

MODULE - 4

Indian Court System and
Methods of Resolution
Disputes



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ALTERNATE DISPUTE RESOLUTION MECHANISM

The Constitution of India aims at providing protection of life and personal liberty. For this purpose, the Constitution provides for a system of Courts. In India, the Supreme Court of India is at the apex of entire judiciary system with a High Court for each State or a group of States. Punjab and Haryana have one High Court at Chandigarh. The seven States in North East India have only one High Court at Guwahati. Under the High Court, there is a hierarchy of subordinate Courts. The Courts have well defined and recognized system of settling the disputes. The Courts have formal rules for settlement of disputes and their decision is binding on the parties. The system is highly technical and formal. But the litigation does not always lead to satisfactory results. It is expensive in terms of money and time. These are the reasons due to which parties look upon an alternate way of resolving their disputes.



OBJECTIVES

After studying this lesson you will be able to:

- appreciate the need for Alternative Dispute Resolutions (ADR) Mechanism;
- list various methods of Alternative Dispute Resolution (ADR);
- describe the procedures, methods and the advantages by following alternative dispute resolution mechanism;
- explain certain legal terms connected with ADR;
- appreciate the role of ADR in cheap and speedy Justice;
- discuss the nature of disputes capable of being settled by adopting ADR; and
- know the various provisions of the Legal Services Authority Act, 1987 (Amendment Act, 1994)

15.1 NEED FOR ALTERNATIVE DISPUTE RESOLUTION MECHANISM

It is a well known fact that the present Judicial System is extremely expensive and delaying. The parties to a dispute have to wait for Justice for years. This lengthy and expensive process of litigation has reduced the faith of common people in the Judicial System being followed by the Courts. These weaknesses of Judicial System has given birth to alternative remedies for the disposition of disputes. Alternative remedies provide cheap and speedy Justice and that is the reason that ADR mechanism is being preferred by the disputing parties for the resolution of their disputes.



Notes

15.2 ALTERNATIVE DISPUTE RESOLUTION (ADR)

Arbitration was very popular and prevalent in ancient India, too and 'Awards' were the decisions of Panchayats, which were binding in nature. ADR refers to the methods of resolving a dispute, which are alternatives for litigation in Courts. ADR processes are decision making processes that do not involve litigation or violence. In India, an alternative system is available to the disputing parties including Arbitration, Conciliation, Mediation, Negotiation etc.

The approach of judges, lawyers and parties all over the world is changing in favour of adoption of ADR instead of Court litigation. Arbitral institutions provide ADR services for quicker, less costly and consensual resolution of civil disputes outside the crowded court system. ADR promotes communication between the parties and enables them to solve their actual concerns behind the disputes.

Many disputes like consumer complaints, family disputes, construction disputes, business disputes can be effectively resolved through ADR. It can be used in almost every kind of dispute which can be filed in a court as a civil dispute. When a civil suit is filed in a court of law, a formal process takes place, which is operated by advocates and managed by the court and the parties are then left to wait for the orders of the Court. The outcome of the case is uncertain. After the decision of the case there can be an appeal or other proceedings which may further delay the implementation of the decision of the case.



Figure 15.1

**INTEXT QUESTIONS 15.1 AND 15.2**

1. Why there is a need for Alternative Dispute Resolution (ADR) Mechanism?
2. Define briefly Alternative Dispute Resolution (ADR).
3. Identify some disputes which can be resolved through ADR.

15.3 ADVANTAGES AND PROCESS OF ADR

Since litigation is a costly affair it takes a lot of time to get a final decision from regular Court. Unfortunately litigation harms relationships and causes emotional stress to the litigants i.e. those people who are parties to the case. Participating in a civil suit is unpleasant and tiring. Expenses in payment of court fee, lawyers fee and fee for obtaining copies of court proceedings and orders involve lot of expenses. A party to a case may be required to come many times for proceedings in the case involving expenses in travel to and from the court, spending time in court and meeting other expenses. On the other hand, it has certain benefits too. The legal rights may be determined where interpretation of law is required. ADR allows parties to work together to solve the dispute without letting the relations getting sore. Thus, many disputes as to quality of in the commodity trades, rent of commercial property, consumer disputes and many small disputes can be resolved through ADR.

ADR proceedings are flexible. The parties have the freedom to choose the applicable law. They can be conducted in any manner and in the language to which the parties agree. The matter may be settled in few meetings thereby reducing expenses. No court fee is payable. No expenses are involved in obtaining copies of proceedings and reports.

A neutral third party can offer his/her services to the parties to have the dispute amicably resolved. The parties can choose the date and place where a meeting can be arranged as per their convenience. Parties can choose the fee payable to such third neutral person. The person is chosen by the consent of the parties.

The talks held in the meetings are kept confidential. While in court proceedings one party wins and other loses, but in a successful ADR by Mediation or Conciliation both parties emerge as winners. It improves communication and relationship between the parties.

A few examples are illustrated below to recognize as to what can be identified as 'civil suit' or dispute, which can be resolved amicably through ADR:

- a) Where a water bottle or cold drink is sold at a higher value than its MRP (Maximum Retail Price) which is fixed by the Government of India;
- b) Where a case is filed or is pending for partition of properties between members of the family;
- c) Where the constructor is using poor quality of construction material but charging higher price;
- d) Cases involving recovery of money; and
- e) In case of partnership coming to an end, then the distribution of assets, determining of rights etc.



INTEXT QUESTIONS 15.3

- 1. Which form of ADR was popular and prevalent in ancient India?
- 2. What is the full form of ADR?
- 3. What do you understand by the term “litigation”?
- 4. List the cases which can be resolved through ADR.
- 5. List the main advantages of ADR?
- 6. How many States are under the Guwahati High Court?

15.4 VARIOUS TECHNIQUES OF ADR, THEIR PROCESSES AND THEIR ADVANTAGES TO THE PEOPLE

Following are the main techniques of Alternatives Dispute Resolution (ADR) Mechanism.

- A. Arbitration
- B. Conciliation
- C. Mediation
- D. Pre-Trial Conciliation/Mediation
- E. Negotiation/Discussion
- F. Lok Adalat
- G. Med Arbitration
- H. Medola.
- I. Mini-Trial



MODULE - 4

Indian Court System and
Methods of Resolution
Disputes



Notes



Figure 15.2: Office of the Centre for Alternative Dispute Resolution, New Delhi

A. Arbitration

Where two or more persons agree that a dispute or potential dispute between them shall be decided in a legally binding way by one or more impartial persons in a judicial manner, that is, after recording evidence, the agreement is called an Arbitration Agreement. When, after a dispute has arisen, it is put before such person(s), the procedure is called as 'Arbitration', and the decision made is called "award". The person conducting the Arbitration proceeding is called an Arbitrator. The Arbitrator is appointed by the parties to the dispute and in case of any dispute about the appointment of the Arbitrator, the Court may be asked to appoint an Arbitrator. Where there is more than one Arbitrator the leading Arbitrator is called an Umpire, who is responsible for conducting the proceedings. The number of arbitrators can only be in odd number. The decision in such cases is decided by the majority of arbitrators,

Arbitration is a method whereby parties can resolve their disputes privately. In this mechanism parties can refer their case to an Arbitral Tribunal where arbitration proceedings are conducted.

Arbitration is preferred over traditional litigation because Arbitration is generally less expensive than litigation. It provides for faster resolution of dispute through flexible time schedule and simpler rules. A Court is burdened with a number of cases taken up for hearing every day. An arbitrator conducts only the proceedings referred to him by the parties.

Arbitration offers advantages that cannot be provided by litigation in courts. In many cases, a big advantage is that the Arbitrator or Arbitral Tribunal is an expert in the field of the dispute so the proceedings can be conducted without the intervention of lawyers or any other representative in an expeditious manner. Disputes in trade, rent of properties, partition of properties, partition of partnership firms and various consumer disputes can be resolved this way. The

‘Award’ of the Arbitrator is binding on the parties and may be enforced by the Courts. There is no appeal against the Award.

Virtually all the disputes can be resolved by Arbitration unless prohibited by law. The following cases cannot be decided by arbitration:-

- a) Matters involving criminal questions, or question of public laws;
- b) Matrimonial matters, like divorce, maintenance or custody of child;
- c) Insolvency matters, like declaring a person as an insolvent;
- d) Dissolution of an incorporated Company; and
- e) Disputes relating to age.

B. Conciliation

‘Conciliation’ is a process in which a third party assists the parties to resolve their dispute by agreement. The person assisting the parties is called Conciliator. The Conciliator is appointed by the consent of both the parties to the dispute. A Civil Court may also refer both the parties to the dispute to a Conciliator, A Conciliator may do so by expressing an opinion to the parties about the merits of the dispute to help the parties to reach a settlement. Conciliation is a compromise settlement between the parties with the assistance of a Conciliator. The Conciliator does not take any decision on the dispute before him. No evidence is recorded by the Conciliator nor are any arguments heard. Both the parties may discuss their respective points of view and with the help of the Conciliator resolve their differences, The proceedings before the Conciliator are confidential and do not have any bearing on the proceedings before the Court or before the Arbitrator regarding the dispute.

Conciliation is a voluntary and non binding process in comparison to Arbitration and Litigation in courts. Any party may terminate the conciliation proceedings at any time without assigning any reason.

The other important difference is that the parties control the process and outcome of the dispute. In the case Arbitration and litigation in Courts the parties have no role in the decision of the case by the Court or in the making of the Award by the Arbitrator. The Conciliator solemnly urges the parties for an amicable reconciliation.

C. Mediation

‘Mediation’ is a process for resolving the dispute with the aid of an independent third person that assists the parties in dispute to reach a negotiated resolution. ‘Mediation’ is the acceptable intervention into a dispute of a third party that has no authority to make a decision. The person conducting the mediation



Notes

**Notes**

process is called a Mediator. The mediation process, like the Conciliation process is voluntary and is one more alternate way of resolving a dispute.

The Mediation proceedings are confidential, whether or not it results in the settlement and resolution of the dispute.

A Mediator assists the parties to reach an agreement for resolving the dispute. He/ She does not express his/ her opinion on merits of the dispute. On the other hand a Conciliator may express an opinion about the merits of the dispute to the parties.

In both processes, a third party is appointed to assist the parties to reach a settlement of their dispute. His/her function is only to try to break any deadlock and encourage the parties to reach an amicable settlement. A Mediator does not determine a dispute between parties.

D. Pre-Trial Mediation

‘Pre – Trial Mediation’ process is a provision which has been introduced in Section 89 of The Code of Civil Procedure 1908 by virtue of Amendment Act 2002. It was introduced for pre-trial alternatives for settling the disputes. Pre-trial mediation is a settlement of disputes by efforts of the Courts before initiation of proceedings before it. The Code of Civil Procedure 1908 is an enactment which governs the procedure to be adopted in hearing and disposing off the civil suits.

Section 89 of The Code of Civil Procedure 1908 takes a special role especially in matters related to family members as its main objective is to resolve the family dispute without getting into bitterness of litigation.

E. Negotiation

‘Negotiation’ is another form of ADR of resolving the disputes. The parties agree upon a course of action and bargain for advantage. Sometimes they try to adopt a creative option that serves their mutual interests. And because of its mutual advantages, people negotiate in almost all walks of life from home to the Court room. It is most common form of resolving a dispute and this process solves most disputes if negotiation fails, it is necessary to seek assistance of a neutral third party to reach a solution. Negotiation bargaining is a process in which both the parties cooperate and seek a solution which is beneficial to both sides. If and when negotiation succeeds, the parties sign a settlement agreement incorporating the terms and conditions of the agreement.

Our legal procedures also provide for settling criminal cases. However, the Court allows for settlement in criminal cases which are mostly trivial in nature. These cases are governed under section 320 of the Code of Criminal Procedure,

1973 and the cases settled under this provision are termed as compounded. The code specifies a category of cases which can be compounded. Code of Criminal Procedure, 1973 governs the procedure to be adopted in criminal cases. Yet another provision available is Plea Bargaining under section 265 A of the Code of Criminal Procedure, 1973. Under this provision if the accused is willing to plead guilty for the offence alleged, and expresses his/her willingness to compromise the case with the victim then he/she can be allowed to do the same but only with the consent of the Court. All these provisions have been provided for to ease the work load of the Courts and speedy disposal of cases.

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F. Lok Adalat

‘Lok Adalat’ is yet another form of ADR created as per the requirements of people in particular areas. Camps of Lok Adalat were initially started at Gujarat in 1982 and now they have been extended to all over India. The main purpose of establishment of Lok Adalats is to diminish the heavy burden of pendency of cases in the Courts which were of petty nature. The seekers of justice are in millions and it is becoming rather a heavy burden on the courts to dispose off such matters keeping in view the ever increasing litigation.

Lok Adalats are organized with financial assistance from the Government and monitored by the Judiciary. Lok Adalats have set conciliation process in motion in India. Lok Adalats have assumed statutory recognition under the Legal Services Authority Act, 1987. The Section 19 of Legal Services Authorities provides for organization of Lok Adalats. Furthermore, it has the jurisdiction to determine and arrive at a compromise or settlement between the parties to a dispute. Every award of the Lok Adalat shall be deemed to be a decree of a civil court, or as the case may be, an order of any other civil court. Where a compromise is or settlement is arrived at, by Lok Adalat, the court fee paid in such cases shall be refunded. Similar is the condition in cases settled in the mediation cell referred through courts.

Lok Adalats is the most popular of Alternative Dispute Resolution (ADR) Techniques. Lok Adalats are providing less expensive and speedy Justice. Lok Adalats have assumed statutory recognition under the Legal Services Authority Act, 1987.

G. Med. Arbitration

Another Alternative Dispute Resolution Technique is Med Arbitration. When a dispute is not resolved by ‘Conciliation’, then a third person is authorised by the parties to the dispute for resolving the dispute and the decision of the third person is binding on both the parties.

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Med Arbitration is such a method which is not governed by Arbitration Act and there is no formality. The dispute is referred in an un-official way and the decision of the authorised third person is binding.

H. Medola

'Medola' is another technique of Alternative Dispute (ADR) Mechanism. When it becomes impossible for arbitrator to reach any agreement then 'Medola' is used. It is such a method in which the person negotiating replaces the arbitrator and acts without bias. Such a person tries to reach at medium way during discussion and attempts for the 'Agreement' of the disputing parties over it. This is binding on the disputing parties.

I. Mini-Trial

'Mini-Trial' is also an important alternative dispute resolution (ADR) technique. This is different from official trial of a suit. The disputing parties elect an independent person. Parties then present their contention before him/her, lay their arguments and produce evidence in their favour. The elected independent person after hearing both the parties, produces a 'Conclusion'. The disputing parties believe that such a person is impartial, honest and independent and he/she gives his/her opinion after hearing both the parties, Both the disputing parties, therefore, agree on that 'Conclusion'.

Importance of Alternative Dispute Resolution (ADR) in India

Alternative Dispute Resolution System has great importance in India. Here courts have a huge number of pending cases which require a lot of time for their disposal by the courts as the procedure of courts is very lengthy.

It is very expensive also. On 25th February, 2002, the then Law Minister Mr. Arun Jetely told in the Parliament that there were as many as two crores and thirty-four cases lying pending in various courts for final disposition. Alternative Dispute Resolution (ADR) is needed for their quick resolution.

Increase in number of pending cases in the courts, delay in trial, extremely expensive litigation system of Courts are some of the reasons for the enactment of Arbitration and Conciliation Act, 1996.

Moreover, there is a large number of illiterate and poor people in India, who cannot afford the lengthy, technical and expensive system of courts and the Alternative Dispute Resolution (ADR) could be a boom for these people.

At present the need of the hour is to relieve the courts from the heavy burden of petty cases so that they can devote time to those cases which are more heinous and deal with criminals who are a threat to society.

It is important that a student should get the basic idea of having the benefit of avoiding litigation and opting for alternate dispute resolution.

A person must know that by wasting the time of the courts the expenses of the courts go up. These expenses are met by the Government of India from the taxes which are paid by the citizens of the country.

There are ways and means to resolve a dispute peacefully. The only thing is that we have to have communication with an open mind and try to avoid from approaching the courts.

In this lesson, you have learnt about the Alternate Dispute Resolution Procedures, namely Arbitration, Conciliation, Mediation, Negotiation and Lok Adalats.

**Notes****INTEXT QUESTIONS 15.4**

1. Define an 'Arbitration Agreement'?
2. Whether you are 20 years old or 18 years, can only be decided by a panel of 3 Arbitrators. (Yes/No).
3. Give one word for "finishing work as soon as possible".
4. Is the Arbitration award binding on the parties? (Yes/No)
5. What is the basic difference between 'Mediation' and 'Conciliation'?
6. 'Mediation' is a process for resolving the dispute with the aid of an independent third person that assists the parties in dispute to reach a _____ resolution. (Fill in the blank)
7. When and where was the First Lok Adalat started?
8. What is the main purpose of Lok Adalat?
9. Who provides funds for organizing Lok Adalats?
10. Lok Adalats is the most popular Alternative Dispute Resolution (ADR). (True/False)
11. Define briefly the term 'Med Arbitration'.
12. What do you mean by 'Medola'?
13. *Mini-Trial* is different from official trial of a suit. (True/False)
14. (a) _____ is the most popular of Alternative Dispute Resolution (ADR) Techniques.
(b) _____ is the process in which third party assists the parties to resolve their dispute by agreement.
(c) _____ is a method whereby parties can resolve their disputes privately.
15. (a) *Mini-Trial* is different from official trial of a suit. (True/False)
(b) Lok Adalats are organised with financial assistance from the government and monitored by the Judiciary. (True/False)

**Notes****15.5 ROLE OF LEGAL SERVICE AUTHORITIES: LEGAL SERVICES AUTHORITY (AMENDED) ACT, 1994**

Article 39-A of the Constitution provides that no person shall be devoid of Justice merely due to poverty or any other disqualification. It means that every person has the right to obtain Justice even if he/she is poor by anyway. This trending of the Constitution has been engulfed in various legal provisions and Judicial decisions. One of these is — Legal Services Authority Act, 1987 (amended in 1994 and is now Legal Services Authorities (Amendment) Act, 1994.)

This Act lays down detailed provisions for Legal Services. But it could not be implemented due to certain reasons. Later in 1994, various amendments were made in it and was implemented in the amended form

Main Provisions of Legal Services Authorities (Amendment) Act, 1994

(a) Creation of National Legal Services Authority: Section 3 of the Act provides for the creation of a National Legal Service Authority for providing legal services, preparing effective and less expensive plans for availability of Legal Services, proper steps taken towards social Justice, increase in following of dispositions of matters by discussion, settlement and mediations, evolution of legal aid programmes from time to time, publicising of legal awareness etc.

Chief Justice of Supreme Court of India shall be its main guardian. It has one working chairman, who is appointed by the president after consultation with the chief Justice of India.

(b) Creation of State Legal Services Authority:

Like centre, a facility for the creation of State Legal Services Authority has been provided. According to section-G, Chief Justice of High Court of the Concerned State shall be its main guardian. It also has one working chairman who is appointed by the Governor of the State with the Consultation of Chief Justice of the High Court of the concerned state.

The main duty of State Legal Service Authority is to provide legal aid to the persons entitled to obtain legal aid, organise Lok Adalat, provide flow to legal aid programmes and implement the policies and directions of National Legal Service Authority.

(c) Creation of District Legal Services Authority:

Section-9 of the Act provides for the creation of one District Legal Services Authority for every District. Its chairman is the District. Few other Members are also there.

The main function of the District Legal Service Authority is to perform the duties provided by the State Legal Service Authority for every district, organize Lok Adalats in the district, establish coordination between several Legal Service Committees of the district and implement legal aid programmes.

(d) Creation of Supreme Court Legal Aid Committee:

Section-3-A of the Act provides for the creation of Supreme Court Legal Aid Authority for the organisation of Lok Adalats and avail legal aid to the eligible parties for quick disposal of pending cases in the Supreme Court. The presiding Judge of the Supreme Court is the Chairman.

(e) Creation of High Court Legal Aid Committee:

Section 8-A of the Act provides for the creation of High Court Legal Aid Committees for the organisation of Lok Adalats, implementation of Legal aid and Legal Service programmes etc for the purpose of quick disposal of pending cases in the High Court. Its Chairman is a Judge of the High Court.

(f) Creation of District/Block Legal Service Committees:

Section 11-A of the Act provides for the creation of District/Block Legal Service Committees for establishing Co-ordination between legal service related events in blocks, organize Lok Adalt and perform acts submitted by the District Legal /service Authority from time to time. Its official chairman is the Senior Civil Judge of the area.

(g) Establishment of Legal Aid Fund:

A National Legal Aid Fund, State Legal Aid Fund and District Legal Aid Fund has to be established under section 15, 16 and 17 of the Act respectively for the fulfillment of expenses related to legal aid by National Legal Services Authority, State Legal Services Authority and the District Legal Services Authority.

(h) Free Legal Aid:

As we have seen above, the main purpose of the Act is to provide free Legal aid to weaker Sections of the Society. For the achievement of this purpose, Section-12 of the Act mentions those persons who are entitled to free legal aid.

(i) Lok Adalats:

The main characteristic of this Act is to provide legal status to Lok Adalats. Section-19 of the Act provides for the creation of Lok Adalats; Section 20 for the working of Lok Adalats; Section 21 for their Decree and Award. It is worth mentioning that an 'Award' given by the Lok Adalt shall be equivalent to a 'Decree' of a civil court.

**Notes**

MODULE - 4

Indian Court System and
Methods of Resolution
Disputes



Notes

Alternate Dispute Resolution Mechanism

(j) Permanent Lok Adalt:

Section 22–A of the Act provides for the establishment of permanent Lok Adalats. It is the result of the Legal Service Authority (Amendment) Act, 2002. A permanent Lok Adalat is a strong and powerful medium and a new concept for solving disputes by way of settlement.

A permanent Lok Adalat consists of one Chairman and five others members. Permanent Lok Adalat mainly solves disputes related to public welfare services. Section 22–(C) mentions the working of permanent Lok Adalats.

(k) Public Utility Services:

A major achievement of the Act is to make provisions regarding public Utility Services. Section 22–(C) mentions these public utility services.

Thus, Legal Services Authority Act, 1987 (Amendment Act 1944) lays down important provisions regarding Legal Services, Legal Aid and Lok Adalats.



ACTIVITY 15.1

Visit a ‘Lok Adalat’ in your District observe its working and enlist your observations.



INTEXT QUESTIONS 15.5

1. List the main provisions of Legal services authorities (Amendment) Act, 1994.
2. Define the following:
 - (a) Legal Aid Fund
 - (b) Free Legal Aid.



WHAT YOU HAVE LEARNT

Arbitration was very popular and prevalent in ancient India too, and ‘Awards’ were the decisions of panchayats, which were binding in nature.

Alternative Dispute Resolution (ADR) Mechanism refers to such methods of resolving a dispute which are alternatives for litigation in courts. ADRS processes are decision making processes that so not involve litigation. In India an alternative system is now available to the disputing parties including Arbitrations, Concilation, Mediation, Negotiation and Lok Adalats etc.

Arbitral institutions provide ADR services for quicker, less costly and consensual resolution of civil disputes outside the crowded court system. ADR promotes Communication between the disputing parties and enables them to solve their actual concerns behind the disputer.

The Legal Services Authority Act, 1987 (Amendment Act, 1994) makes important provisions for the creation of National Legal Services Authority, State Legal Services Authority, District Legal Services Authority, Supreme Court Legal Aid Committee, High Court, Legal Aid Committee, District/Block Legal Aid Committee, establishment of Legal Aid Fund and Free Legal Aid Fund me.

This Act has also provided legal status to the Lok Adalats and has also made provisions regarding public utility services.

**Notes****TERMINAL QUESTIONS**

1. What is the need of having Alternative Dispute Resolution (ADR)?
2. What are the advantages of Alternative Dispute Resolution (ADR)?
3. List the different Techniques of Alternative Dispute Resolution (ADR)?
4. Describe the main provisions of Legal Services Authorities (Amendment) Act, 1994.
5. Explain the importance of Alternative Dispute Resolution (ADR) in India.
6. Define the following:
 - (a) Permanent Lok Adalat
 - (b) Public Utility Services
 - (c) National Legal Services Authority
 - (d) State Legal Services Authority

**ANSWER TO INTEXT QUESTIONS****15.1 and 15.2**

1. The present Judicial System is extremely expensive and delaying. This lengthy and expensive process of litigation has reduced the faith of common people in the Judicial System being followed by the Courts and has given birth to Alternative Dispute Resolution (ADR) mechanism. ADR provides economic and speedy Justice.
2. ADR refers to such Methods of resolving a dispute, which are alternative for litigations in Courts.

**Notes**

3. Consumer complaints; Family Disputes; Property Disputes; Construction Disputes; and Business Disputes.

15.3

1. The popular and prevalent form of ADR in ancient was 'Arbitration'.
2. The full form of ADR is 'Alternate Dispute Resolution'.
3. The term 'litigation' means to fight a case in the Court of law
4. The disputes as to quality of the commodity, Business partnership, trades, rent of commercial property, consumer disputes and many small disputes can be resolved through ADR.
5. The parties have the freedom to choose the applicable law. They can be conducted in any manner and in the language to which the parties agree. The matter may be settled in few meetings thereby reducing expenses. No court fee is payable. No expenses are involved in obtaining copies of proceedings and reports. They can choose the time and place for the meetings. ADR provides speedy and economic Justice.
6. The seven States in North East India are under the High Court at Guwahati.

15.4

1. 'Arbitration Agreement' is an agreement where two or more persons in dispute agree that an impartial person can settle their dispute and they shall be bound by his/ her decision.
2. 'No'. The question as to the age of the parties can only be decided by the Court.
3. Expeditiously.
4. Yes, Arbitration Award is binding on the parties.
5. The basic difference between 'Mediation' and 'Conciliation' is that a Mediator does not expresses his/ her opinion on merits of the dispute. On the other hand a Conciliator may express an opinion about the merits of the dispute to the parties.
6. Negotiated.
7. 'Lok Adalat' were initially started in Gujarat in 1982.
8. The main purpose of establishment of Lok Adalats is to diminish the heavy burden of pendency of cases in the Courts which are of petty nature.
9. Funds for Lok Adalat are provided by the Government.
10. True.

11. 'Med-Arbitration' is such a method which is not governed by 'Arbitration' Act and there is no formality. The dispute is referred to a third person authorised by the disputing parties and the decision of the authorised third person is binding on both the parties
12. 'Medola' is another technique of ADR mechanism. When it becomes impossible for Arbitrator to reach any agreement, then 'Medola' is used. It is such a method in which the person negotiating replaces the Arbitrator and acts, without bias. Such a person tries to reach at medium way during discussion and attempts for the 'Agreement' of the disputing parties over it. This is binding on the disputing parties.
13. True
14. (a) Lok Adalat
(b) Conciliation
(c) Arbitration
15. (a) True
(b) True



Notes

15.5

1. (a) Creation of National Legal Services Authority
(b) Creation of State Legal Services Authority
(c) Creation of District Legal Services Authority
(d) Creation of Supreme Court Legal Aid Committee
(e) Creation of High Court Legal Aid Committee
(f) Creation of District/Block Legal Service Committee
(g) Establishment of Legal Aid Fund
(h) Free Legal Aid
(i) Lok Adalat
2. (a) **Legal Aid Fund.** The Legal Services Authority (Amendment) Act 1994 provided for Free Legal Aid Fund for providing free legal aid to establishment weaker sections of the Society.
(b) **Free Legal Aid.** The Legal Services Authority (Amendment) Act, 1994 provided for free legal aid to weaker sections of the society.