

**No. 19047/6/2024-E.IV**  
**Government of India**  
**Ministry of Finance**  
**Department of Expenditure**  
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North Block, New Delhi  
Dated the 25<sup>th</sup> March, 2025

**OFFICE MEMORANDUM**

**Subject: Payment of Fees and other expenses to Mediators/Members of High Level Committees acting as a Mediator for mediation of contractual commercial disputes-regarding.**

Attention is drawn to Section 48 of the Mediation Act, 2023 (No. 32 of 2023) which allows the Government or any Government entity or agency to frame schemes or guidelines for resolution of disputes where such Government or any of its entity is one of the parties through mediation or conciliation, and in such cases, a mediation or conciliation may be conducted in accordance with such schemes or guidelines.

2. Paragraph 7(vii) of this Department's O.M. No.F.1/12/2024-PPD dated 03.06.2024 regarding 'Guidelines for arbitration and mediation in contracts of Domestic Public Procurement' provides that Government Departments/Entities/Agencies are encouraged to adopt Mediation and/or negotiated amicable settlements for resolution of disputes. It also provides the manner by which the matters involving high value should be proceeded with such as constituting a High Level Committee (HLC) comprising a retired Judge and technical expert. The said HLC may negotiate directly with other party or conduct mediation through a mediator or act itself as a mediator. However, fees of such Mediators/Members of HLC acting as a Mediator have not been mentioned in the said O.M.

3. It is understood that the schedule of Model fees for Mediators for Mediation under the Mediation Act, 2023 (No. 32 of 2023) (published by the Ministry of Law & Justice in the Gazette of India on 14.09.2023) is under active consideration in the Ministry of Law & Justice. Till such time it is finalized, a common fee structure to bring uniformity is prescribed below as an interim measure.

4. For Mediators/Members of HLC acting as a Mediator in disputes valuing rupees ten crore and above, the following remuneration structure is prescribed: -

- (i) Sitting Fees @ Rs. 25,000/- per sitting per Member;
- (ii) Each dispute referred for mediation must be decided in no more than 5 sittings in a maximum span of 6 months;
- (iii) Lumpsum amount to an outstation member to the tune of Rs. 25,000/- in respect of reimbursement of travel, hotel accommodation and food charges for each sitting:

Provided that if two or more sittings are held on consecutive days, the lumpsum amount shall be Rs.25,000/- for the 1<sup>st</sup> day, and Rs.15,000/- for each of the subsequent days; and

- (iv) Lumpsum amount to a local member to the tune of Rs. 5,000/- in respect of reimbursement of local transport and food charges for each sitting.

5. The above-mentioned rates shall be in force till the time provisions in this regard are notified by the M/o Law & Justice under the Mediation Act, 2023 (No. 32 of 2023).

6. This Office Memorandum shall take effect from 25.03.2025.

7. This issues with the approval of Secretary (Expenditure).

**(Samir Kumar Das)**

**Deputy Secretary to the Government of India**

To,

**All the Ministries/Departments of the Government of India (as per standard Mailing List)**