

GOVERNMENT OF INDIA
MINISTRY OF LAW AND JUSTICE
DEPARTMENT OF LEGAL AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 1119
TO BE ANSWERED ON WEDNESDAY, THE 8th FEBRUARY 2017

COMMITTEE TO STUDY ARBITRATION MECHANISM

1119. SHRI ASHOK SHANKARRAO CHAVAN:

SHRI T. RADHAKRISHNAN:

SHRI S.R. VIJAYAKUMAR:

SHRI SUDHEER GUPTA:

SHRI GAJANAN KIRTIKAR:

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

- (a) whether the Government has constituted a High Level Committee to study Arbitration Mechanism to Settle commercial disputes;
- (b) if so, the details of the terms of reference of the Committee;
- (c) whether the Committee is also mandated to review the working of the institutions funded by the Government for arbitration and if so, the details thereof;
- (d) the time by which the Committee is likely to submit its report; and
- (e) the other steps taken/being taken by the Government for expeditious disposal of commercial disputes?

ANSWER

**MINISTER OF STATE FOR LAW AND JUSTICE & ELECTRONICS AND
INFORMATION TECHNOLOGY
(SHRI P. P. CHAUDHARY)**

(a): Yes Madam. A High Level Committee to review Institutionalization of Arbitration Mechanism in India has been setup under the Chairmanship of Mr. Justice B. N. Srikrishna, Retired Judge, Supreme Court, vide order dated 13th January, 2017.

(b) & (c): The terms of reference of the High Level Committee to review Institutionalization of Arbitration Mechanism in India is at Annexure.

(d): The committee is supposed to submit its report in three months.

(e): The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015, has been enacted. The said Act, inter-alia, provides for constitution of the Commercial Court at district level and Commercial Division and Commercial Appellate Division in the High Courts for adjudicating commercial disputes of specified value and matters connected therewith or incidental thereto. Apart from enactment of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015, the Arbitration and Conciliation Act, 1996 also has been amended by the Arbitration and Conciliation (Amendment) Act, 2015. The amended Act, inter-alia, provides time-limit for arbitral award, fast-track procedure, neutrality of arbitrator, timely execution of arbitral award, minimum court interference and fee of the arbitrator.

The terms of reference for the High Level Committee to review Institutionalization of Arbitration Mechanism in India are as under:

- (i) to analyze & review effectiveness of present arbitration mechanism.
- (ii) to review the facilities, resources, funding and manpower of existing ADR institutions.
- (iii) to review working of the institutions funded by the Government of India for arbitration purposes.
- (iv) to assess skill gaps in ADR and allied institutions for both national and international arbitration.
- (v) to evaluate information outreach and efficacy of existing legal framework for arbitration.
- (vi) based on the foregoing, to
 - (a) Suggest measures for institutionalization of arbitration mechanism, national and international, in India so as to make the country a hub of international commercial arbitration.
 - (b) Identify amendments in other laws that are needed to encourage International Commercial Arbitration (ICA).
 - (c) Devise an action plan for implementation of the law to ensure speedier arbitrations.
 - (d) Recommend revision in institutional rules & regulations and funding support thereof.
 - (e) Advise empanelment of national and international arbitrators for time bound arbitral proceedings.
 - (f) Suggest road map for further strengthening of research and development impacting the domain.
 - (g) Enlist requisite steps for augmenting skill sets and professional manpower buildup for the sector.
 - (h) Recommend measures to make arbitration more widely available in curricula and study materials.
 - (i) Focus on the role of arbitrations in matters involving the Union of India, including bilateral investment treaties (BIT) arbitrations and make recommendations where necessary.

- (j) Evolving an efficient arbitration ecosystem for expeditious resolution of International and Domestic Commercial disputes.
