Offer: A reduced one-off fee of Rs 5000 per party (regardless of the sum in dispute) instead of the Mediation Scale of Costs currently applicable under the MARC Arbitration and Mediation Rules.

Special Mediation Package for SMEs?
MARC believes that a Special Mediation Package for SMEs can help a large number of SMEs flourish by providing them at favorable costs with a healthy, transparent and confidential framework for sorting out their disputes privately through the assistance of a MARC mediator, and within the framework of the MARC Mediation Rules.

Details of the Special Mediation Package for SMEs

• The MARC Mediation Rules will apply but with a reduced one-off fee of Rs 5000 per party (regardless of the sum in dispute) instead of the Mediation Scale of Costs currently applicable under the MARC Arbitration and Mediation Rules. The maximum number of mediation hours shall be 10.

• The Applicant party must be an SME registered with the SMEDA.

• The Applicant party has the option of paying the share of the other party in case the latter is willing to participate in the mediation but not willing to pay his share of the costs.

• Upon receipt of the request for mediation, MARC will appoint a mediator from a Panel of Mediators specifically set up for 'SME Mediation Framework'.
A. Introduction

SMEs and Start ups are structures which, while bursting with potential and prospects, are often still shaky on their foundations, and can, if faced with conflicts at early stages, fizzle out in no time, never having the opportunity of thriving and reaching to the summit of their full capacity.

Conflicts are part of life and business life is no exception. Amidst the varieties of minute transactions which a business must handle day after day, year after year, and the network of relationships it weaves around itself to remain sustainable, clashes and misunderstandings inevitably arise. Handled inefficiently, the effects can be catastrophic and can lead to loss of productivity, opportunities, jobs. But dealt with intelligently, with a mature approach, they can be tremendous opportunities for further growth and expansion.

This is the reason why we, at the MCCI Arbitration and Mediation Center, believe in equipping SMEs, at the early stages of their operations, with the tools and framework which can assist them in resolving conflicts in ways which are cost-effective, confidential, flexible, and above all, creative.

B. The MCCI Arbitration and Mediation Center (MARC)

Established in 1996 as the MCCI Permanent Court of Arbitration, the MCCI Arbitration and Mediation Center is the dispute-resolution arm of the MCCI.

MARC’s institutional framework for mediation and arbitration provides parties with a flexible, confidential and neutral setting for quick and efficient dispute resolution, through either mediation or arbitration.

C. Why Mediation?

Mediation is an out-of-court dispute settlement mechanism which developed countries around the world has been using successfully for the past two decades to resolve various kinds of disputes, in particular business and commercial disputes.
Major mediation centers, such as the Centre de Médiation et d'Arbitrage de Paris, claim that the success rate of mediation is as high as 95%. Why? Simply because the process, in its innate nature, is one which addresses the core of the problem, probing interests of parties rather than defending their positions, in view of finding creative, win-win solutions.

The process provides a shield of confidentiality and trust, which allows parties to negotiate and explore by themselves a mutually acceptable solution to their dispute with the help of a neutral facilitator, the mediator.

The latter orchestrates these exchanges, without becoming involved in the substance of the dispute, leaving the parties free to decide on the outcome to their dispute.

The parties have control over both the decision to settle and the terms of any settlement agreement.

Advantages of mediation include that it takes usually less time than arbitration or litigation and involves lower costs. Moreover, the process enables parties to reach an agreement on solutions which could not be achieved through an adjudicative process such as arbitration or litigation and which would not therefore be available through the making of an arbitral award or a judicial decision.

For example, the parties’ preferred solution to a contractual dispute may be to renegotiate the terms of the contract. The renegotiation of a contract is possible in mediation, whereas it is unlikely to be any legal basis for seeking such relief in arbitration or litigation.

Whilst the adjudicative processes focus on the parties’ legal rights, mediation helps parties also to take into consideration commercial and other interests. The mediation process can help parties acquire a better understanding of each other’s needs and interests so that they can look for a solution which accommodates these needs and interests as far as possible. Mediation can be a particularly useful tool when the parties in dispute have an on-going relationship (such as a joint venture or long-term supply contract).

D. Why a Special Mediation Package for SMEs?

MARC believes that a Special Mediation Package for SMEs can help a large number of SMEs flourish by providing them at favorable costs with a healthy, transparent and confidential framework for sorting out their disputes privately through the assistance of a MARC mediator, and within the framework of the MARC Mediation Rules.

E. Details of the Special Mediation Package for SMEs

- The MARC Mediation Rules will apply but with a reduced one-off fee of Rs 5000 per party (regardless of the sum in dispute) instead of the Mediation Scale of Costs currently applicable under the MARC Arbitration and Mediation Rules. The maximum number of mediation hours shall be 10.
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