

CNLU
NATIONAL
MEDIATION
COMPETITION

2024



PRELIMINARY ROUND II GENERAL INFORMATION

ABOUT THE DRAFTERS



MediateGuru



MediateGuru, a distinguished institute in the realm of alternative dispute resolution. We pride ourselves on being more than just a service provider; we are a dedicated community committed to facilitating amicable resolutions through expert mediation and arbitration services. Our team of seasoned professionals brings a wealth of experience and a deep sense of empathy to every case, ensuring a fair, efficient, and compassionate resolution process. We uphold the highest standards of integrity and professionalism, providing our clients with unparalleled support and guidance.

Beyond our core services, MediateGuru plays a pivotal role in enriching the ADR field through a series of meticulously curated events, competitions, and conferences. These initiatives are designed to foster professional development, encourage knowledge sharing, and cultivate the next generation of resolution experts.

Engage with industry thought leaders at our workshops, participate in challenging competitions, and become part of a network that values and promotes the principles of peace and resolution. At MediateGuru, we are steadfast in our mission to create a more harmonious world, one resolved dispute at a time.

THE BINARY RESOLUTION

- 1. Founded in 2010 and led by CEO Arjun Mehta, TechnoInnovate has made a name for itself in the development of innovative technology solutions. The reputation of EcoBuild Constructions, under the leadership of Priya Singhania, was established over thirty years ago based on the use of sustainable and environmentally friendly construction methods. The partnership between these two heavyweights of the business began in April 2022 when EcoBuild awarded a ₹50 crore contract to TechnoInnovate to develop cutting-edge project management software. The goal of the program was to greatly lessen EcoBuild's environmental impact while also improving operational efficiency.
- 2. However, the project ran into a lot of problems, which made the working relationship tense. TechnoInnovate's four-month delay in meeting the original software delivery date was the first significant problem. According to EcoBuild, the delays in their building projects caused them to lose a significant amount of money—roughly ₹10 crores. TechnoInnovate defended the delay by stating that it was mostly caused by unanticipated technical difficulties and EcoBuild's ongoing modifications to the software's specs. They claimed that these modifications, which were not included in the initial agreement, caused the expenses to increase by an estimated ₹7 crores.
- 3. Upon the software's eventual delivery, EcoBuild criticized it for significant performance issues. They claimed that these shortcomings led to further operational losses, estimated at ₹5 Crores. In response to what they perceived as a breach of contract, EcoBuild withheld the final payment of ₹15 Crores. TechnoInnovate, in October 2022, retaliated by initiating legal proceedings against EcoBuild, demanding the withheld payment and additional compensation for the extra work and costs incurred due to the revised specifications.
- 4. As the court struggle dragged on, further problems added to the conflict. Serious charges of misappropriating private project data were made by EcoBuild against TechnoInnovate, which gave the issue a new angle. TechnoInnovate countered that EcoBuild had violated the exclusivity agreement in their contract by negotiating with other software companies for projects that were identical, so engaging in unfair trade practices. These charges exacerbated the already strained relationship between the two companies.

- 5. EcoBuild also raised concerns about the software's data security and compliance with environmental regulations, alleging that the product developed by TechnoInnovate failed to meet industry standards. TechnoInnovate refuted these claims, asserting that the software was developed in compliance with all relevant laws and regulations.
- 6. The dispute started to garner a lot of media attention, which negatively portrayed both businesses. Their plans were reevaluated as a result of the negative publicity, growing litigation costs, and disruption to their main business activities. By December 2022, TechnoInnovate and EcoBuild Constructions realized they needed a different strategy after being forced to deal with the prospect of an expensive and protracted court battle.
- 7. An important step forward was when EcoBuild suggested using mediation to settle the conflict. TechnoInnovate, who saw the possible advantages of a quicker, more economical, and cooperative settlement procedure, welcomed this recommendation. Several factors led to the decision to choose mediation. The most important of them was the need for a prompt resolution. The conventional legal procedure, which is infamous for taking a long time, presented the risk of dragging out the conflict for years and resulting in significant expenses for both sides.

Annexure 1

Agreement

Between:

TechnoInnovate Pvt. Ltd.

(Hereinafter referred to as "TechnoInnovate")

- Address: TechnoInnovate Tower, Mumbai, India
 - Represented by: Mr. Arjun Mehta, CEO

And

EcoBuild Constructions Pvt. Ltd.

(Hereinafter referred to as "EcoBuild")

- Address: B/6 Lonavla, Mumbai, India
- Represented by: Mrs. Priya Singhania, CEO

Date of Agreement: April 1, 2022

1. Scope of Agreement

This Agreement outlines the terms under which TechnoInnovate will develop and deliver a custom project management software system ("the Software") for EcoBuild. The Software is intended to optimize resource allocation, enhance operational efficiency, and support EcoBuild's environmental sustainability initiatives.

2. Project Specifications

- The Software shall include features such as real-time project tracking, resource management, environmental impact assessment tools, and data analytics capabilities.
- Detailed specifications are annexed herewith as Appendix A.

3. Project Timeline and Milestones

- The development of the Software shall commence on April 15, 2022, and the first version is expected to be delivered by October 15, 2022.
- Progress reviews will be conducted at the end of each month.

- 4. Payment Terms
- Total Contract Value: ₹50 Crores.
- Payment Schedule:
- Initial Payment: ₹10 Crores upon signing of this Agreement.
- Milestone Payments: ₹20 Crores upon completion of 50% of the project (as per agreed milestones).
 - Final Payment: ₹20 Crores upon final delivery and acceptance of the Software.

5. Changes to Specifications

- Any changes to the initially agreed specifications must be mutually agreed upon in writing and may be subject to adjustments in project timeline and costs.

6. Acceptance Testing and Corrections

- EcoBuild will have 30 days from the date of delivery to test the Software.
- Any issues or discrepancies found during testing should be notified to TechnoInnovate, which shall rectify the same within a reasonable period.

7. Confidentiality and Data Protection

- Both parties agree to maintain confidentiality regarding project details and proprietary information.
- TechnoInnovate assures compliance with data protection laws and regulations.

8. Intellectual Property Rights

- All intellectual property rights in the Software shall be owned by TechnoInnovate. EcoBuild will receive a license to use the Software for its operations.

9. Warranty and Liability

- TechnoInnovate warrants that the Software will perform as per the agreed specifications for a period of one year from the date of acceptance.
- Liability for any defects, malfunctions, or failures of the Software is limited to correction of the issue or refund of the milestone payment related to the defective part of the Software.

10. Dispute Resolution

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- In the event of any disputes arising from or in connection with this Agreement, the parties shall first attempt to resolve the matter amicably.
- If an amicable resolution is not possible, the parties agree to submit to mediation before resorting to legal action.

11. Termination

- Either party may terminate this Agreement on providing 30 days written notice if there is a material breach of terms that is not remedied within a reasonable time frame.

12. Governing Law and Jurisdiction

- This Agreement shall be governed by and construed in accordance with the laws of India.
- The courts of Mumbai, India, shall have exclusive jurisdiction over any disputes arising out of this Agreement.

13: Exclusivity

13.1 Exclusivity Obligations

a) For TechnoInnovate Pvt. Ltd. (Hereinafter "TechnoInnovate"): TechnoInnovate hereby agrees that during the term of this Agreement and for a period of 12 months thereafter, it shall not, directly or indirectly, engage in, participate in, or contribute its technological expertise to any software development project that is similar in nature and purpose to the Software developed for EcoBuild Constructions Pvt. Ltd. (Hereinafter "EcoBuild"), for any other construction company operating within India. This restriction is aimed at protecting the proprietary and competitive nature of the project undertaken for EcoBuild.

b. For EcoBuild Constructions Pvt. Ltd. (Hereinafter "EcoBuild"): EcoBuild agrees that during the term of this Agreement, it shall not solicit, engage, or enter into a contract with any other software development company for the creation of a similar project management software system as that being developed by TechnoInnovate under this Agreement. This is to ensure the exclusive utilization of TechnoInnovate's services for the project's duration and uphold the uniqueness of the technology being developed.

13.2 Definition of Competitive Project

For the purposes of this clause, a "Competitive Project" refers to any project that involves the development of software or technological solutions that provide similar functionalities, features,

or purposes as the Software being developed under this Agreement, specifically targeting the construction industry's project management and sustainability assessment needs.

13.3 Exceptions

The exclusivity obligations outlined in this clause shall not apply in the following circumstances:

a. If either party receives written consent from the other party to engage in activities otherwise restricted by this clause.

b. If TechnoInnovate is required to engage in a Competitive Project due to statutory or regulatory obligations.

13.4 Breach of Exclusivity

In the event of a breach of this exclusivity clause by either party, the non-breaching party shall be entitled to seek appropriate remedies, which may include, but are not limited to, injunctive relief, compensation for losses incurred, and termination of the Agreement.

13.5 Survival of Obligations

The obligations and rights under this exclusivity clause shall survive the termination or expiration of this Agreement for the period specified in clause 13.1, unless mutually agreed upon otherwise in writing by both parties.

Signatures:	
For TechnoInnovate Pvt. Ltd.	For EcoBuild Constructions Pvt. Ltd.
Mr. Arjun Mehta, CEO	Mrs. Priya Singhania, CEO
Date:	Date:



Chanakya Centre for Alternative Dispute Resolution

Contact Us

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For updates regarding the competition, visit <u>ccadr.cnlu.ac.in/nmc-2024/</u>.









