

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

**LOK SABHA
STARRED QUESTION NO. 495
TO BE ANSWERED ON FRIDAY, THE 04TH APRIL, 2025**

Reform in Arbitration and Mediation

*495. Shri Biplab Kumar Deb:
Shri Balabhadra Majhi:

Will the Minister of **Law and Justice** be pleased to state:

- (a) the manner in which the Government is ensuring efficiency and speed in arbitration and mediation proceedings;
- (b) the steps being taken by the Government to enhance the enforcement of arbitral awards, both domestic and international; and
- (c) whether the Government is conducting funded programs to train and certify mediators and arbitrators, if so, the details thereof?

ANSWER

**MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF LAW AND JUSTICE; AND MINISTER OF STATE IN
THE MINISTRY OF PARLIAMENTARY AFFAIRS**

(SHRI ARJUN RAM MEGHWAL)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. *495 FOR ANSWER ON 04.04.2025 REGARDING “REFORM IN ARBITRATION AND MEDIATION”

(a) and (b) The Government is promoting alternate dispute resolution (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 Government is further taking policy and legislative interventions, to strengthen these mechanisms and make them more efficacious and expeditious. The major initiatives, steps and measures taken by the Central Government over the years in this regard include;

- (i) The Arbitration and Conciliation Act, 1996 has been progressively amended in the years 2015, 2019 and 2020 to keep pace with current developments in the arbitration landscape and to enable arbitration as a viable dispute resolution mechanism. The amendments are aimed at ensuring timely conclusion of arbitration proceedings, neutrality of arbitrators, minimizing judicial intervention in the arbitral process and efficacious enforcement of arbitral awards. The amendments are further aimed at promoting institutional arbitration and updating the law to reflect best global practices, thereby establishing an arbitration ecosystem, where arbitral institutions can be established and developed.
- (ii) The Commercial Courts Act, 2015 was amended in the year 2018 to provide *inter-alia* 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.
- (iii) The India International Arbitration Centre Act, 2019, was enacted to provide for the establishment of the India International Arbitration Centre (Centre) for the purpose of creating an independent, autonomous and world class body for facilitating institutional arbitration and to declare the Centre to be an institution of national importance. The Centre has since been established and aims to inspire confidence amongst parties, both domestic and international, by providing a neutral dispute resolution platform for resolution of commercial disputes

through arbitration. The Centre has also notified the India International Arbitration Centre (Conduct of Arbitration) Regulations, 2023 to facilitate conduct of domestic and international arbitrations with a focus on efficient and time-bound arbitration process. The Chamber of Arbitration established under Section 28 of the India International Arbitration Centre Act, 2019 continues to empanel reputed arbitrators, both for domestic and international arbitrations. The Centre is envisaged to become a model arbitral institution in the country, thereby paving the way for enhancing the quality of institutional framework for arbitration.

(iv) The Mediation Act, 2023, lays down the legislative framework for mediation to be adopted by disputing parties, especially under the aegis of institutional mediation. The Mediation Act, 2023 is also expected to be a pivotal legislative intervention towards providing standalone law on mediation and enabling the growth of a culture of amicable settlement of disputes out of court .

(c) Section 15 of the India International Arbitration Centre Act, 2019 provides for the functions of the Centre and *inter-alia* states that the Centre shall strive to impart training in alternative dispute resolution and related matters to those handling arbitration, conciliation and mediation. Facilitating training and capacity building for professionals in the field of ADR, including arbitration and mediation, is presently, continuously being done by the India International Arbitration Centre, by organizing conferences, seminars and trainings for stakeholders including professionals as well as public and private entities.
