

KANARA CHAMBER OF COMMERCE & INDUSTRY

ALTERNATIVE DISPUTE RESOLUTION CENTRE

Chamber Building Bunder,
Mangalore – 575 001, India.

INTRODUCTION

With a modest beginning on 20 December 1940, The Kanara Chamber of Commerce (KCCI) & Industry, is today recognized as one of the respected Chambers of Commerce and Industry in Karnataka.

Our Objective is the growth of the region, serving trade and industry in this coastal region of Karnataka, Dakshina Kannada. We promote and protect the interests of anyone engaged in trade, commerce, manufacturing and allied activities, specifically in the region of Dakshina Kannada & India in general. We have performed a proactive role in promoting initiative and enterprise for the past 78 years. We are at the forefront of trade & commercial activities through legislative and trade measures introduced by the Government and its agencies and also act as a vigilant watchdog to oppose adverse measures so that the commercial activities in the region are not affected.

We also promote free and fair-trade practices by the commercial establishments in our region. We are the apex body in the region and along with our members are working towards making the region of Dakshina Kannada congenial for sustained economic activities by entrepreneurs, business houses and corporates, leading to better employment, better utilization of resources and balanced inclusive growth of this region.

In 2019, the Members of the Board identified the need for setting up an Alternative Dispute Resolution (ADR) Centre at KCCI. A sub-committee was formed & assigned the task of formulating the guidelines & setting up the ADR Centre. The centre commenced its operations in March 2020.

ALTERNATIVE DISPUTE RESOLUTION MECHANISM

The ADR Mechanism, comprising of Negotiation, Mediation, Expert Determination, Dispute Review Panel (DRP), Independent Dispute Avoidance Panel, Arbitration & Conciliation, gives parties in dispute an opportunity to work through disputed issues with the help of a neutral third party. ADR is generally faster & less expensive than working through the courts of law.

In a nutshell, ADR can save a lot of time & lot of money. It puts the parties in control, instead of lawyers or the court, by affording them an opportunity to tell their side of the story and have a say in the final decision. The ADR mechanism focuses on the issues that are important to the people, instead of just their legal rights & obligations. By avoiding creation of one winner & one loser, the ADR mechanism preserves relationships by helping people

co-operate & come up with flexible & creative options by exploring what each one of them wants to achieve. ADRs have known to have better settlement rates than the courts of law. They also help to reduce the stress associated with court appearances, time & cost. Since only people who are invited can attend an ADR session, it keeps private disputes away from the glare of the public. The ADR mechanism has led to more flexible remedies that are satisfying to the participants, which in turn has led to a high degree of satisfaction in the ADR processes. Finally, ADRs gives access to a dispute resolution mechanism to people who cannot afford court or legal fees & in that manner it gives more people access to justice.

Institutional Arbitration

Arbitration may be arranged by the parties themselves on ad-hoc basis or It may be conducted according to the rules of an arbitral institution. Arbitration under the Rules of procedure of an arbitral Institution provides several advantages and helps in quicker disposal of cases. The professional experience and expertise available with an arbitral institution facilitates economic and expeditious conduct of arbitrations and adds to the certainty and finality of the proceedings. The KCCI ADR Centre is a specialized Alternative Dispute Resolution Centre that provides negotiation, mediation, arbitration & conciliation facilities for all types of domestic and International commercial disputes.

CLAUSES IN AGREEMENTS

To avail the services of the KCCI ADR Centre (KAC in short), it is suggested that Members of KCCI & the general public incorporate the following clauses in the agreements that they enter into.

Suggested Arbitration Clause

“Any claim, dispute or difference relating to or arising out of this Agreement, including any question regarding its existence, operation, termination, validity or breach thereof, shall be referred to the arbitration, of a sole arbitrator*. The arbitration shall be subject to the Arbitration and Conciliation Act, 1996 as may be amended from time to time. The KCCI ADR Centre, will appoint the Sole Arbitrator* and will conduct the Arbitration in accordance with its rules for conduct of Arbitration proceedings then in force and applicable to the proceeding. The seat and venue of arbitration shall be Mangaluru**. The proceedings shall be undertaken in English. The arbitration award shall be final and binding on the parties.”

* The number of arbitrators shall be one or three.

** The seat & venue of arbitration shall be the city/town where the Arbitration would take place. (seat would denote the jurisdictional place and venue the physical place)

Suggested Mediation Clause

“In the event of any dispute, difference or controversy arising out of or in relation to this Agreement, including any question regarding to its existence, validity or termination, the parties shall seek settlement of that dispute by mediation in accordance with the KCCI ADR Centre Mediation Rules”

Suggested Mediation & Arbitration Clause

“Any dispute, difference or controversy arising out of or in connection with this Agreement shall first be referred to mediation at the KCCI ADR Centre in accordance with its then current Mediation Rules. If the mediation is abandoned by the mediator or is otherwise concluded without the dispute or difference being resolved, then such dispute difference or controversy, including any question regarding its existence, operation, termination, validity or breach thereof, shall be referred to and determined by arbitration as per the Arbitration & Conciliation Act, 1996 by KCCI ADR in accordance with its Arbitration Rules”.

Suggested Arbitration – Mediation – Arbitration Clause

"Any dispute, difference or controversy arising out of or in connection with this Agreement, including any question regarding its existence, operation, termination, validity or breach thereof, shall be referred to and finally resolved by arbitration as per the Arbitration & Conciliation Act, 1996* and shall be conducted by the KCCI ADR Centre, in accordance with their Arbitration Rules for the time being in force.

It is further agreed that following the commencement of arbitration, the parties will attempt in good faith to resolve such dispute, difference or controversy through mediation, as per the KCCI ADR Centre Procedure for the time being in force. Any settlement reached in the course of mediation shall be referred to the arbitral tribunal appointed by KCCI ADR Centre and may be made a consent award on agreed terms."

NOTE

- Parties can initiate mediation even without any agreement.
- Where there is no agreement between the parties for mediation or arbitration, parties who wish to mediate or arbitrate an existing dispute, can enter into an KCCI ADR Centre Mediation or Arbitration agreement.

Suggested Conciliation Clause

“Any claim, dispute or difference relating to or arising out of this Agreement, including any question regarding its existence, operation, termination, validity or breach thereof, shall be referred to the Conciliation, of a Conciliator. The Conciliation shall be subject to the Arbitration and Conciliation Act, 1996 as may be amended from time to time. The KCCI ADR Centre, will appoint the Conciliator and will conduct the Conciliation in accordance with its rules for conduct of Conciliation proceedings then in force and applicable to the proceeding. The seat and venue of Conciliation shall be Mangaluru*.”

* The seat & venue of Conciliation shall be the city/town where the Conciliation would take place.
