



# Action Plan to reduce Government Litigation



Department of Justice

June 13, 2017



# Introduction

- Pendency in Supreme Court- 60,750 cases. In High Courts- 40 lakhs cases in 2016. In District and Subordinate Courts 2.74 crores cases in 2016
- Government regarded to be the biggest contributor to litigation in India
- Approximately 46% of the total pending cases in courts pertains to the government. This includes cases relating to Public Sector Undertakings and other autonomous bodies
- Government litigation includes service matters, disputes with private entities as well as *inter-se* disputes between two government departments and disputes between two PSUs

# Objectives of the Meeting

- To create awareness about the severity of the problem
- Convey the concerns of the PMO and the Hon'ble Prime Minister
- To see what steps have been taken by the different departments to reduce pendency
- To explore ways and means to reduce such pendency.

# National Litigation Policy

- All States have formulated State Litigation Policies
- NLP is expected shortly
- Provides mechanisms to ensure reduction in government litigation
- Addresses all three stages of dispute, viz. pre-litigation, litigation and post litigation stage
- Emphasis on exploring alternative means of dispute resolution

# Status of Government Litigation

- As per the information available on the LIMBS website, as on June 12, 2017, 1,35,060 government cases (increased from 1,33,059 since last meeting on June 8, 2017) and 369 contempt cases were pending
- Railways with 66,685 cases pending has the highest number of pending cases- 10,464 cases are pending for more than 10 years
- Ministry of Panchayati Raj with 3 pending cases has the least number of pending cases
- LIMBS is a dynamic website, so the data is constantly changing.

# Top 10 departments/ministries with highest pendency

S. No	Ministry	Total cases	Total contempt cases
1	Railway	67,332	241
2	Finance	15,646	5
3	Communications	12,621	21
4	Home Affairs	11,600	68
5	Defence	3433	0
6	Health And Family Welfare	3275	2
7	Urban Development	2306	4
8	Labour And Employment	1774	0
9	Environment, Forest And Climate Change	1714	1
10	Commerce And Industry	1430	0

## Analysis of the LIMBS DATA (11 AM Meeting)

S. No	Ministry	Total cases	Total contempt cases
1	Ministry of Personnel, Public Grievances And Pensions	542	0
2	Ministry of Petroleum And Natural Gas	19	1
3	Ministry of Power	115	0
4	Ministry of Road Transport And Highways	30	0
5	Ministry of Rural Development	29	0
6	Ministry of Science And Technology	90	0
7	Ministry of Shipping	35	0
8	Ministry of Skill Development And Entrepreneurship	801	0

## Analysis of the LIMBS REPORTS DATA (12:30 PM Meeting)

S. No	Ministry	Total cases	Total contempt cases
1	Ministry of Social Justice And Empowerment	370	0
2	Ministry of Statistics And Programme Implementation	6	0
3	Ministry of Steel	467	0
4	Ministry of Textiles	896	4
5	Ministry of Tourism	0	0
6	Ministry of Tribal Affairs	152	0
7	Ministry of Urban Development	2306	4
8	Ministry of Water Resources River Development And Ganga Rejuvenation	243	1
9	Ministry of Women And Child Development	608	0
10	Ministry of Youth Affairs	235	4
11	Department of Space	24	1





# **STATUS OF PENDING CASES IN DIFFERENT DEPARTMENTS**



# PENDENCY STATUS

- The following table provides the granular details of the number of cases pending in the different departments
- The information has been bifurcated into different time-periods, i.e. more than 10 years, 5-10 years, 3-5 years and more than 1 year
- This is as per the information available on LIMBS
- There is discrepancy between the data available in the reports generated and the graphs available on LIMBS
- For certain departments, no information is available. They have also been included in the table with the indicator that no report/information is available.

## PENDENCY STATUS (11 AM Meeting)

Name	More than 10 years	5-10 years	3-5 years	1-3 years	Less than 1 year	Total
Department of Personnel and Training	No period wise data available on LIMBS					
Department of Administrative Reforms and Public Grievances	No period wise data available on LIMBS					
Department of Pension & Pensioners Welfare	No period wise data available on LIMBS					
Ministry of Petroleum & Natural Gas	0	1	1	3	0	5
Ministry of Power	7	9	20	17	2	55
Ministry of Road Transport and Highways	No period wise data available on LIMBS					
Department of Land Resources	No period wise data available on LIMBS					
Department of Rural Development	0	0	0	2	0	2

## PENDENCY STATUS Contd..

Name	More than 10 years	5-10 years	3-5 years	1-3 years	Less than 1 year	Total
Department of Biotechnology	No period wise data available on LIMBS					
Department of Science & Technology	4	14	32	23	1	74
Department of Scientific & Industrial Research	1	1	0	1	0	3
Ministry of Shipping	No period wise data available on LIMBS					
Ministry of Skill Development & Entrepreneurship	0	0	0	757	42	799

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# PENDENCY STATUS (12:30 PM Meeting)

Name	More than 10 years	5-10 years	3-5 years	1-3 years	Less than 1 year	Total
Department of Empowerment of persons with Disabilities	1	21	15	24	0	61
Department of Social Justice & Empowerment	21	51	59	127	36	294
Ministry of Statistics And Programme Implementation	No period wise data available on LIMBS					
Ministry of Steel	87	115	96	148	19	465
Ministry of Textiles	223	201	174	256	30	884
Ministry of Tourism	No data available on LIMBS					
Ministry of Tribal Affairs	3	25	57	57	3	145
Ministry of Urban Development	220	431	411	1127	97	2286

# PENDENCY STATUS (12:30 PM Meeting Contd..)

Name	More than 10 years	5-10 years	3-5 years	1-3 years	Less than 1 year	Total
Ministry of Water Resources River Development And Ganga Rejuvenation	19	44	55	95	16	229
Ministry of Women And Child Development	29	105	118	280	63	595
Department of Space	0	0	8	12	1	21
Department of Sports	5	26	39	31	6	107
Department of Youth Affairs	1	2	1	1	0	5

# STEPS TO REDUCE PENDENCY

- Appointment of a nodal officer in every department at the Joint Secretary Level to coordinate effective resolution of the disputes.
- Nodal Officer to regularly monitor the status of the cases
- Promotion of alternative dispute resolution mechanisms- encourage mediation as the preferred form of dispute resolution in service related matters- Appropriate guidelines in this regard may be drafted by the Government
- Avoid unnecessary filing of appeals- appeals should not be filed in routine matters-only in cases where there is a substantial policy matter.
- An Intuitional ADR mechanism could be considered for resolution of cases between the government and private bodies. All agreements to mandatorily include a reference to either arbitration or mediation.
- Vexatious litigation should be immediately withdrawn

# Online Dispute Resolution

- National Law School of India University, Bangalore in collaboration with the Ministry of Consumer Affairs has established an Online Consumer Mediation Centre- Online platform with the motto '*Anytime Anywhere Dispute Resolution*'
- As a pilot programme, it is initially confined to mediation services for consumer disputes in e-commerce only
- Under this, once a complaint is lodged on the online platform, the complaint is forwarded to the company and both parties get 30 days to amicably negotiate and resolve the dispute. If the negotiation fails, then parties can opt for mediation
- The platform then appoints a third party neutral arbitrator- overall a person has 30 days (extendable by another 15 days) from the start of the negotiation process to resolve the dispute.
- This initiative/model may be replicated for resolving government disputes
- In case of government disputes- a similar platform may be developed wherein the complainant (either an employee or a private) company will register their complaints



# Online Dispute Resolution Contd..

- Once the complaint is registered on the platform then it will be forwarded to the concerned department.
- The nodal officer or a panel of officers as the case may be will be responsible for initiating mediation. The mediation will be conducted through the designated online platform.
- If no settlement is arrived upon within 30 days, then the matter to be referred to arbitration.

# Best Practices of Some Ministries/Departments

DRDO/Defence Ministry	CBDT/Ministry of Finance	CBEC/Ministry of Finance
<p>Ministry of Defence had constituted an expert committee in 2015 to monitor the cases and to analyse and propose changes to reduce litigation in service matters.</p> <p>Monthly monitoring of cases.</p> <p>Introduction of mediation at the pre-litigation stage.</p> <p>Guidelines have been issued to the organisations/autonomous bodies with a view to reduce litigation and contempt cases</p> <p>Service headquarters have been designated certain powers and they have been empowered to take swift action in service matters.</p>	<p>Income Tax Business Application- all the appeals are now filed online- no manual intervention.</p> <p>Determined Monetary Threshold for Filing of Appeals</p> <p>A Collegiums of two CCIT has been formed and on their recommendations the pending appeals which are considered irrelevant are being withdrawn from the High Courts.</p> <p>Central Committee to Decide on Settled Issues</p> <p>In this regard circulars have been issued to the officers directing them to withdraw cases/appeals if it involves the issues identified by the committee and that no further appeal are filed on the same.</p> <p>Notices/circulars have been issued for providing information on the same to general public.</p> <p>For the pending Appeal a two pronged approach is being followed: Based on the methods adopted 325 Cases of 100 crores and above were addresses and were disposed in the last 6-7 months.</p>	<p>Threshold Limit Defined for Filing of Appeals (exception a challenge made on the constitutional validity of any legislative provision or against any circular/notification of the Department)</p> <p>Pre SCN (Show Cause Notice) Consultation Settlement Commission</p> <p>Authority of Advanced Ruling: Public Limited Companies, Public Sector Undertaking, Joint Venture, Limited Legal Partnerships can approach the authority for seeking ruling in their dispute/cases.</p> <p>Such rulings are applicable to concerned party and commissioner of appeal.</p> <p>A limit of 70 cases has to been decided by the Department for disposal by the commissioner of appeal per month.</p> <p>Dedicated Panel of Advocates</p> <p>Planning to formulate more policies for fixing monetary limits for commissioner of appeals on the same terms as those set for CESTAT</p>

Thank You

