

No. 334774/DoLA/AMRD/2019

Government of India
Ministry of Law & Justice
Department of Legal Affairs

Shastri Bhawan,
Rajendra Prasad Road, New Delhi-110001.
Dated the 31st March, 2020

OFFICE MEMORANDUM

Subject: Settlement of disputes other than taxation between Government Ministries / Departments *inter se* and between Government Ministries / Departments and other Ministries / Departments / Organisation(s) – Administrative Mechanism for Resolution of Disputes (AMRD).

Instructions have been issued to Ministries / Departments of the Governments of India, in the past to avoid inter-departmental litigations in any Court of law, including by all CPSEs / Boards / Authorities, etc., under their Administrative control and to resolve the same amicably or through Arbitration.

2. In order to provide for an institutionalized mechanism for resolution of such disputes, Secretary, Department of Legal Affairs has *vide* DO letter No. 332619/338367/LS/2019 dt. 28th February, 2020 (copy enclosed) advised all Secretaries to the Government of India that the existing Administrative Mechanism for Resolution of Commercial Disputes(AMRCD), currently applicable to commercial disputes between CPSEs *inter se* and also between CPSEs and Government Departments / Organisations, shall stand extended for resolution of disputes other than taxation, between Ministries / Departments *inter se* and between Ministries / Departments and other Government Ministries / Departments / Subordinate / Attached offices / Autonomous and Statutory Bodies under their administrative supervision/control. Details of the new mechanism, namely, Administrative Mechanism for Resolution of Disputes (AMRD), are hereby outlined for guidance.

3. Applicability

AMRD shall apply to any/all dispute(s), other than those related to taxation, between Central Government Ministries / Departments *inter se* and between Central Government Ministries / Departments and other Ministries /

Departments / Organisation(s) / Subordinate / Attached Offices / Autonomous and Statutory Bodies, etc., under their administrative supervision / control.

4. Structure

(i) Disputes, other than taxation, shall be referred at the First level (tier), to a Committee comprising of Secretaries of the Administrative Ministries / Departments to which the disputing Parties belong and Secretary, D/o Legal Affairs;

(ii) The Joint Secretaries (JSs) / Financial Advisors (FAs) (for commercial disputes) of the two concerned Administrative Ministries / Departments may represent the issues, related to the dispute in question, before the Committee.

(iii) In case the two disputing parties belong to the same Ministry / Department, the above Committee may comprise of the Secretary of the administrative Ministry / Department concerned and Secretary, D/o Legal Affairs. Secretary, Department of Public Enterprises may be invited in case the dispute pertains to a CPSE.

(iv) The resolution of such disputes shall be by unanimous decision of the Committee.

(v) In case the dispute remains unresolved after consideration by the Committee, it will be referred at the Second level (tier), to the Cabinet Secretary, whose decision will be final and binding on all concerned.

5. Procedure

(i) At the First level (tier), the claiming party (Claimant) may be represented, before the Committee, by the JS / FA of the administrative Ministry / Department. The Secretary of administrative Ministry / Department of claiming party will inform in writing the details of the dispute, to the Secretary of administrative Ministry / Department of responding party (Respondent) and Secretary, D/o Legal Affairs and request for convening a meeting. Thereafter meetings may be held to examine the facts and resolve the dispute on merit. The JSs / FAs of the concerned administrative Ministries / Departments will represent the issues, related to the dispute in question, before the above Committee. After the Committee arrives at a decision, it shall be signed by the members of the Committee. A copy of the decision will be communicated by the Secretary of the administrative Ministry / Department of the claiming party to members of the Committee and to each party to the dispute for implementation.

(ii) The Committee of Secretaries at the First level (tier) shall finalise its decision within 3 months after having received the reference/notice in writing regarding the dispute from the concerned aggrieved party.

6. Appeal

Any party aggrieved with the decision of the Committee at the First level (tier) may prefer an appeal before the Cabinet Secretary at the Second level (tier) within 15 days from the date of receipt of decision of the Committee at the First level, whose decision will be final and binding on all concerned.

7. All administrative Ministries / Departments are requested to bring these guidelines to the notice of all Authorities / Boards / Subordinate / Attached Offices / Autonomous and Statutory Bodies, etc., under their administrative supervision/control for strict compliance.

8. This issues with the approval of the Competent Authority.



(DR. Rajiv Mani)

Joint Secretary & Legal Adviser
Tel. 23384836

Encl. : Copy of the DO letter No. 332619/338367/LS/2019 dated 28/02/2020 issued by Sh. Anoop Kumar Mendiratta, Secretary, Department of Legal Affairs, Ministry of Law & Justice.

To,

Secretary of all Ministries / Departments of the Government of India.

Copy forwarded for kind information to:

- (i) The Prime Minister's Office, South Block, New Delhi.
- (ii) The Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
- (iii) PS to the Hon'ble Minister of Law & Justice, Shastri Bhawan, New Delhi.
- (iv) Secretary D/o Legal Affairs, Shastri Bhawan, New Delhi.
- (v) Addl. Secretary(Judicial), D/o Legal Affairs, Shastri Bhawan, New Delhi.



(DR. Rajiv Mani)

Joint Secretary & Legal Adviser
Tel. 23384836

अनूप कुमार मेंदीरत्ता
Anoop Kumar Mendiratta



सचिव
विधि और न्याय मंत्रालय
भारत सरकार
SECRETARY
DEPARTMENT OF LEGAL AFFAIRS
MINISTRY OF LAW & JUSTICE
GOVERNMENT OF INDIA

No. 332619/338367/LS/2019

Dated : 28th February, 2020

Dear Secretary,

In a meeting of Committee of Secretaries (CoS) chaired by Cabinet Secretary on 23.01.2020, the issues relating to instruction to all Government Ministries/Departments for the effective implementation of the existing 'Administrative Mechanism for Resolution of CPSEs Disputes' (AMRCD) and extension of its applicability to all the Government Departments/Ministries and CPSEs for resolution of disputes, other than taxation disputes were discussed. The CoS *inter-alia* recommended that the existing AMRCD mechanism be made applicable to disputes other than those related to taxation, and extended to all Ministries/Departments.

2. It has been the constant efforts of this Department to reduce Government litigation in courts so that valuable court time is spent in resolving other pending cases. It has also been endeavour of the Government to see that disputes between various Ministries/Departments/CPSEs/Boards/Authorities under the administrative control of the various Ministries/Departments do not go to the Court. In that direction, presently AMRCD is functioning through the Department of Public Enterprises which deals with the dispute resolution of CPSEs but excludes its applicability to the disputes relating to Railways, Income Tax, Customs and Excise Departments. Similarly, in-house mechanism is working in some other Departments of the Government. Such mechanism includes Arbitration and other Alternate Dispute Resolutions Mechanism. In spite of these instructions, Departments/CPSEs still resort to court proceedings for settlement of disputes either with the Government Departments or with other PSUs.

3. To give effect to the decision taken at the CoS meeting as per minutes dated 27.01.2020, all the Ministries/Departments are requested to resolve the *inter-se* disputes of various Ministries/Departments/CPSEs other than those related to taxation, through existing AMRCD mechanism. The Ministries/Departments are also requested that when any such dispute is referred for resolution through AMRCD mechanism, a copy of the same shall also be endorsed to this Department and further updates shall be intimated immediately. Ministries/Departments shall accordingly issue necessary instructions in this regard, to all CPSEs/Boards/Authorities under their administrative control. Further, the timelines in the laid down process of AMRCD be also adhered to and complied with.

Warm regards

Yours sincerely,


(Anoop Kumar Mendiratta)

All Secretaries to the Government of India

Copy to :
Shri Rajiv Gauba, Cabinet Secretary, Rashtrapati Bhawan, New Delhi.