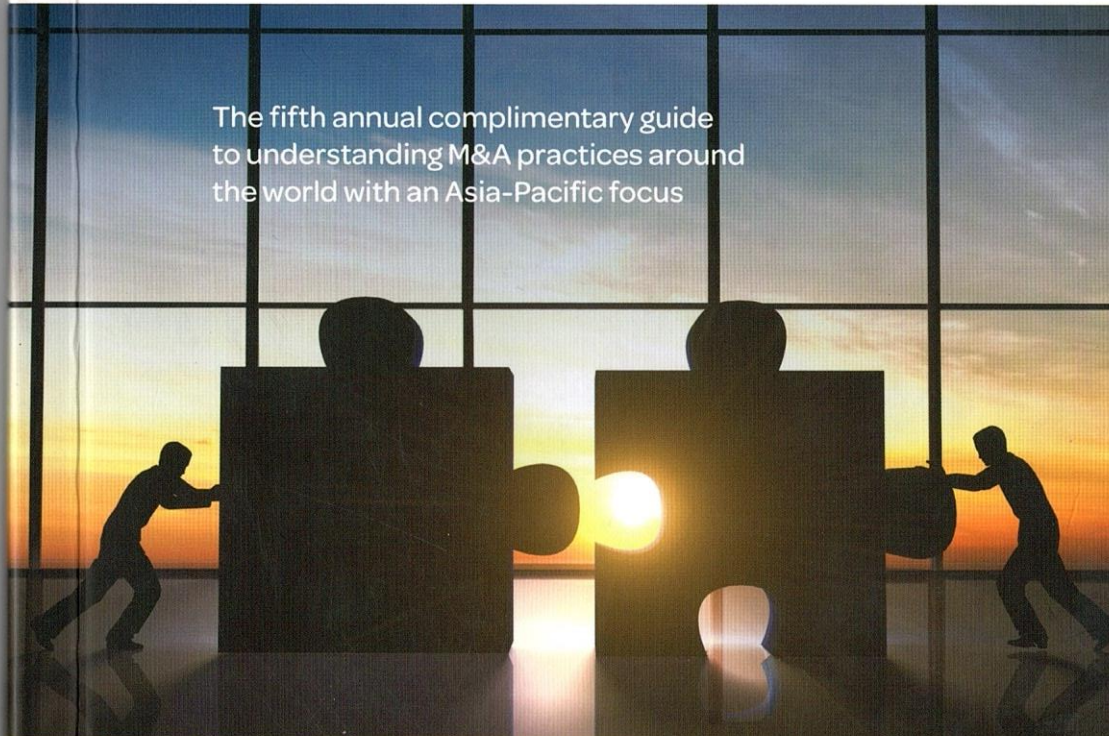


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INCLUDING A SPECIAL FOCUS ON
ONE BELT ONE ROAD CHINA INVESTMENT

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Acquisitions Law Guide
2018

Jurisdiction: Bangladesh

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DR. KAMAL HOSSAIN & ASSOCIATES

BARRISTERS · ADVOCATES · LEGAL CONSULTANTS

Introduction

Size, population, location and key bordering jurisdictions

The area of Bangladesh is 56,977 sq. miles or 147,570 sq. k.m. Bangladesh lies in the north eastern part of South Asia between 20 0 34' and 26 0 38' north latitude and 88 0 01' and 92 0 41' east longitude. The country is bordered by India on the west, north and north-east, Myanmar on the south-east and the Bay of Bengal on the south (Bangladesh Bureau of Statistics, *Statistical Year Book of Bangladesh 2016*, 36th Edition).

The population of Bangladesh is about 160 million with a growth rate of 1.32% per annum (Bangladesh Investment Development Authority, *Investment in Bangladesh Handbook and Guidelines*).

The capital of Bangladesh is Dhaka. The currency of Bangladesh is Bangladesh Taka.

Recent economic progress and development expectations

Bangladesh has been achieving steady economic growth for decades. According to the government's economic development vision, the "Vision 2021", the government envisages raising economic growth rate to 10% in 2017 and sustaining it till 2021. Increasing investment is considered as a key variable for attaining such growth.

Bangladesh offers a liberal investment climate. The Foreign Private Investment (Promotion and Protection) Act, 1980, which deals with promotion and protection of investment in Bangladesh, ensures equal treatment for local

and foreign investors. Bangladesh offers a competitive location for doing business in terms of costs, inputs, human resources, market access, investment facilitation, etc.

Significant foreign investments are being made in Bangladesh in various sectors including energy, telecommunication, infrastructure development, etc.

Statistics on foreign investment

Gross Foreign Direct Investment (FDI) inflows during the fiscal year 2015-16 reached US\$ 2502.41 million. The size of disinvestment (including capital repatriation, reverse investment, loans to parents, and repayments of intra-company loans to parents) during the fiscal year 2015-16 was US\$ 498.88 million which was 19.93% of gross FDI inflows. Hence, net FDI inflow in Bangladesh during the fiscal year 2015-16 was US\$ 2003.53 million. Gross FDI inflows during the quarters July-September, October-December, January-March and April-June of the fiscal year 2015-16 were US\$ 738.71 million, US\$ 676.16 million, US\$ 547.28 million and US\$ 540.26 million, respectively (Statistics Department, Bangladesh Bank, Foreign Direct Investment in Bangladesh; Survey Report January-June 2016).

Brief overview of the legal system

(a) CIVIL COURTS

Jurisdiction of the civil courts in Bangladesh may be broadly classified into three categories:

- (i) Territorial jurisdiction – Courts (except the Supreme Court of Bangladesh) have their own territorial limits beyond which they cannot exercise jurisdiction.

(ii) Pecuniary jurisdiction – The pecuniary jurisdiction of the civil courts is set out in the Civil Courts Act 1887 (the “1887 Act”). Under the Code of Civil Procedure, 1908 s 15 (“CPC”), every suit must be instituted in the Court of the lowest grade competent to try it.

(iii) Jurisdiction as to subject matter – Different courts have been empowered to decide different types of suits. Under the CPC s 9, the Courts shall have jurisdiction to try all suits of a civil nature excepting suits of which their cognizance is either expressly or impliedly barred.

Under the 1887 Act s 3, the following are the classes of Civil Courts (in descending order):-

- (i) the Court of the District Judge;
- (ii) the Court of the Additional District Judge;
- (iii) the Court of the Joint District Judge;
- (iv) the Court of the Senior Assistant Judge; and
- (v) the Court of the Assistant Judge.

In respect of subordination of the civil courts, the CPC s 3 provides as follows:

“3. For the purposes of this Code, the District Court is subordinate to the High Court Division, and every Civil Court of a grade inferior to that of a District Court and every Court of Small Causes is subordinate to the High Court Division and District Court.”

Thus, the District Court is subordinate to the Supreme Court of Bangladesh. The Supreme Court of Bangladesh has two Divisions, namely-

- (i) High Court Division; and
- (ii) Appellate Division.

The Appellate Division has jurisdiction to hear and determine appeals from judgments, decrees, orders or sentences of the High Court Division. It has rule making power for regulating the practice and procedure of each division and of any court subordinate to it. The High Court Division has both appellate as well as original jurisdiction. It hears appeals from orders,

decrees, and judgments of subordinate courts and tribunals. It has original jurisdiction to hear Writ Petitions (i.e. judicial review applications) under Article 102 of the Constitution. It has other original jurisdiction under statutes, inter alia, in respect to company and admiralty matters. The High Court Division has superintendence and control over all courts and tribunals subordinate to it.

There are certain specialised courts established by various statutes for specific matters, including the Money Loan Court, Bankruptcy Court, Customs Excise and VAT Appellate Tribunals and the Labour Court.

CRIMINAL COURTS

The classes of criminal courts have been set out in the Code of Criminal Procedure 1898 s 6 (“CrPC”).

Besides the Supreme Court and the Courts constituted under any law for the time being in force, other than CrPC, there are two classes of Criminal Courts in Bangladesh, namely:-

- (a) Courts of Sessions; and
- (b) Courts of Magistrates.

There are two classes of Magistrate, namely:-

- (a) Judicial Magistrate; and
- (b) Executive Magistrate.

There are four classes of judicial Magistrate, namely:-

- (a) Chief Metropolitan Magistrate in Metropolitan Area and Chief Judicial Magistrate in other areas;
- (b) Magistrate of the first class, who in Metropolitan area, is known as Metropolitan Magistrate;
- (c) Magistrate of the second class; and
- (d) Magistrate of the third class.

Each of these courts has different sentencing powers.

One Belt One Road Investment

How is the government supportive of One Belt One Road Investment?

The Bangladesh government is supportive of One Belt One Road Investment and Bangladesh officially became a part of OBOR in 2016 after the visit by the Chinese President Xi Jinping.

Have there been any announcements or proposals as a result of the One Belt One Road initiative?

In 2016, after the visit by the Chinese President Xi Jinping, the two countries (Bangladesh and China) signed several deals worth US\$21.5 billion. However, some reports say that all these deals are still in paper only due to bureaucratic complexities.

Which government bodies are responsible for encouraging China Investment?

There is no specific government body dedicated to encouraging Chinese investment. In general, the Bangladesh Investment Development Authority (BIDA) is responsible for encouraging foreign investment. Established under the Bangladesh Investment Development Authority Act 2016, BIDA is the principal investment promotion and facilitation agency of Bangladesh.

What Bilateral Trade Treaties exist between your jurisdiction and China?

A bilateral investment treaty exists between Bangladesh and China. Various other treaties and MOUs exist between Bangladesh and China including the Memorandum of Understanding on Chinese Support in the field of Electric Power (2012), and the Agreement on Economic and Technical Cooperation (2014).

The BIT with China provides Chinese investors guarantees of fair and equitable treatment, full protection and security in respect of unreasonable and discriminatory measures, national and most favoured nation treatments as well as protection against expropriation.

One Belt One Road Investment will attract construction industries building roads, airports, and sea-ports.

Many of China’s labour-intensive export processing units have been shifting to other countries. Bangladesh can be a good destination for Chinese private investment.

There are increasing commitments to significant Chinese Investment in Bangladesh in various sectors including energy and infrastructure development. Government-to-government investments are taking place and the China Development Bank and the China Export Import Bank are mobilising large amounts of capital to Bangladesh.

In 2016, after a visit by the Chinese president Xi Jinping, the two countries (Bangladesh and China) signed several deals worth US\$21.5 billion. However, it has not been reported in public media that the proposed investments are part of OBOR.

Business Set Up, Registration and Approvals

What are the most common business vehicles?

A foreign entity has the option of setting up business in Bangladesh either as:

- (a) a company; or
- (b) a branch office; or
- (c) a liaison office.

Companies and branch offices are permitted to engage in commercial and trading activities and thereby earn income locally. However, a liaison office would not be able to engage in any such activities. It would only be permitted to carry out promotional activities in Bangladesh for its principal.

Large investments and investments in the infrastructure and industrial sectors, for example roads, power, energy, manufacturing or assembling, are usually through a locally incorporated company.

How long do they take to set up?

If all the documents are in order, it would take about 1-2 months to set up a company, branch or liaison office. For commercial operation of an entity, the time may vary depending on what other licences are required, which in turn depends on the nature of activities to be carried out by the entity.

Key requirements for the establishment and operation of these vehicles?

The procedure to set up branch office and companies are different (discussed below). In respect of branch/liaison offices, the office shall have to bring inward remittance of at least US\$ 50,000 within 2 (two) months from the date of issue of permission letter by the BIDA as establishment cost and 6 months operational expenses. The BIDA permission for a branch/liaison office are required to be renewed from time to time.

A company is incorporated in Bangladesh under the Companies Act 1994 upon issuance of the certificate of incorporation by the Registrar of Joint Stock Companies and Firms ("RJSC"). Under the Companies Act 1994, a private limited company must have at least two shareholders and two directors. There is no minimum capital requirement for a subsidiary company. A Bangladesh company may have 100% foreign ownership. It is possible for one single entity/person to hold all the shares in a company except for one share, which must be held by another entity/person in order to fulfil the requirement of minimum two shareholders. Both companies and branch offices have to comply with various filing requirements with the regulators.

What are the registration requirements?

Company: Before applying for registration with RJSC, it is necessary to obtain "Name Clearance" for the proposed company.

The RJSC would issue a Name Clearance Certificate for the proposed name upon satisfaction that it does not closely match or resemble with any of the already taken names (registered,

booked or under the process of registration of the same entity type).

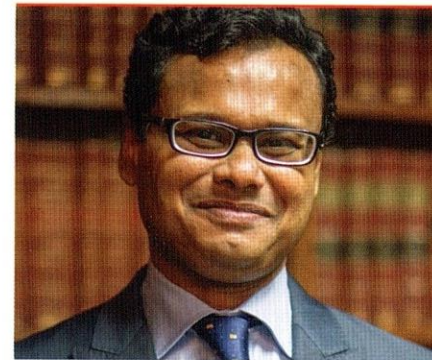
Prior to submission of application for registration, sponsors of a proposed company must open an account with any bank in Bangladesh in the name of the company by submitting a copy of the Name Clearance Certificate issued by the RJSC. After opening the bank account, the price of the shares would have to be remitted from abroad to that account and a bank encashment certificate would have to be obtained.

The promoters of the company would have to prepare the Memorandum and Articles of Association of the company. Thereafter the necessary special adhesive stamps would have to be collected from the treasury by depositing money through treasury challan (receipt) in Bangladesh Bank (treasury officials affix the stamps on the Memorandum and Articles of Association and put seals and signature on the stamps). The value of stamp duty and registration fees will depend upon the authorized capital of the company.

Thereafter, the application for registration with the RJSC would have to be filed with the necessary documents, prescribed forms and schedules, stamps and fees.

The company would also need to obtain a trade licence from the relevant City Corporation, VAT Registration Certificate and Tax Identification Number from the tax authority.

Branch/liaison office - In order to set up a branch/liaison office in Bangladesh, approval of various regulatory authorities is necessary. The permission for setting up a branch office needs to be obtained from the BIDA. A notification would need to be made with the Bangladesh Bank (i.e. central bank of Bangladesh) under the Foreign Exchange Regulations Act 1947 ("FERA"). The office would need to be registered with RJSC. It would also need to obtain trade license from the relevant City Corporation, VAT Registration Certificate and Tax Identification Number from the tax authority. Depending on the activities to be carried out by the branch



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Sharif Bhuiyan Founding Partner, Dr. Kamal Hossain and Associates

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He is the author of *National Law in WTO Law: Effectiveness and Good Governance in the World Trading System* (Cambridge: Cambridge University Press, 2007, paperback, 2011), co-editor (with Philippe Sands and Nico Schrijver) of *International Law and Developing Countries* (Leiden/Boston: Brill Nijhoff, 2014; South Asian edition, 2017) and author of many articles in internationally published books and journals.

Bhuiyan practises in a wide range of areas, including, admiralty, arbitration, aviation, banking, competition, corporate and commercial, employment, energy, insurance, intellectual property, securities, taxation, technology and telecommunication. He acted as lead counsel in several international commercial arbitrations involving substantial claims and parties and arbitrators of multiple nationalities and as lead Bangladesh counsel in many cross-border projects and transactions, including multibillion dollar transactions, in the energy, infrastructure, telecommunication and various other sectors.

He is consistently ranked as a top tier legal practitioner by international practitioners' directories, *Chambers Global* and *Chambers Asia Pacific*. Bhuiyan also acts as a consultant in various matters, including as a consultant for the World Bank.

office, permission from other regulators would also be required.

Under what circumstances is Chinese Investment subject to government approvals?

No government approvals are necessary specifically for Chinese investment. It is subject

to the same regulations and requirements like any other investment.

What is the process and timeline for such approvals?

Not applicable.

Any processes that can block China Investment?

There are no processes that can block China investment. So long the investment is made in compliance with the laws of Bangladesh and investment brought in through proper banking channel, the Chinese Investment would not be blocked.

There are certain restrictions in some sectors. According to the Industrial Policy, there are certain sectors which are considered to be “reserved” (no investment is possible in such sectors) and some are “controlled”. If the company concerned falls within the controlled sector, the government may impose certain ownership restrictions. The controlled sector includes exploration, extraction and supply of natural gas/petroleum, crude oil refinery, etc.

What sectors are heavily regulated or restricted?

According to the Industrial Policy, 2016 there are certain sectors which are considered to be “reserved” (no private investment is possible in such sectors) and 21 sectors are “controlled”. The controlled sectors include exploration, extraction and supply of natural gas/petroleum, crude oil refinery, bank/financial institution in the private sector, insurance company in the private sector, telecommunication service (mobile/cellular and land phone), satellite channel, cargo/passenger aviation, etc.

Reserved sector (public sector) industries:

According to the Industrial Policy 2016, there are certain sectors which are considered to be “reserved” (no private investment is possible in such sectors). The following areas are reserved for public sector investment:

- a) Arms and ammunition and other defence equipment and machinery
- b) Forest Plantation and mechanized extraction within the bounds of reserved forests
- c) Production of nuclear energy
- d) Security printing (currency notes) and minting.

What are the competition clearance procedures (filing, process and notification)?

Competition is governed by the Competition Act 2012 (the “Competition Act”). The purpose of the Competition Act is to prevent, control and eradicate collusion, monopoly and oligopoly, combination (as defined below), abuse of a dominant position in the market, anti-competitive practices and to encourage and ensure competitive business environment to promote economic development of Bangladesh.

The Competition Act is applicable to all business organisations which are engaged in the business of buying and selling, manufacture, supply, distribution and storage of any product or services for commercial purposes. However, the law is not applicable to goods and services which are not open to the private sector and are regulated by the Government for the interest of national security.

Under the Competition Act, the following acts are not permitted:

- Anti-competitive agreements (s 15);
- Abuse of dominant position (s 16); and
- Certain combinations (s 21).

“Combinations” has been defined as acquisition, taking control over or merger. Any combination that causes, or is likely to cause an adverse effect on competition in a market for goods or services, is prohibited. Combinations may be allowed subject to the permission of the Competition Commission.

The relevant regulatory authority in respect of the Competition Act is the Bangladesh Competition Commission (BCC). The BCC is not yet fully operational.

Are there any foreign currency controls China Investors should be aware of?

The foreign exchange regime is strictly regulated in Bangladesh and remittance of funds abroad requires general or special permission from the central bank of Bangladesh (i.e. the Bangladesh Bank).

The FERA s5 provides as follows:

“5. (1) Save as may be provided in and in accordance with any general or special exemption from the provisions of this sub-section which may be granted conditionally or unconditionally by the Bangladesh Bank, no person in or resident in Bangladesh shall—

- (a) make any payment to or for the credit of any person resident outside Bangladesh;
- (b) draw, issue or negotiate any bill of exchange or promissory note or acknowledge any debt, so that a right (whether actual or contingent) to receive a payment is created or transferred in favour of any person resident outside Bangladesh;
- (c) make any payment to or for the credit of any person by order or on behalf of any person resident outside Bangladesh;
- (d) place any sum to the credit of any person resident outside Bangladesh;
- (e) make any payment to or for the credit of any person as consideration for or in association with-
 - (i) the receipt by any person of a payment or the acquisition by any person of property outside Bangladesh;
 - (ii) the creation or transfer in favour of any person of a right whether actual or contingent to receive a payment or acquire property outside Bangladesh...”

Some general exemptions/permissions have already been provided by Bangladesh Bank in the Guidelines for Foreign Exchange Transactions (the “FX Guidelines”). For example, subject to some restrictions, certain remittances are permitted through proper banking channel, such as remittance of dividends, technical fees, etc.

Are there Special Economic Zones or Free Trade Zones?

There are Special Economic Zones and Export Processing Zones.

Special Economic Zones (“SEZ”) – Under the Bangladesh Economic Zones Act, 2010, the Bangladesh Government is empowered to grant benefits to a SEZ or any area of it, including but not limited to the following:

(1) Acquisition of land:

The Bangladesh Government may acquire any land if required for an economic zone or for infrastructure for such zones such as roads, bridges, etc. and the land acquired is deemed to be required for public interest.

(2) Tariff benefits:

The Government may provide tariff benefits to an SEZ or any area of it, for a specified period, and introduce special arrangement to facilitate import and export operations of the organizations established in the SEZ.

(3) Financial benefits:

The Government can provide such financial incentives and benefits to the industrial units within the SEZ as is provided to the industrial units in Export Processing Zones (“EPZ”).

(4) Arrangements in relation to clearances, certificates, permits, etc.:

Arrangements can be made: (i) to facilitate the economic zone developers and industrial units in respect of legal documents which include permission for economic zone selection, declaration of economic zones, clearances, certificates, certificate of origin, permit for repatriation of capital and dividends, resident and non-resident visas, work permits, construction permits etc. through a one-stop service; and (ii) to allot or lease plots suitable for setting up industries

(5) Exemption from certain Laws:

The Government may exempt a SEZ or an organization in SEZ from certain Acts or pass an order that certain provisions shall be subject to such

modification or amendments as specified therein (including Foreign Exchange Regulation Act, Income Tax Ordinance, Building Construction Act, etc.).

Export Processing Zones (EPZ) – Under the Bangladesh Export Processing Zones Authority Act 1980 (“BEPZA Act”), EPZs in Bangladesh enjoy various fiscal and non-fiscal incentives.

Under the BEPZA Act, the EPZs were established to set up and operate export processing zones in Bangladesh with a view to providing a congenial investment climate free from procedural complications. EPZs are export-oriented industrial enclaves that provide infrastructural facilities, administrative and support services to the investors along with rewarding incentives including fiscal incentives (concessionary tax, duty free import of machinery and raw materials, etc) and non-fiscal incentives (full repatriation facilities of dividend and capital at the event of exit, warehouse and secured bonded area, etc).

A total of eight EPZs are in operation now (Dhaka, Mongla, Ishwardi, Uttara, Comilla, Adamjee (Narayanganj), Karnaphuli and Chittagong).

Where and how do these aid China Investment?

Chinese investment can take advantage of various fiscal and non-fiscal incentives provided to SEZ and EPZ.

Tax Obligations and Incentives

What tax incentives or structures that favour China Investment?

A tax holiday is allowed for various industrial undertakings and physical infrastructure facility subject to fulfilment of certain conditions.

Chinese investors can take advantage of the Double Taxation Avoidance Treaty with China.

Taxation in Bangladesh

In Bangladesh, the law governing income tax is contained in the Income Tax Ordinance, 1984

(the “ITO”), the Income Tax Rules, 1984 (the “ITR”) and the byelaws made thereunder.

What are the rates of corporation tax, personal incomes tax and withholding tax?

The highest rate of personal income tax is 30%. Publicly traded companies generally are taxed at the rate of 25%. Banks, insurance companies and financial institutions are taxed at the 42.5% rate, with a lower rate of 40% available if the company is publicly traded. Mobile phone operator companies and cigarette manufacturing companies are taxed at the 45% rate. All other companies are subject to a 35% rate.

The rates of withholding taxes depend on the head of income.

Are there any tax agreements between your jurisdiction and China?

Bangladesh and China have entered into an agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (September 12, 1996).

Employment Contracts

What are the local employment regulations?

In Bangladesh, the legislation which primarily governs employment is the Labour Act, 2006 (the “Labour Act”). The Labour Act, however, is only applicable to employees who fall within the definition of “worker”. The Labour Act s 2(65) defines “worker” as follows:

“any person including an apprentice employed in any establishment or industry, either directly or through a contractor, to do any skilled, unskilled, manual, technical, trade, promotional or clerical work for hire or reward, whether the terms of employment be expressed or implied, but does not include any person employed mainly in a managerial or administrative capacity” [unofficial translation from Bangla].



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She practises in a wide range of areas, including corporate and commercial matters, mostly in the energy and natural resources, construction and infrastructure, transport, manufacturing and industrials sectors. She also specialises in arbitration, employment and telecommunication.

The employment of employees who do not fall within the above definition of “worker” is governed by their contract of employment. Such employees are entitled to the benefits set out in their contract of employment.

In case of workers, the terms of employment are governed by both the Labour Act and the contract of employment. If the contract of employment of a worker contains any provision which is less favourable to the worker than that set out in the Labour Act, the provision set out in the Labour Act prevails. The benefits set out by the Labour Act include the following:

- (1) Severance benefit (at the time of retrenchment, discharge, dismissal for misconduct, termination of employment by employer, termination of employment by employee, retirement, etc);
- (2) Death benefits;
- (3) Maternity benefit;

- (4) Extra-allowance for overtime;
- (5) Interval for rest or meal;
- (6) Weekly holiday;
- (7) Casual Leave;
- (8) Sick Leave;
- (9) Annual Leave;
- (10) Festival Holiday;
- (11) Compensation for injury by accident arising out of and in course of employment;
- (12) Workers’ participation in company’s profits (for companies engaged in industrial undertakings and not applicable for NGOs);
- (13) Provident Fund (optional unless three-fourths of the total number of workers make a demand in writing).

The Labour Act also makes special provisions relating to health, hygiene, safety and welfare of the workers.

There are specific regulations for employees working in the Export Processing Zone. In exercise of the powers conferred under the Bangladesh Export Processing Zones Authority Act 1980 s 3A, the Bangladesh Export Processing Zones Authority ("BEPZA") issued certain directives on service matters concerning workers and officers employed in companies operating within the export processing zones of Bangladesh.

Trade Unions: Under the Labour Act, workers, without distinction whatsoever, shall have the right to form trade unions primarily for the purpose of regulating the relations between workers and employers or workers and workers and, subject to the constitution of the union concerned, to join trade union of their own choice.

Are visas required for foreign employees? What is the application process like?

For obtaining a new work permit, a foreign investor /employee must arrive in Bangladesh with 'PI', 'E1' or 'E' visa from Bangladesh Diplomatic Mission abroad with a recommendation from the Board of Investment. "PI" visa is for foreign investors in the private sector; "E1" visa is generally for persons arriving in Bangladesh for the supply, installation, maintenance or supervision of equipment and software, etc.; and "E" visa is for employees, consultants or experts etc. After arriving in Bangladesh, a foreigner will not be able to change the visa category.

A work permit for foreign nationals is a prerequisite for employment in Bangladesh. After arrival in Bangladesh, the employee is required to apply for a work permit from the Board of Investment (or BEPZA or NGO Affairs Bureau, depending on the nature of the employer).

Necessary security clearance has to be obtained from the Ministry of Home Affairs after the issuance of a Work Permit and the duration of visa would be extended up to the period of the Work Permit.

Are there any quotas on foreign employees?

The number of the expatriate employees in an industrial enterprise should not exceed a 1:20 (foreign: local) ratio at any time during regular production and the ratio for commercial offices is 1:5 (foreign: local).

Do any of these regulations differ in special investment zones?

There are specific regulations for employees working in the Export Processing Zones. In exercise of the powers conferred under the Bangladesh Export Processing Zones Authority Act 1980 s 3A, BEPZA has issued certain directives on service matters concerning workers and officers employed in companies operating within the export processing zones of Bangladesh.

China Investor Protection

What protection mechanisms are available to China Investors?

The Foreign Private Investment (Promotion and Protection) Act, 1980 (the "Investment Act") provides for fair and equitable treatment to foreign private investment and ensures full protection and security of foreign private investment in Bangladesh. Foreign private investment is defined as "investment of foreign capital by a person who is not a citizen of Bangladesh or by a company incorporated outside of Bangladesh, but does not include investment by a foreign Government or an agency of foreign Government."

The Investment Act s 7 provides as follows:

"7. (1) Foreign private investment shall not be expropriated or nationalised or be subject to any measures having effect of expropriation or nationalisation except for a public purpose against adequate compensation which shall be paid expeditiously and be freely transferable.

(2) Adequate compensation for the purpose of sub-section (1) shall be an amount

equivalent to the market value of investment expropriated or nationalised immediately before the expropriation or nationalisation."

What contract enforcement options are available?

Contracts can be enforced through the civil courts. Alternatively, the parties can agree to settle disputes by arbitration. In case of arbitration, the parties are free to choose the rules of arbitration, the seat and the language of the arbitration. The Arbitration Act, 2001 governs recognition and enforcement of arbitral awards including foreign arbitral awards.

Are there any penalties for withdrawing from an investment?

There are no penalties for withdrawing from an investment.

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