

**GOVERNMENT OF INDIA  
MINISTRY OF LAW & JUSTICE  
DEPARTMENT OF JUSTICE**

**LOK SABHA**

**UNSTARRED QUESTION NO. 3560**

**TO BE ANSWERED ON WEDNESDAY, THE 08<sup>th</sup> AUGUST, 2018.**

**Ease of Doing Business**

**3560. SHRI ASADUDDIN OWAISI:**

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

- (a) whether the Government has constituted a task force to further improve India's ranking in the Ease of Doing Business Index under the Secretary of Department of Justice;**
- (b) if so, the number of representatives from different Ministries and advisors who are members of the task force;**
- (c) whether the Government has asked all the High Courts to monitor court adjournments leading to piling of cases;**
- (d) the other measures taken by the Government in consultation with other Ministries such as labour reforms, etc. in this regard; and**
- (e) the time by which the steps are likely to be suggested by the task force in this regard?**

**ANSWER**

**MINISTER OF STATE FOR LAW AND JUSTICE AND CORPORATE AFFAIRS  
(SHRI P. P. CHAUDHARY)**

- (a) Yes, Madam. A Task Force was constituted under the Chairpersonship of Secretary, Department of Justice for improving performance on the parameter of "*Enforcing Contracts*" for ease of doing business in India.**

(b)&(e) : Representatives from Department of Industrial Policy & Promotion, Department of Legal Affairs, Legislative Department, Department of Justice, Government of Delhi, Government of Maharashtra, High Court of Delhi and High Court of Bombay and Member, eCommittee of the Supreme Court of India have been included in the Task Force. Seven meetings of the Task Force have been held so far. Activities of the Task Force are of an on-going nature and regular recommendations/ directions are given to various stakeholders, so as to improve India's ranking in the ease of doing business index.

(c) : The power of granting or refusing adjournments is in the domain of the judiciary. Enforcement as well as monitoring of the said provision also lies in the hands of the judiciary. However, the Government has periodically invited the attention of all High Courts on granting of indiscriminate adjournments which are causing delay in the disposal of cases. Government has also requested Chief Justices of all High Courts to invite the attention of the district judges to these provisions and impress upon them to adhere to them.

(d) : The Government has taken the following measures to improve India's ranking in the "*Enforcing Contracts*" parameter of the World Bank's Doing Business Report:

(i) Commercial Courts, Commercial Division and Commercial Appellate Division of High Court Act, 2015 was enacted so as to :

(a) Provide a mechanism to ensure speedy disposal of commercial disputes of value of Rs.1 crore and above [specified value] by setting up Commercial Divisions in High Courts exercising ordinary original civil jurisdiction *such as* Delhi, Bombay, Calcutta, Madras, and Himachal Pradesh High Court; and

(b) Enable setting up of Commercial Courts at the District Judge level in the States and UTs where High Courts do not have ordinary original civil jurisdiction.

(ii) Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018 has been promulgated on 03<sup>rd</sup> May, 2018 to :

(a) Reduce the specified value of a commercial dispute to Rs.3 lakh from the earlier Rs. 1 crore;

(b) Establish Commercial Courts at District Judge level for the territories over which respective High Court have ordinary original civil jurisdiction *i.e.* in the cities of Chennai, Delhi, Kolkata, Mumbai and State of Himachal Pradesh; and

( c ) Introduce Pre-Institution Mediation through the authorities constituted under the Legal Services Authorities Act, 1987 in cases where no urgent, interim relief is contemplated.

(iii) A Bill to replace this Ordinance has been passed by Lok Sabha on 01.08. 2018.

(iv) The Arbitration and Conciliation Act, 1996 has been amended by the Arbitration and Conciliation (Amendment) Act 2015 to expedite the speedy resolution of disputes by prescribing timelines.

(v) The Government has introduced a Bill in Lok Sabha on 18.07.2018 for further amending the Arbitration and Conciliation Act, 1996, and also for setting up of an independent body namely Arbitration Council of India as an Institutional mechanism to promote and encourage arbitration, conciliation, mediation and other ADR Mechanisms and for that purpose evolve policy and guidelines for the establishment, operation and maintenance of uniform professional stands in respect of all matters relating to arbitration and ADR mechanism.

(vi) Furthermore, the Government has introduced a Bill in Lok Sabha on 05.01.2018 to set up an Institute of National Importance namely New Delhi International Arbitration Centre (NDIAC) which would function as a flagship institution for domestic & international arbitration.

(vii) The Specific Relief (Amendment) Bill 2018, proposing to bring significant amendments to Specific Relief Act 1963, was passed by Lok

Sabha on March 15, 2018 and by Rajya Sabha on July 23, 2018. The Bill seeks to take away the discretionary power of courts in ordering specific performance of contract, by stating that specific performance of contract should be compulsorily enforced by the Court. Further, compensation need not be sought for as an alternate relief, and can be claimed in addition to specific performance.

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