

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

RAJYA SABHA  
UNSTARRED QUESTION NO. 594  
ANSWERED ON 24.07.2025

**Cost and accessibility of arbitration proceedings in the country**

**594 Shri Sana Sathish Babu:**

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

- (a) the total number of arbitration proceedings undertaken in the last five years, State-wise, especially in Andhra Pradesh;
- (b) whether Government has studied the high cost of arbitration in the country and, if so, steps taken to regulate it;
- (c) whether Government has considered introducing caps on the charges raised for arbitration proceedings in the country so that the common man is able to utilise the benefits of an arbitration proceeding, if so, the details thereof, and if not, the reasons therefore; and
- (d) whether there are proposals to establish district-level arbitration centres to improve access and reduce litigation costs?

**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) No such record is maintained by the Government.
- (b) and (c) No such study has been carried out by the Government. However, party autonomy is central to the resolution of disputes through arbitration. The arbitral tribunal is required to conduct the arbitration according to the procedure agreed by the parties, which may be conducted under the *aegis* of an arbitral

institution or in an *ad hoc* manner. In case the arbitration is conducted and administered under the aegis of an arbitral institution, the fees payable to the arbitrators generally is in terms of the rules of the said institution. In case of *ad hoc* arbitrations, where the procedure is decided by the arbitral tribunal on a case to case basis, the Hon'ble Supreme Court of India in the case of *Oil and Natural Gas Corporation Ltd. vs Afcons Gunanusa JV (AIR 2022 SC 4413)*, has laid down the guidelines for deciding the fees of the arbitrators. The Arbitration and Conciliation Act, 1996 further stipulates the Model Fee payable to arbitrators under the Fourth Schedule.

**(d)** For the present, there is no proposal under consideration of the Government for establishing district level arbitration centres.

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