

CNLU NATIONAL MEDIATION COMPETITION 2024

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GENERAL INFORMATION SEMI-FINAL ROUND

ABOUT THE DRAFTERS

MediateGuru



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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.

SEMI-FINAL ROUND

General Information

- In New Delhi, Bal has been running a successful cable TV business since 1990. His venture, known as "Meet Cable Ltd.," operated as a sole proprietorship. Over the years, Bal's business flourished, and by the time the present story unfolded, he had amassed over 10,000 connections scattered throughout the city. Bal's service was comprehensive, offering network cable TV at ₹250 per set-top box. This fee encompassed not only the connection but also the costs of wire infrastructure and maintenance, ensuring a seamless viewing experience for his customers.
- Bal's operations were heavily reliant on his distributor, the BEN company, which charged him approximately ₹50 per connection. This symbiotic relationship allowed Bal to maintain a healthy margin while providing quality service to his clients. However, the tranquility of this arrangement was soon to be disrupted.
- 3. The landscape of cable TV in New Delhi was about to undergo a significant shift with the entry of A2TV Network. A2TV, sharing the same distributor as Bal the BEN company, set its sights on Bal's territory. In a bold move to capture market share, A2TV Network introduced an aggressive pricing strategy, offering cable TV services at a mere ₹100 per connection. This was a seismic shift in pricing, drastically undercutting Bal's rates and sending ripples through the market.
- 4. Bal's once-thriving business faced an existential threat as his clientele began to migrate to A2TV Network, lured by the substantially lower prices. In a desperate bid to retain his customer base, Bal had no choice but to slash his prices to match A2TV's offering. However, this decision came at a steep cost. The new pricing model, set at ₹100 per connection, was unsustainable for Bal's operation. The expenses incurred for maintenance and infrastructure, which were once comfortably covered by the higher charges, now became a financial burden. Bal found himself in a precarious position, struggling to keep his business afloat in the face of overwhelming costs and fierce competition.
- 5. In the wake of the burgeoning crisis, Bal, the proprietor of Meet Cable Ltd., was presented with a lifeline. His friend, Aditya, aware of the dire straits in which Bal found himself, stepped forward with an offer. Aditya proposed to join the business as

a partner, bringing with him a strategy to not only sustain the business but also to engage in an aggressive competition with A2TV Network. This alliance, Bal hoped, would turn the tides in his favor.

- 6. The agreement between Bal and Aditya was forged on a **verbal understanding**. They agreed to share profits and losses equally, a testament to their mutual trust and commitment to the venture. As part of the deal, Aditya pledged to inject fresh capital into the struggling business. This included the procurement of 8,000 new set-top boxes from a different distributor, SkyTV, each priced at ₹300. These boxes were intended to be installed in customers' homes, signaling a significant upgrade in the service offering and a direct challenge to A2TV's burgeoning dominance. Moreover, Aditya agreed to pay Bal a sum of ₹50,000, to be continued until the profits from Bal's share in the business rebounded to the same amount.
- 7. As the partnership between Bal and Aditya took shape, immediate actions were initiated to revitalize Meet Cable Ltd. The staff, embracing the new direction, began the task of exchanging the old set-top boxes with the newly acquired ones from SkyTV. This move was crucial in demonstrating to their customer base that Meet Cable Ltd. was upgrading its services to compete with A2TV Network. The old set-top boxes were collected and stored at Bal's residence, a temporary measure as the company navigated through this transitional phase.
- 8. For the initial two months, the partnership seemed to be functioning as per the verbal agreement. Aditya upheld his part of the deal, paying Bal ₹50,000 monthly. However, despite these efforts, the aggressive pricing war with A2TV Network continued to inflict financial losses on Meet Cable Ltd. The business was in a precarious situation, struggling to regain its footing in the highly competitive market.
- 9. The third month marked a turning point in the partnership. Aditya, citing financial constraints, failed to make the agreed payment to Bal. He reasoned that the ongoing payments to the distributor, who was charging ₹45 per set-top box connection, were straining the company's finances. Aditya assured Bal that the delay in payment was temporary but was unable to specify a timeline for when the payments would resume.
- 10. Meanwhile, Bal found himself in a personal financial crunch. He had immediate personal obligations that required urgent funding, obligations that could not be postponed. Faced with this predicament and the delayed payment from Aditya, Bal was compelled to take drastic measures. In a move driven by necessity, he sold his car and the old set-top boxes that had been accumulated over the years.

- 11. The unfolding events brought to light the vulnerabilities in Bal and Aditya's partnership, particularly the reliance on a verbal agreement and the lack of a formalized contingency plan for financial hardships. As the strain on their partnership intensified, it became increasingly clear that a resolution needed to be found, one that would address not only the business challenges but also the growing tensions between the two partners.
- 12. The partnership between Bal and Aditya, initially seen as a beacon of hope for Meet Cable Ltd., began to unravel as the months progressed. By the fourth and fifth months, the financial strain on the business had intensified. Aditya, grappling with the mounting losses, was unable to fulfill his commitment of paying Bal ₹50,000. He pointed out the disparity in their contributions, arguing that while he was shouldering the financial losses, Bal was merely attending work and expecting the agreed-upon sum. This contention highlighted a growing rift in the partnership, as perceptions of effort and contribution started to diverge significantly.
- 13. The situation deteriorated further in the sixth month. In a bid to express his discontent and to make his grievances felt, Bal chose not to attend work for an entire week. This action was a deliberate attempt to highlight his importance to the business and to draw attention to the issues plaguing their partnership. However, his absence went unaddressed. No one from the company reached out to inquire about his sudden disappearance, an indication of the deepening disconnect and the lack of communication between the partners.
- 14. A month after Bal's conspicuous absence from work, he decided to visit the shop, only to be met with a startling revelation. The name of the business had been changed from 'Meet Cable Ltd.' to 'Excel Services Ltd.' Moreover, the entire staff had been replaced. This unilateral move by Aditya was a clear indication that Bal had been effectively ousted from his own company. The change in name and staff represented a significant alteration in the business's identity and operations, and it was done without Bal's knowledge or consent, further deepening the rift between the two partners.
- 15. Feeling betrayed and wronged, Bal resorted to legal action. He sent a legal notice to Aditya, demanding an explanation for the abrupt changes and signaling his intent to initiate a lawsuit. The legal notice was a formal step towards addressing the grievances that had accumulated over the months, particularly the disregard for his role and contributions to the company.

16. However, Bal's lawyer, cognizant of the realities of the situation, advised an alternative approach. He recommended mediation to both Bal and Aditya. The lawyer was acutely aware that the business was not performing well and understood that neither party was in a financial position to endure the costs and time associated with lengthy legal trials. Mediation, a process aimed at facilitating a mutually acceptable resolution through the assistance of a neutral third party, presented a more viable and practical solution. It offered a platform for Bal and Aditya to address their disputes in a less adversarial and more collaborative environment.



Chanakya Centre for Alternative Dispute Resolution

Contact Us

For any queries/clarifications, please reach out to:

- Ms. Dakshita Dubey (Convenor)
 +91 8571918879 or <u>2117@cnlu.ac.in</u>
- Mr. Ayush Kumar (Convenor)
 +91 7480830235 or <u>2115@cnlu.ac.in</u>
- Ms. Rishika Sharma (Co-Convenor)
 +91 9470435520 or <u>2352@cnlu.ac.in</u>
- Ms. Priyanshi Jain (Co-Convenor)
 +91 6261744918 or <u>2422@cnlu.ac.in</u>

Or, e-mail us at events.ccadr@cnlu.ac.in.

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



