

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

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**LOK SABHA**

UNSTARRED QUESTION NO. 2144  
TO BE ANSWERED ON FRIDAY, THE 29<sup>TH</sup> JULY, 2022

**Legal Arbitration Centres**

**2144. SHRI MANNE SRINIVAS REDDY:  
SHRI KOMATI REDDY VENKAT REDDY:**

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

(a) whether any discussion was held during the two-day conference on Mediation and Information Technology at the Statue of Unity in Gujarat on the concept of Alternative Dispute Resolution (ADR), through Lok Adalats, Gram Nyayalayas, mediation and arbitration centres, which have the potential to transform the legal landscape of the country by providing millions of people a platform to settle their grievances, if so the details and the outcome thereof;

(b) whether the Government has stressed the need for bringing justice to the millions and settle their grievances without protracted legal proceedings, if so the details and the results achieved therefrom, court-wise; and

(c) whether there is need of an active effort to be made by the courts to make negotiations and mediation mandatory as part of case management, if so, the details and present status thereof till date?

**ANSWER**

**MINISTER OF LAW AND JUSTICE  
(SHRI KIREN RIJJU)**

**(a):** Yes sir, a two day National Judicial Conference on '*Mediation and Information Technology*' was organized by the Hon'ble High Court of Gujarat on 9<sup>th</sup> and 10<sup>th</sup> April, 2022 at Ekta Nagar, Narmada District, Gujarat.

The Hon'ble President of India, while inaugurating the Conference said that ADR mechanism and the ICT in the Judiciary are important for many reasons as both will help make the system more efficient and thus better able to dispense justice. The Hon'ble Chief Justice of India, in his speech stated that the concept of ADR, through Lok Adalats, Gram Nyayalayas, mediation and arbitration centers, has the potential to transform the legal landscape of India by providing millions of people a platform to settle their grievances. He further stated that imbuing effective ADR mechanisms into the judicial process can reduce pendency, save judicial resources and time, and allow litigants a degree of control over the dispute resolution process and its outcome. He stressed that technology can be beneficially employed by the judicial system. It has the potential to simplify the process. Courts in India have started utilizing technology and various initiatives have been taken up such as E - filing, Computer Assisted Transcription, Document Display System and the integration of Courts under one IT Infrastructure. Recently, the Supreme court has launched 'FASTER', a digital platform for fast and secured delivery of urgent court orders in encrypted electronic format, to the stakeholders. This would ensure effective implementation of court orders, without any delay.

**(b):** It is the endeavour of the Government that judiciary and legislature work together in one direction for better coordination for making reforms in the judicial system to reduce the burden of cases and deliver speedy justice. The Government is promoting ADR mechanisms including arbitration and mediation as these mechanisms are less adversarial and are capable of providing a better substitute to the conventional methods of resolving disputes. The use of ADR mechanisms is also expected to reduce the burden on the judiciary and thereby enable timely justice dispensation to citizens of the country.

To enable arbitration as a viable dispute resolution mechanism, the Government has amended the Arbitration and Conciliation Act, 1996 in the years 2015, 2019 and 2021. The changes are enabled to signal a paradigm shift for ensuring timely conclusion of arbitration proceedings, minimizing judicial intervention in the arbitral process, enforcement of arbitral awards and strengthening of institutional arbitration in the country. The Commercial Courts Act, 2015 was amended in the year 2018 to provide for Pre-Institution Mediation and Settlement (PIMS) mechanism. Under this mechanism, where a commercial dispute of specified value does not contemplate any urgent interim relief, the parties have to first exhaust the mandatory remedy of PIMS before approaching the Court. This is aimed at

providing an opportunity to the parties to resolve the commercial disputes through mediation.

The Government has also introduced the Mediation Bill, 2021, in the Rajya Sabha on 20.12.2021 to enact a standalone law on Mediation. The Bill aims to *inter-alia* promote, encourage and facilitate mediation for resolution of disputes, commercial or otherwise, enforce mediation settlement agreements and to establish the Mediation Council of India.

Further, ADR mechanisms are resorted outside the courts, hence no court-wise data in this regard is available.

**(c):** As per section 12A of the Commercial Courts Act, 2015 where a suit does not contemplate any urgent interim relief under the Act, the parties have first to exhaust the remedy of Pre-Institution Mediation (PIM) conducted through Authorities constituted under the Legal Services Authorities Act 1987. Also, even during the Court proceedings to fast track the adjudicatory process, the Code of Civil Procedure (CPC)1908 has been amended in its application to Commercial disputes of specified value. Order XV-A of CPC as applicable to such disputes provides for Case Management hearings. Also as per section 89 of the CPC, if there appears to Court that there exists element of Settlement which may be acceptable to the parties, the Court shall formulate the terms of settlement and give them to the parties for their observations and after receiving the observations of the parties, the Court may reformulate the terms of a possible settlement and refer the same for arbitration; conciliation; judicial settlement including settlement through Lok Adalat; or mediation.

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