

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

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**LOK SABHA**

UNSTARRED QUESTION NO.3979  
TO BE ANSWERED ON WEDNESDAY, THE 18<sup>TH</sup> MARCH, 2020

**MECHANISM TO SETTLE DISPUTES**

**3979.** SHRI KHAGEN MURMU:  
SHRI AJAY KUMAR MISRA TENI:

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

- (a) whether the Government proposes to set up any mechanism to settle minor disputes among the litigants to reduce the burden of increasing lawsuits;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**ANSWER**

**MINISTER OF LAW AND JUSTICE, COMMUNICATIONS AND  
ELECTRONICS & INFORMATION TECHNOLOGY  
(SHRI RAVI SHANKAR PRASAD)**

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**(a) to (c)** The Government is committed to speedy disposal of cases and reduction in pending cases, inter-alia, through emphasis on Alternate Dispute Resolution (ADR) and initiatives to fast track special type of cases. The Government, in its endeavour to ensure resolution of commercial cases expeditiously and at reasonable cost to the litigants enacted the Commercial Courts Act, 2015. The Act was further amended in 2018. It facilitates the fast tracking of commercial disputes by duly constituted Commercial Courts. The specified value of commercial dispute has through the 2018 amendment been reduced to Rs. 3 lakh from the earlier Rs. 1 crore. 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 amendment Act to facilitate out of court settlement and ease the work load of the Courts. The Government has also amended the Arbitration and Conciliation Act, 1996, by the Arbitration and Conciliation (Amendment) Act, 2019 and enacted the New Delhi International Arbitration Centre Act 2019 to promote institutional arbitration in place of ad-hoc arbitration. Institutional arbitration in turn promotes the laying of uniform standards, make arbitration process more party friendly, cost effective and ensure timely disposal of arbitration cases, by Arbitral Institutions.