

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

LOK SABHA

UNSTARRED QUESTION NO.3957
TO BE ANSWERED ON WEDNESDAY, THE 18TH MARCH, 2020

COMMERCIAL COURTS

3957. DR. SUBHASH RAMRAO BHAMRE:

SHRIMATI SUPRIYA SULE:

DR. AMOL RAMSING KOLHE:

SHRI SHRINIWAS PATIL:

DR. DNV SENTHILKUMAR S.:

SHRI KULDEEP RAI SHARMA:

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

- (a) whether the Government has set up commercial courts in the country for expeditious disposal of commercial disputes and other issues related to foreign direct investments and if so, the details thereof;
- (b) whether the 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 and if so, the details thereof;
- (c) the total number of commercial disputes pending in the country in various courts during each of the last three years;
- (d) whether the 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, COMMUNICATIONS AND
ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

(a)& (b): Yes, sir. The Commercial Courts Act, 2015 as amended by Commercial Courts (Amendment) Act, 2018 provides for the establishment of Commercial Courts (Below district judge level), Commercial Court (At district judge level), Commercial Appellate Court (At district judge level), Commercial Division (at High Court level) and Commercial Appellate Division

(at High Court level). As far as the World Bank criterion of Ease of Doing Business in India is concerned, the position of setting of Commercial Court in the earmarked cities is as under:

- (i) Delhi - 22 dedicated commercial court notified and 21 functional.
- (ii) Mumbai – 4 dedicated commercial courts.
- (iii) Bengaluru – 2 dedicated commercial courts.
- (iv) Kolkata – 2 dedicated commercial courts.

As per the World Bank's Doing Business Report, 2020, the time taken to resolve a commercial dispute is 1445 days. The reforms undertaken by Delhi, Mumbai, Kolkata and Bengaluru are aimed at reducing the time taken to resolve commercial disputes.

(c) The information is being collected and will be laid on the table of the House.

(d) &(e):The Government in its endeavour to ensure resolution of Commercial cases expeditiously, fairly and at reasonable cost to the litigant, has enacted the Commercial Courts Act, 2015, and the act was further amended in 2018, which facilitates the fast tracking of Commercial disputes by reducing the specified value of a commercial dispute to Rs. 3 Lakh from Rs.1.00 Crore and establishment of Commercial Courts at District Judge level in the Jurisdiction of High Courts enjoying Ordinary Original Civil Jurisdiction. A mandatory provision of "Pre-Institution Mediation and Settlement" (PIMS) (an Alternative Dispute Resolution Mechanism) in cases which do not contemplate urgent interim relief has also been introduced by the amended Act to facilitate out of court settlement and ease the work load of the Courts. The continuous efforts of the Government has resulted in improving India's rank in the World Bank Report on Doing Business. In addition, the National Mission for Justice Delivery and Legal Reforms has been pursuing a coordinated approach for phased liquidation of arrears and pendency in judicial administration, which, inter-alia, involves better

infrastructure for courts including computerization, increase in strength of subordinate judiciary, policy and legislative measures in the areas prone to excessive litigation, re-engineering of court procedure for quick disposal of cases and emphasis on human resource development.