EXTRACT OF THE KHYBER PAKHTUNKHWA RESOLUTION OF COMMERCIAL DISPUTES ACT, 2022. (KHYBER PAKHTUNKHWA ACT NO. XXXVIII OF 2022)

WHEREAS commerce and trade are intrinsically linked with the economic growth and development of the Province and as such during the course of commercial activities, commercial disputes may arise which hampers the efficient provision of goods to the people and need to be disposed of expeditiously for which establishment of Commercial Courts and Appellate Tribunal are necessary and also to provide for out of Court settlement mechanism in the shape of Alternative Dispute Resolution and for matters connected therewith and ancillary thereto;

It is hereby enacted by the Provincial Assembly of Khyber Pakhtunkhwa as follows:

- 1. Short title, extent, application and commencement. --(1) This Act may be called the Khyber Pakhtunkhwa Resolution of Commercial Disputes Act, 2022.
- 2. Definitions. --(1) In this Act, unless there is anything repugnant in the subject or context, -
 - (a) "Appellate Tribunal" means the Appellate Tribunal, established under section 8 of this Act:
 - (k) "Oversight Committee" means the Oversight Committee constituted under section 12 of this Act;
- 5. Institution of suit and its disposal---(I) Every suit, under this Act, shall be instituted and disposed of in accordance with the provisions of the Code.
- (2) Without prejudice to the generality of sub-section (1), the Directorate General may, for the expeditious disposal of commercial dispute under this Act, put in place e-filing system, which shall be operationalized from such date as the Department may appoint by notification in the official Gazette.
 - (3) For expeditious disposal of suits or appeals under this Act, the Commercial Courts or, as the case may be, the Appellate Tribunal, if it deems necessary, -
 - (a) for reasons to be recorded in writing, shall, on its own motion, have the power to summon official record, maintained by the public authorities in respect of any matter connected with or arising from the subject matter of the suit or appeal; and
 - (b) shall not grant unnecessary adjournments and in no case more than two adjournments shall be granted for a specific purpose:
 - Provided that the Commercial Courts or the Appellate Tribunal, under exceptional circumstances, may adjourn hearing of a case, for not more than seven days, subject to payment of such costs, as may be determined by the Commercial Court or the Appellate Tribunal, as the case may be.
- (4) Subject to section 9 of this Act, the judgment, decree or an order passed by the Commercial Court shall be final.
- 7. Transfer of pending cases. —On commencement of this Act, -
 - all suits and execution petitions, connected with or arising from commercial disputes pending in any court of its original civil jurisdiction, shall stand transferred to the concerned Commercial Court;
 - (b) on transfer of suits and execution petitions under this section, the Commercial Court may proceed with the case from the stage at which it was pending immediately before such transfer and it shall not be bound to re-hear any witness who has recorded his evidence;
 - (c) all appeals and revisions, arising from the orders, judgment and decrees in respect of commercial dispute, pending before any court before the commencement of this Act, shall stand transferred to the Appellate Tribunal for adjudication; and
 - (d) any suit, appeal or revision, in respect of commercial dispute, which has been culminated and are pending announcement of final order or decision, shall not be transferred and the relevant court -shall announce the order or decision therein, as the case may be.

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- 8. Appellate Tribunal. —(I) For the purpose of hearing appeals against the decisions of the Commercial Courts, Government may, by notification in the official Gazette, establish an Appellate Tribunal.
 - (2) The Appellate tribunal shall comprise of a Chairman and two members, one legal member and one technical member, to be appointed in consultation with the Chief Justice of the high Court, in the manner as may be prescribed.
 - (3) The Chairman and the members shall have such qualifications and experience of service as may be prescribed.
 - (4) The Chairman and the others two members of the Appellate Tribunal shall be appointed for a term of three years. in such a manner and with such other terms and conditions of service, as may be prescribed.
 - (5) The Appellate Tribunal shall conduct its proceedings in the manner, as may be prescribed.
 - (6) The Appellate Tribunal shall have such staff with such terms and conditions of service, as the Government may determine, and until such staff is appointed, the Directorate General shall provide secretariat support to the Appellate Tribunal.
- 9. Appeals--(1) Any person, aggrieved from the judgment or decree or an order of the Commercial Court, may prefer an appeal in the Appellate Tribunal, within a period of thirty days from the date of announcement of such judgment, decree or order.
 - (2) The Appellate Tribunal shall dispose of appeals in such a manner, as may be prescribed.
- 11. Support to the Commercial Court. (1) The existing staff of the Consumer Court shall provide support to the Commercial Court for the performance of its functions under this Act:

Provided that the Directorate General, if required, may provide necessary additional human resource support to the Commercial Court for the purposes of this Act.

- (2) The staff of the Commercial Court shall also perform the following functions. namely:
 - (a) to maintain an updated record and statistical data in physical and electronic form, regarding the number and nature of cases filed, pendency of such cases, status of each case and disposal of the cases by the Commercial Court and the Appellate Tribunal and all matters connected therewith, as may be prescribed;
 - (b) to maintain case laws repository; and
 - (c) any other functions as may be prescribed.
- (3) For the efficient and expeditious disposal of commercial disputes under this Act, the Directorate General may arrange necessary trainings for judges of the Commercial Court.
- 12. Oversight Committee. —Government may, by publication in the official Gazette, notify an Oversight Committee which shall consist of such number of members and shall perform such functions. as may be specified in the notification.
- 13. Report. —The Director General shall prepare and present an annual report on the implementation of this Act to the Oversight Committee in a manner, as may be prescribed.
- 14. Alternative Disputes Resolution. —Any suit or appeal relating to a commercial dispute, filed or pending in a Commercial Court or Appellate Tribunal, as the case may be, may be referred to Alternative Dispute Resolution, with the consent of the parties, by the Commercial Court or Appellate Tribunal, in accordance with the provisions of section 89-A of the Code.