GOVERNMENT OF INDIA MINISTRY OF LAW & JUSTICE DEPARTMENT OF JUSTICE

RAJYA SABHA

UNSTARRED QUESTION NO. 1871 TO BE ANSWERED ON THURSDAY, THE 17TH MARCH, 2022

DISPOSAL OF COMMERCIAL DISPUTES TO PROMOTE EASE OF DOING BUSINESS

1871. SHRI SUJEET KUMAR:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Government is aware of the fact that the commercial disputes reportedly are not disposed of in a time bound manner causing negative impact on ease of doing business;

(b) if so, the details thereof and the reaction of the Government thereto;

(c) the total number of commercial disputes pending in the country in various courts during each of the last three years;

(d) whether Government has taken any measures to ensure that commercial disputes are disposed of in a time bound manner to promote ease of doing business; and(e) if so, the details thereof?

ANSWER

MINISTER OF LAW AND JUSTICE

(SHRI KIREN RIJIJU)

(a) to (e): The total number of commercial disputes pending in various commercial courts during the last three years is at Annexure. As a part of improving the Ease of Doing Business framework, Department of Justice has been endeavouring to make the Contract Enforcement Regime speedy and robust. Some of the measures taken by the Government to ensure timely disposal of commercial disputes and promoting Ease of Doing Business are as follows:

i. The Commercial Courts Act, 2015, which was further amended in 2018 provides for setting up of a Commercial Court at the district level and a Commercial Division in all

the High Courts to promote faster resolution of commercial disputes. In many States, the designated Commercial Courts have been replaced by Dedicated Commercial Courts so that they handle commercial disputes exclusively to enable speedier resolution. The pecuniary jurisdiction of these Commercial Courts have been reduced from Rs. 1 Crore to Rs. 3 Lakhs to streamline their functioning.

- Designated Special Courts for hearing Infrastructure projects related disputes have been set up in 23 High Courts. Some of these courts have allocated dedicated days in a week/month for hearing disputes related to infrastructure project contracts.
- iii. High Courts of Delhi, Orissa, Andhra Pradesh, Allahabad, Jammu & Kashmir and Ladakh, Sikkim, Patna and Madras have set up Special Commercial Benches for dealing with high value commercial disputes i.e. above Rs. 500 crores. Bombay and Delhi High Courts have set up benches for dealing with high value commercial disputes above Rs. 100 crores.
- iv. The Government has also notified Commercial Courts (Statistical Data) Rules, 2018 for effective monitoring of time taken in case disposal by these courts.
- v. The Commercial Courts (Amendment) Act, 2018 provides for mandatory Pre-Institution Mediation Settlement (PIMS) process with opt out option in cases where no urgent, interim relief is contemplated and an opportunity is provided to the parties to resolve the commercial disputes outside the ambit of the courts in a speedy manner. This has led to dispute avoidance and reduced clogging of cases in Commercial Courts.
- vi. Commercial Courts Act, 2015 mandates holding of Case Management Hearing (Pretrial Conference) to complete trial and arguments in a time bound manner. Case Management Hearing has been successfully institutionalized and integrated with CIS 3.2 software. Automatic and random allocation of commercial cases without human intervention using Case Information System (CIS) Software has been implemented in select dedicated commercial courts which has enhanced judicial transparency and court automation. e-Committee, Supreme Court has ensured compliance of *three adjournment Rule* by creating the facility of colour banding in CIS software. The

colours provide information regarding the number of adjournments in a case and facilitates speedy decision making.E-filing has also been operationalised in most Commercial Courts to reduce the time taken in filing legal documents. A software patch has been developed and is presently being used by few commercial courts for sending of online summons in commercial disputes, which reduces the delay in sending summons to parties. Electronic Case management tools for Judges and Advocates have been integrated into one single CIS Software, which has enhanced judicial productivity and made the justice delivery system more accessible, reliable and transparent. Dedicated Websites have been started for Commercial Courts.

Annexure

STATEMENT REFERRED TO IN REPLY TO PARTS (a to e) OF RAJYA SABHA UNSTARRED QUESTION NO. 1871 FOR ANSWER ON 17.03.2022 REGARDING DISPOSAL OF COMMERCIAL DISPUTES TO PROMOTE EASE OF DOING BUSINESS

Commercial Disputes pending in India in last 3 years:

Year	Commercial	Commercial	Commercial	Commercial	Commercial
	Appellate	Division	Courts	Courts (At	Appellate
	Division		(Below	District Judge	Courts
			District Judge	Level)	(District
			Level)		Judge Level)
2019	1458	9739	17375	29048	348
2020	2037	11742	22936	70007	378
2021 (till	2768	12316	28544	91248	501
30.06.2021)					

Source: Department of Legal Affairs