THE PUNJAB ALTERNATE DISPUTE RESOLUTION ACT 2019

(Act XVII of 2019)

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[1]THE PUNJAB ALTERNATE DISPUTE RESOLUTION ACT 2019

ACT XVII OF 2019

[11 October 2019]

An Act to provide for a system of alternate dispute resolution of civil and criminal disputes.

It is necessary to ensure inexpensive and expeditious justice by means of an alternate dispute resolution system.

Be it enacted by Provincial Assembly of the Punjab as follows:

1. Short title, extent and commencement.– (1) This Act may be cited as the Punjab Alternate Dispute Resolution Act 2019.

(2) It shall extend to whole of the Punjab.

(3) It shall come into force on such date as the Government may, by notification in the official Gazette, appoint and different dates may be so appointed for different areas of the Punjab.

2. Definitions.– In this Act:

(a) "Act" means the Punjab Alternate Dispute Resolution Act 2019;

(b) "Alternate Dispute Resolution (ADR)" means a process in which parties' resort to resolving a dispute, other than through adjudication by courts, and includes, but is not limited to, mediation, conciliation and evaluation;

[2][(c) "ADR service provider or ADR center" means ADR service provider or ADR center accredited under the Act;]

(d) 'ADR person' means a person who may undertake ADR under section 11 of the Act;

[3][(dd) "Authority" means the accreditation Authority notified under section 21 of the Act;]

[4][(ddd) "Chairperson" means the Chairperson of the Authority;]

(e) "Code" means the Code of Criminal Procedure, 1898 (V of 1898) [5][or, as the case may be, Code of Civil Procedure, 1908 (V of 1908);]

[6][(f) * * * * * * * * * * * *]

(g) 'court' means a criminal court or a civil court having original jurisdiction under any law for the time being in force.

[7][(gg) "Director General" means the Director General of the Authority;]

(h) "Government" means Government of the Punjab;

[8][(i) *]

(j) "prescribed" means prescribed by the rules made under the Act;

(k) "rules" means the rules made under the Act; and

(l) 'settlement" means the agreement reached between the parties as a result of successful ADR.

3. Reference in civil disputes.– (1) A court shall refer a case mentioned in Schedule I of the Act to ADR within thirty days [9][from the date of filing of written statement by the defendant].

(2) A trial court may refer a case mentioned in Schedule II of the Act to ADR [10][person] at any time or stage where it is of the view that the case is likely to be resolved through ADR.

(3) The court prior to referring the case to ADR [11][person] shall ask the parties their opinion as to the referral, and where a reference is made to ADR [12][person] with the consent of the parties, the court may formulate the points in issue.

(4) In every case where a reference is made to ADR [13][person], the court shall provide a time table for completion of ADR proceedings not exceeding 60 days:

provided that the court on the application of both the parties, may extend the time granted for resolution of the case through ADR.

provided further that the total time granted for completion of ADR proceedings shall not exceed [14][120 days] in any case.

(5) The trial of a case referred to ADR [15][person] shall be postponed till the completion of the time allotted for ADR proceedings under subsection (4).

4. Reference in criminal disputes.– (1) A court shall refer a case falling under section 345(1) of the Code to ADR [16][person] as follows:

(a) in a case arising out of a police report:

(i) on the application by the concerned public prosecutor with the consent of the complainant at any time before framing of the charge; or

(ii) on its own within seven days of the framing of the charge;

(b) in a case arising out of a complaint, on its own, within seven days of the summoning of the accused

(2) A court may refer a case falling under section 345(2) of the Code to ADR [17][person] as follows:

(a) in a case arising out of a police report, with the agreement of the public prosecutor concerned, at any time after framing of charge

(b) in cases arising out of a complaint, with the [18][consent] of the parties to the case, at any time after framing of the charge

(3) In every case where a reference is made to ADR [19][person] under this section, the court shall provide a time period for completion of the ADR proceedings not exceeding [20][sixty] days:

provided that the court may, on application of the parties to the case, extend the said time for a further period of [21][sixty] days.

(4) The court which makes a referral to ADR [22][person] under subsection (1) shall postpone the trial of the case till the completion of the time allotted for ADR proceedings under subsection (3) unless there are compelling reasons to proceed with the trial.

(5) A court which makes a referral under subsection (2) shall proceed with the trial in the manner provided by the Code.

5. Power to record evidence during postponement.– (1) Nothing in section 3 or 4 shall prohibit or restrain the court from recording evidence which is likely to become unavailable due to postponement of trial.

(2) The court may order the recording of evidence of such person on its own or on the application of any party to the trial including the public prosecutor.

6. Power to refer a case to ADR [23][person] at any time.– (1) Nothing in section 3 or 4 shall prohibit or restrain a court from referring a case to ADR [24][person] at any stage of the case with the consent of the parties.

(2) Where a referral is made under sub section (1), the court may if it thinks fit:

(a) fix a time period for completion of ADR; and

(b) postpone the trial during the period given for completion of ADR proceedings.

7. Selection of ADR person.– [25][(1) The parties to the case may, with their mutual consent, select ADR person who shall undertake ADR.]

(2) Where the parties are unable to agree on one or more persons for conduct of ADR proceedings, the court shall provide a list of accredited ADR service providers [26][and] ADR centers to the parties for selection.

(3) Where the parties are unable to arrive at a common decision, the court shall make a reference to an accredited ADR service provider or ADR center in the prescribed manner.

[27][**8. Return to court**.- (1) A case referred to ADR person shall be returned to the court on completion of ADR proceedings or on the expiry of the time provided under section 3 or 4 of the Act, whichever is earlier, in such manner as may be prescribed.

(2) An ADR service provider or an ADR center or ADR person shall retain a copy of the settlement, award or agreement, notices and any other document or correspondence made in writing during the ADR proceedings.]

9. Confidentiality.– Notwithstanding anything contained in any other law for the time being in force, the person performing ADR and the parties taking part in the ADR proceedings shall keep all matters confidential relating to such proceedings.

10. Meaningful offer.– Where a meaningful offer is made by a party to a civil dispute and is rejected by the other, the party which rejects the offer shall not be entitled to costs for the suit and the other party shall be entitled to costs.

Explanation: A 'meaningful offer' is an offer which is substantially the same as the decree or order of the court.

11. Who may perform ADR.– (1) ADR under this Act may be undertaken by:

(a) parties directly;

(b) [28][counsels] of parties;

[29][(c) * * * * * * * * * *]

[30][(c) mediator judge to be nominated by the Lahore High Court;]

(d) an accredited ADR service provider; and

(e) an accredited ADR center.

(2) An ADR center shall not be accredited unless it is registered under the Companies Act, 2017 *(XIX of 2017)*

(3) An ADR Center and an ADR [31][service] provider shall be accredited in the prescribed manner.

12. ADR proceedings.– (1) The parties to the dispute may take part in the ADR proceedings in person, through authorized agents or attorneys.

(2) An attorney who has acted for a party in an ADR proceedings shall not represent [32][other] party in the case with regard to the same matter.

13. Failure of ADR.– Where a matter has not been resolved or cannot be resolved through ADR on referral, the court shall proceed to adjudicate the dispute or remaining dispute in accordance with law.

14. Judgement and Decree.– (1) When the outcome of the ADR is returned to the court and the court finds that the matter has been completely or partially resolved in accordance with law, the court shall pronounce judgment and in case of a civil dispute pass a decree in terms of the settlement.

(2) Where the outcome of ADR is not clear, the court may ask the ADR person to provide the requisite clarification.

15. Appeal and revision barred.– (1) No revision or appeal shall lie from the decree or order of the court under this Act [33][* * * * * * *].

[34][(2) *]

16. Savings.– (1) Save as provided in the Act, the ADR proceedings shall be privileged and shall not be admissible in evidence before any court without consent of the parties and the person undertaking ADR shall not be required to appear as a witness or otherwise in any arbitral or judicial proceedings with respect to the dispute that is or has been the subject matter of the ADR but the final settlement, award or agreement, wholly or partly, between the parties shall be admissible in evidence in any subsequent proceedings between them relating to the same subject matter.

(2) The ADR person shall not act as an agent or attorney of any party to the ADR, in any subsequent proceedings with respect to a dispute that is or has been the subject matter of the ADR.

(3) No suit, prosecution or other legal proceedings shall lie against an ADR person or any other person connected with the ADR proceedings for anything which is done or intended to be done in good faith under the Act except where the ADR person allowed or ordered the commission of an offence in retaliation of an offence which was the subject of ADR proceedings before him.

17. Application of certain laws.– (1) Subject to the provisions of this Act the Oaths Act, 1873 (X of 1873) and the rules made thereunder shall apply *mutatis mutandis* to the proceedings under the Act.

(2) Save as provided in the Act, the Qanun-e-Shahadat [35][* * *], 1984 *(P.O. No. 10 of 1984)* shall not apply to the ADR proceedings under the Act:

Provided that the ADR person may adhere to principles of evidence contained in the Qanun-e-Shahadat [36][* * *], 1984.

18. Overriding effect.– The provisions of the Act shall have effect notwithstanding anything contained in any other law for the time being in force.

19. Cases pending in appeal or revision.– The provision of the Act shall, with the consent of the parties, apply *mutatis mutandis* to a dispute pending adjudication in an appeal or revision.

20. Code of Conduct.– (1) The Government shall prescribe a Code of Conduct for ADR service providers and ADR centers accredited under this Act.

(2) An ADR service provider and an ADR center shall comply with and act in accordance with the provisions of the Code of Conduct.

(3) An ADR service provider or an ADR center who commits a violation of the Code of Conduct shall be removed from the list of accredited service providers or centers by the prescribed authority.

[37][**21. Authority**.- (1) The Law and Parliamentary Affairs Department of the Government shall, through a notification to be published in the official Gazette, notify the following Authority:

(a)	a retired judge of the Lahore High Court recommended by the Chief Justice, Lahore High Court;	Chairperson
(b)	Secretary to the Government, Law and Parliamentary Affairs Department or his nominee not below the rank of Additional Secretary/Director;	Member
(c)	Secretary to the Government, Finance Department or his nominee not below the rank of Additional Secretary;	Member
(d)	Secretary to the Government, Public Prosecution Department or his nominee not below the rank of Additional Secretary;	Member
(e)	six experts each from Law, Engineering, Accounting, Banking, Audit and Finance [38][, out of which expert from Law shall be nominated by the Chief Justice, Lahore High Court while other experts shall be nominated by the Chief Minister]; and	Members
(f)	Director General.	Member/ Secretary

(2) The Chairperson shall serve for a period of three years from the date of notification under subsection (1).

(3) The Chairperson shall be entitled to such perks and privileges as may be determined by the Government, but such perks and privileges shall not be less than those which had lastly been drawn by the incumbent at the time of his retirement.

(4) The non-official members, provided at clause (e) of subsection 1, shall be appointed for a period of two years and entitled to such perks and privileges as may be determined by the Government.

(5) The Chief Minister may, at any time, subject to such reasons and in such manner as may be prescribed, remove the Chairperson and the members provided at clauses (e) and (f) of subsection (1) after consulting the Chief Justice, Lahore High Court.

(6) If any vacancy occurs in the office of the Chairperson or the members provided at clauses (e) and (f) of subsection (1) due to resignation, removal or any other reason, the Chairperson and the members provided at clauses (e) and (f) of subsection (1) shall be appointed for the remaining period.

(7) The quorum for a meeting of the Authority shall be five members including the Chairperson unless the Chairperson decides otherwise.

(8) The Government shall provide requisite funds to the Authority to perform its functions under the Act and the rules.

(9) The recruitment of the employees of the Authority shall be made on such terms and conditions as may be prescribed.

(10) The Authority shall accredit ADR service providers and ADR centers in such manner and on payment of such fee as may be prescribed.]

[39][**21-A. Director General**.- [40][(1)The Chief Minister shall appoint Director General of the Authority from amongst the officers of Pakistan Administrative Service, retired in BPS 20 or above, or from amongst the retired District and Sessions Judges, for a period of two years.]

(2) The Director General shall be entitled to such perks and privileges as may be determined by the Government [41][* * *].

(3) The Director General shall also be the Secretary of the Authority and shall perform such functions as may be assigned to him by the Chairperson or the Authority, or as may be prescribed.]

22. Costs and fees of ADR.– The costs and fees of the ADR proceeding, if required, shall be borne by the parties in such proportion as may be mutually agreed upon by them failing which it shall be determined by the [42][court].

23. Power to make rules.– (1) The Government may, by notification in the official Gazette, make rules for carrying out the purposes of the Act.

(2) Notwithstanding the generality of subsection (1), the Government may make rules:

(a) to provide for ethical conduct in the provision of ADR services by licensed ADR service providers and ADR centers;
(b) to provide for accreditation of licensed ADR service providers;
(c) to provide for documentation of decisions; and
(d) to provide for procedures to be adopted during ADR proceedings.

24. Power to amend the Schedules.– The Government may [43][* * * * * * * *] amend the schedules to the Act, from time to time, so as to add an entry thereto or omit therefrom or modify any entry therein.

[44]**[24-A. Public servants**.– The Chairperson, the non-official members, the Director General and employees of the Authority acting or purporting to act in pursuance of any provision of the Act, shall be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code, 1860 (XLV of 1860).**]**

25. Removal of difficulty.– If any difficulty arises in giving effect to any provision of the Act, the Government may [45][* * * * * * * *] make such order not inconsistent with the provisions of the Act as may be necessary to remove the difficulty.

26. Repeal.– Subject to the provisions of section 19 of the Act, section 89-A of the Code of Civil Procedure, 1908 *(V of 1908)* and clause (iii), Rule 1A, Order X in the First Schedule to that Code, to the extent of the Punjab, are hereby repealed.

SCHEDULE-I

[See section 3(1)]

(1) A dispute between a landlord and tenant under the Punjab Rented Premises Act, 2009 (VII of 2009).
(2) Dispute involving pre-emption under the Punjab Pre-Emption Act, 1991 (IX of 1991).
(3) Disputes relating to [46][ownership and] possession of immovable property.
(4) Family disputes including guardianship and custody of minor children.
(5) Dispute arising out of enforcement of commercial contracts except those that in fall in schedule II.
(6) Suits for specific performance of contracts except those that fall in schedule II.
(7) Disputes arising out of negotiable instruments under the Negotiable Instruments Act, 1881 (XXVI of 1881) except those that fall in schedule II.
(8) Suits arising out of Tort except those that fall in schedule II.
(9) Dispute for recovery of movable property or value thereof.

(10) Dispute for separate possession of joint immovable property through partition or otherwise including claims for mesne profits.
(11) Disputes for rendition of accounts of joint property.
(12) Disputes to remove nuisance.
(13) Disputes involving recovery of money.
(14) Cases relating to inheritance including declaration and succession.

SCHEDULE-II

[See section 3(2)]

(1) Disputes relating to ownership of immoveable property.
(2) Disputes relating to professional negligence under Tort and those under the Punjab Consumer Protection Act, 2005 (II of 2005).
(3) Suits under the Banking Companies Ordinance, 1962 (LVII of 1962).
(4) Disputes involving copy rights and patents under the Copyright Ordinance, 1962 (XXXIV of 1962) and the Patents Ordinance, 2000 (LXI of 2000) respectively.
(5) Disputes involving trademarks under the Trademarks Ordinance, 2001 (XIX of 2001).
(6) Suits for redemption of mortgaged property under the Transfer of Property Act, 1882 (IV of 1882).
(7) Cases relating to Waqf and Trusts under the relevant laws for the time being in force.

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[1]This Act was passed by the Punjab Assembly on 19 September 2019; assented to by the Governor of the Punjab on 10 October 2019; and was published in the Punjab Gazette (Extraordinary), dated 11 October 2019, pages 1191-95.

[2]Substituted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023), for the following:

"(c) "ADR Centre" means a Centre established under the Act;"

[3]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[4]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[5]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[6]Omitted the following by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023):

"(f) "conciliation" means a process where a person encourages the parties to resolve their disputes voluntarily and includes advising possible solution and terms of settlement to them;"

[7]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[8]Omitted the following by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023):

"(i) "mediation" means a process where a mediator facilitates dispute resolution by encouraging communication and negotiation between the parties;"

[9]Substituted for the words "of appearance of the defendants" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[10]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[11]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[12]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[13]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[14]Substituted for the expression "6 months" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[15]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[16]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[17]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[18]Substituted for the word "agreement" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[19]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[20]Substituted for the word "ninety" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[21]Substituted for the figure "90" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[22]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[23]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[24]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[25]Substituted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023), for the following:

"(1) The parties to the case may select the person or persons who shall undertake ADR."

[26]Substituted for the word "or" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[27]Substituted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023), for the following:

"**8. Return to court**.– A case referred to ADR shall be returned to the court in the prescribed format on the completion of ADR proceedings or on the expiry of the time provided under section 3 or 4 of the Act whichever is earlier."

[28]Substituted for the word "counsel" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[29]The following clause was omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023):

"(c) one or more persons selected or agreed upon by the parties;"

[30]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2025 (III of 2025).

[31]Substituted for the word "services" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[32]Substituted for the word "another" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[33]The words "except provided by this section" omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[34]Omitted the following by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023):

"(2) A public prosecutor may challenge the judgment of a court with regard to a case falling under subsection (2) of section 345 of the Code."

[35]The word "Order" omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[36]The word "Order" omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[37]Substituted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023), for the following:

"**21. Accreditation Authority**.– (1) The Government shall notify an authority established by law for purposes of accrediting ADR service providers or ADR centers.

(2) Where the Government notifies an authority under subsection (1), it shall provide such authority with the requisite staff and funds.

(3) The Government may subject to rules entrust accreditation work to any entity qualified to perform work of accreditation."

[38]Substituted for the expression "recommended by the Chief Justice, Lahore High Court" by the Punjab Alternate Dispute Resolution (Amendment) Act 2025 (III of 2025).

[39]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[40]Substituted by the Punjab Alternate Dispute Resolution (Amendment) Act 2025 (III of 2025), for the following:

"(1) The Chief Minister shall, on the recommendation of the Chief Justice, Lahore High Court, appoint a Director General of the Authority from amongst the retired District and Sessions Judges for a period of two years."

[41]The following expression omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2025 (III of 2025):

", but such perks and privileges shall not be less than those which had lastly been drawn by the incumbent at the time of his retirement"

[42]Substituted for the words "rules made under the Act" by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[43]The expression ", in consultation with the Lahore High Court Lahore," omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[44]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[45]The expression ", within two years of the commencement of the Act," omitted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).

[46]Inserted by the Punjab Alternate Dispute Resolution (Amendment) Act 2023 (III of 2023).