute or difference or claim arising out of, or in connection with, or relating to the present contract or the breach, termination or invalidity thereof, shall be referred and settled under the Arbitration Centre - Karnataka (Domestic & International) Rules 2012, by one or more arbitrators appointed in accordance with its rules".

As far as applicability of the same in the Corporation is concerned, such a clause could be incorporated in tender documents and Agreements which are entered by the Corporation for execution of work/supply of materials/work contracts. In all such Agreements/Contracts, the Arbitration Clause suggested could be included as part of the Agreement.

Executive Director - I

All the Departmental Heads/
DGMs/AGMs/Branch Managers,
All the Internal Audit Dept/Cells
All the General Managers (Circle 1 to 4)
Library
Executive Director - II - for information

ಪ್ರಧಾನ ಕಛೇರಿ : ಕೆ.ಎಸ್.ಎಫ್.ಸಿ. ಭವನ, ನಂ. 1/1, ತಿಮ್ಮಲಾಹ ರಸ್ತೆ, ಕಂಟೋನ್ಮೆಂಟ್ ರೈಲ್ವೆ ನಿಲ್ದಾಣದ ಹತ್ತಿರ, ಬೆಂಗಳೂರು-560 052
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