

JUSTICE BEYOND LITIGATION: THE EXPANDING ROLE OF ALTERNATIVE DISPUTE RESOLUTION IN INDIA'S LEGAL FRAMEWORK

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ABSTRACT

The Indian justice delivery system confronts a persistent challenge in the form of mounting case pendency, producing significant delay and, in consequence, the denial of timely justice. Judicial vacancy, procedural complexity, inadequate infrastructure and excessive adjournment have each aggravated this problem, eroding public confidence and affecting both individual right and economic growth. Alternative Dispute Resolution has emerged, against this backdrop, as an effective and practical mechanism for reducing the burden on courts while ensuring speedier justice. This paper examines the constitutional and statutory architecture supporting Alternative Dispute Resolution in India, tracing its foundation in Articles 14, 21 and 39A of the Constitution and its institutional expression through the Legal Services Authorities Act, 1987, Section 89 of the Code of Civil Procedure, 1908, the Arbitration and Conciliation Act, 1996, and the Mediation Act, 2023. It evaluates the specific contribution of Lok Adalats, mediation, arbitration and conciliation to India's dispute resolution landscape, including the recent institutional expansion of India's arbitration infrastructure through centres such as the newly inaugurated Chandigarh International Arbitration Centre, and identifies the persistent challenges of limited public awareness, infrastructural gap and settlement fairness that continue to constrain Alternative Dispute Resolution's full potential. The paper concludes that Alternative Dispute Resolution, properly implemented and reformed, holds genuine transformative potential for India's justice system, provided its expansion proceeds hand in hand with sustained attention to the access and fairness concerns that persist alongside its considerable efficiency gain.

KEYWORDS: *Alternative Dispute Resolution; Lok Adalat; Mediation Act 2023; Arbitration; Access to Justice.*

1. INTRODUCTION

Justice P.N. Bhagwati, formerly Chief Justice of India, observed that where litigating parties once had to seek justice at the doors of law courts, the Lok Adalat system instead brings justice to the doors of the parties themselves,¹ a formulation that captures precisely the reorientation Alternative Dispute Resolution represents within India's justice delivery system. The growing pendency of case before Indian courts has become one of the most serious challenges that system presently confronts: millions of case remain pending before the Supreme Court, the High Courts and the district judiciary, producing delay that frequently denies litigants timely justice and giving continuing force to the principle that justice delayed is justice denied. Heavy caseload, judicial

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¹ P.N. Bhagwati, Justice for the Common Man, in Legal Aid and Access to Justice 12-15 (Indian Law Institute 1985).

vacancy, procedural complexity, frequent adjournment and rising litigation volume have together contributed to this crisis.

A significant number of judicial vacancy across court levels remain unfilled for extended period, reducing the judiciary's capacity to dispose of case efficiently, and inadequate infrastructure, courtroom shortage, insufficient staffing and limited deployment of modern technology further delay proceedings. In civil matter specifically, repeated amendment, interim application, stay order and lengthy evidence procedure frequently extend litigation across many years, while weak case management and poor coordination among investigating agency, counsel and court compound the resulting delay. The consequence of this pendency are far-reaching: litigants suffer mental stress, financial hardship and diminished faith in the justice system; undertrial prisoners remain incarcerated for extended period awaiting trial, raising serious concern for personal liberty; and businesses and investors face continuing uncertainty in commercial dispute, with corresponding consequence for economic growth and ease of doing business.

Addressing this crisis requires urgent reform, including timely judicial appointment, strengthened court infrastructure, court digitisation, stricter control over adjournment, effective case-flow management, reduced government litigation and, centrally to this paper's analysis, the promotion of Alternative Dispute Resolution mechanism. Alternative Dispute Resolution refers to method of resolving dispute outside the traditional courtroom system, encompassing arbitration, mediation, conciliation, negotiation, Lok Adalat, plea bargaining and online dispute resolution, mechanisms designed to supply quicker, less costly and less adversarial resolution than conventional litigation while diverting suitable matter away from the regular court system and thereby easing the burden pendency has placed upon it.

1.1 Objectives of the Study

This study examines the growing role Alternative Dispute Resolution plays in addressing judicial delay and improving access to justice in India, analysing how arbitration, mediation, conciliation and Lok Adalats specifically provide speedy, cost-effective and amicable dispute settlement capable of reducing the burden on courts. It explores the constitutional foundation of Alternative Dispute Resolution under Articles 14, 21 and 39A, which together promote equality, fairness and access to justice for every citizen, and evaluates the statutory reform, Section 89 of the Code of Civil Procedure, 1908, the Legal Services Authorities Act, 1987 and the Mediation Act, 2023, that have institutionalised Alternative Dispute Resolution within the Indian legal system. Finally, the study identifies persisting implementation challenge, including limited awareness and inadequate infrastructure, and proposes improvement capable of addressing them.

2. CONSTITUTIONAL AND STATUTORY SUPPORT TO ALTERNATIVE DISPUTE RESOLUTION

The Constitution of India establishes justice as one of the nation's foundational ideal, envisioning a legal system in which every individual, irrespective of wealth, status, caste, gender or religion, receives equal protection and fair treatment. Equal justice functions, on this constitutional vision, not merely as a legal concept but as a constitutional promise directed toward a just and inclusive society, a commitment the Preamble and several fundamental right and directive principle, Articles 14, 21 and 39A specifically, together give textual expression.

Article 14 guarantees equality before law and equal protection of the law, imposing an obligation on the state to supply even-handed justice to all alike, preventing arbitrary state action and promoting reasonableness in governance, a principle the judiciary has repeatedly relied upon to strike down discriminatory law and practice.² Article 21 provides that no person shall be deprived of life or personal liberty except according to procedure established by law, a guarantee the Supreme Court has progressively expanded to encompass the right to live with dignity, the right to privacy, the right to speedy trial and the right to fair, reasonable procedure. *Maneka Gandhi v. Union of India*³ transformed Article 21 specifically by holding that any procedure prescribed by law must itself be just, fair and non-arbitrary, ensuring that justice under the Article is not confined to formal legality but extends to substantive fairness and the protection of human dignity.

In *Hussainara Khatoon v. Home Secretary, State of Bihar*⁴, the Supreme Court held that the right to speedy trial forms an essential part of the fundamental right to life and personal liberty under Article 21, observing that a legal procedure depriving a person of liberty cannot be considered reasonable, fair or just unless it ensures a prompt determination of guilt. Prolonged trial delay, the Court held, violates Article 21 directly, particularly for undertrial prisoners, and the state bears a constitutional obligation to establish procedure capable of guaranteeing speedy justice. The decision firmly established access to timely justice as a fundamental right, one Alternative Dispute Resolution mechanism, examined throughout this paper, contributes materially toward realising in practice.

The constitutional foundation for Alternative Dispute Resolution specifically traces to Article 39A, a Directive Principle mandating that the state ensure equal justice and free legal aid, so that no citizen is denied access to

² India Const. art. 14.

³ *Maneka Gandhi v. Union of India*, (1978) 1 S.C.C. 248 (India).

⁴ *Hussainara Khatoon v. Home Sec'y, State of Bihar*, A.I.R. 1979 S.C. 1360 (India).

justice by reason of economic or other disability.⁵ Article 39A led directly to the enactment of the Legal Services Authorities Act, 1987 and the establishment of legal aid institution nationwide, and through Lok Adalat, legal aid clinic and free legal representation it seeks to make justice genuinely accessible to the poor and marginalised. The legal aid movement's origin traces to the Bombay government's 1949 appointment of the Justice Bhagwati Committee, which examined the feasibility of free legal aid for indigent litigants and found the existing pauper suit provision under Order 33, Rule 1 of the Code of Civil Procedure inadequate, since it exempted only court fee rather than the full range of litigation expense the poor litigant would otherwise bear. The Law Commission's Fourteenth Report subsequently emphasised the need for nationwide legal aid agency to redress economic inequality in access to justice, laying institutional groundwork for the framework this paper examines.

Section 89 of the Code of Civil Procedure, 1908 operationalises this constitutional vision procedurally, requiring courts not merely to adjudicate dispute but to actively facilitate their resolution through consensual method wherever a dispute contains element capable of amicable settlement.⁶ Where a court perceives such possibility during a civil suit, it formulates the terms of potential compromise and presents them to the parties, referring the matter to an appropriate Alternative Dispute Resolution process upon their agreement. In *Salem Advocate Bar Association v. Union of India*⁷, the Supreme Court clarified that referral under Section 89 is not merely optional but must be actively considered by courts, with appropriate guideline in place to ensure effectiveness, and it emphasised mediation and conciliation specifically as preferred modes of settlement. Section 89 accordingly serves several purposes simultaneously: reducing judicial backlog by diverting suitable case away from the ordinary court process, saving time and cost for the parties, encouraging amicable settlement that preserves underlying relationship, and advancing the access-to-justice vision Article 39A establishes, transforming the court's role from purely adjudicatory body into an active facilitator of dispute resolution.

3. MEDIATION IN INDIA: LEGAL RECOGNITION THROUGH THE MEDIATION ACT, 2023

Mediation has long been recognised as an effective method of dispute resolution through dialogue, compromise and mutual understanding, enabling parties to settle conflict amicably with the assistance of a neutral third party, the mediator, rather than through adversarial litigation. India's growing case pendency, rising litigation cost and continuing court delay created an urgent need for a comprehensive legal framework specifically governing mediation, a

⁵ India Const. art. 39A.

⁶ Code of Civil Procedure, 1908, § 89, No. 5, Acts of Parliament, 1908 (India).

⁷ *Salem Advocate Bar Ass'n v. Union of India*, (2005) 6 S.C.C. 344 (India).

need Parliament addressed through the Mediation Act, 2023, marking a significant reform in India's dispute resolution architecture.⁸

Before this Act, mediation in India operated through scattered provision distributed across the Code of Civil Procedure, the Arbitration and Conciliation Act and accumulated judicial guideline; the new Act consolidates this fragmented legal position into a single statutory framework, giving mediation independent recognition and positioning it as a preferred mode of settlement for civil and commercial matter specifically. Among the Act's most significant feature is its recognition of pre-litigation mediation, under which parties are encouraged to attempt mediation before approaching court or tribunal in a defined range of dispute, a structural incentive directed at reducing unnecessary litigation and easing judicial burden at the earliest possible stage. The Act further recognises online mediation, permitting party participation through video conferencing and other digital platform, a modern feature whose relevance the COVID-19 pandemic considerably heightened, improving accessibility, reducing cost, and enabling parties in different location to participate conveniently, a benefit expected to accrue particularly to commercial dispute, family settlement and small claim matter.

A further significant provision concerns the enforceability of mediated settlement agreement: agreement reached through mediation receive legal recognition and may be enforced comparably to a court-recognised settlement, subject to limited ground for challenge, a design choice that increases party confidence in mediation by ensuring the resulting settlement carries genuine binding value. Because mediation centres on consensus rather than confrontation, it frequently preserves the underlying relationship between parties while producing a mutually acceptable resolution, but public awareness of mediation as an option remains limited, and many litigants continue to default toward conventional court litigation notwithstanding mediation's comparative advantage. Realising the Mediation Act's full potential accordingly requires sustained investment in trained mediator, institutional infrastructure and clear coordination between courts and mediation centre, investment this paper's concluding recommendations address directly.

4. LOK ADALATS: AN EFFECTIVE TOOL OF ALTERNATIVE DISPUTE RESOLUTION

The term Lok Adalat means people's court, and the institution draws inspiration from Gandhian principles of justice through conciliation and mutual settlement, representing an ancient dispute resolution tradition within Indian society that continues to carry considerable relevance today. Lok Adalats received statutory status under the Legal Services Authorities Act, 1987, which governs their

⁸ The Mediation Act, 2023, No. 32, Acts of Parliament, 2023 (India).

organisation and function, and they may be organised by the State Legal Services Authority, District Legal Services Authority, Supreme Court Legal Services Committee, High Court Legal Services Committee, and Taluk Legal Services Committee at suitable interval and location.⁹ A Lok Adalat is typically composed of a serving or retired judicial officer as Chairperson, together with a lawyer and a social worker as member, and the National Legal Services Authority, established under the same Act, coordinates Lok Adalats nationally and supplies a framework for free and competent legal service to weaker sections of society.

Section 20(1) of the Legal Services Authorities Act empowers the court in which a case is pending to transfer it to a Lok Adalat for settlement upon a joint application from the parties indicating their intention to compromise.¹⁰ This mechanism responds directly to a structural feature of the adversarial system, in which prosecution and defence contest before a judge acting as referee under established procedural rule, that renders litigation comparatively time-consuming, particularly given the frequency with which adjournment is granted without sufficient justification. Because Lok Adalat matter are resolved through mutual consent, lengthy trial and appeal are avoided entirely, ensuring quicker relief for the parties while conserving judicial time that would otherwise be consumed by the matter's ordinary adjudication.

Lok Adalats have proven highly effective in reducing court backlog specifically, settling large volume of dispute relating to motor accident claim, matrimonial matter, bank recovery case, labour dispute, public utility service and compoundable criminal offence. National Lok Adalats, involving simultaneous nationwide sitting conducted on a single day across every level of the judiciary from the Supreme Court to the Taluk court, have disposed of lakhs of case in a single sitting, demonstrating their considerable capacity for easing judicial congestion at scale; from 2022-23 through 2024-25, more than twenty-three and a half crore case have been resolved across India's various Lok Adalats.¹¹ Permanent Lok Adalats, by contrast, address dispute relating specifically to public utility service, transport, postal service, telegraph, electricity and water supply among them, typically for claim up to one crore rupees, while E-Lok Adalats and Mobile Lok Adalats have further expanded access, the former enabling remote digital participation and the latter travelling directly to underserved and remote area to bring dispute resolution closer to the communities that most need it.

Litigation in ordinary court carries considerable expense, court fee, lawyer's fee, travel cost and repeated appearance among them, whereas Lok Adalat

⁹ Legal Services Authorities Act, 1987, No. 39, Acts of Parliament, 1987 (India).

¹⁰ Legal Services Authorities Act, 1987, § 20(1), No. 39, Acts of Parliament, 1987 (India).

¹¹ National Legal Services Authority, Annual Report 2024-25 (2025).

proceedings generally involve no court fee, with any fee already paid refunded upon settlement, and the simplified procedure Lok Adalats employ further reduces legal expense overall, making them especially beneficial for poor and economically weaker section of society who might otherwise find court access practically foreclosed. Lok Adalats promote informal, amicable dialogue rather than adversarial contest, allowing party to interact directly and resolve dispute peacefully with the assistance of conciliator, judicial officer, lawyer and social worker, a cooperative approach that helps preserve relationship, particularly in family, matrimonial, neighbourhood and community dispute, while producing genuine party satisfaction because the resulting settlement rests on mutual agreement rather than imposed judgment. Lok Adalats have correspondingly enhanced access to justice in rural area specifically, where distance, poverty, illiteracy and limited legal awareness frequently constrain access to the formal court system; Lok Adalats organised at district and taluk level bring justice materially closer to such communities. A Lok Adalat exercises power comparable to those of a Civil Court under the Code of Civil Procedure, may determine its own procedure, and its award carries the force of a Civil Court decree, final and binding on all parties, with no appeal lying against it.

5. ARBITRATION AND THE RISE OF ARBITRATION CENTRES IN INDIA

Arbitration has emerged as one of the most significant Alternative Dispute Resolution mechanisms in India, offering party a private, efficient and legally recognised means of settling dispute outside the traditional court system. In a jurisdiction where courts face heavy case pendency and prolonged litigation, arbitration supplies a considerably faster and more specialised avenue for resolving commercial and civil dispute specifically, a function of particular importance to business transaction, infrastructure project, international trade and contractual disagreement.¹²

Arbitration involves the voluntary submission of a dispute to one or more neutral arbitrator, whose decision, the arbitral award, is binding on the parties and enforceable by law. Unlike court litigation, arbitration rests on party autonomy: the parties may select the arbitrator, the seat of arbitration, the governing law, the language and the procedure to be followed, a flexibility that makes arbitration attractive to business and individual party alike. The Arbitration and Conciliation Act, 1996, enacted on the basis of the UNCITRAL Model Law, supplies the principal governing statute, consolidating the law relating to domestic arbitration, international commercial arbitration, conciliation and the enforcement of foreign award.¹³ Amendment in 2015, 2019

¹² Aditya Sondhi, Arbitration in India: Some Myths Dispelled, 19 Nat'l L. Sch. India Rev. 45 (2007).

¹³ Arbitration and Conciliation Act, 1996, No. 26, Acts of Parliament, 1996 (India)).

and 2021 have progressively strengthened this framework, reducing judicial interference and promoting India's development as an arbitration-friendly jurisdiction.

Arbitration's principal advantage lies in the speed of dispute resolution it enables: court case frequently extend across several years, whereas arbitration can typically be completed within a materially shorter period. It additionally provides confidentiality, a genuine advantage in commercial matter where party may wish to protect trade secret or business reputation, and arbitration proceedings are generally more flexible and less formal than court trial. India has taken several institutional step to strengthen this framework, establishing specialised institution including the Mumbai Centre for International Arbitration and the Delhi International Arbitration Centre, alongside newer arbitration hub reflecting India's ambition to become a genuinely global arbitration destination.

Chandigarh joined this expanding network of recognised arbitration hub on 7 March 2026, with the inauguration of the Chandigarh International Arbitration Centre by Chief Justice of India Justice Surya Kant.¹⁴ The inauguration coincided with the inaugural India International Disputes Week 2026, organised by the Punjab and Haryana High Court and attracting more than fifty international speaker from jurisdictions including the United States, the United Kingdom, Singapore, Canada and France, bringing together judge, arbitration institution, senior advocate, policymaker and academic to discuss arbitration, judicial reform and emerging technology in dispute resolution. Established under the supervision of the Punjab and Haryana High Court, the Centre has been conceived as a professional, structured alternative to ad hoc arbitration, aiming to provide efficient, time-bound domestic and international arbitration service under a clearly defined, rules-based framework. Chief Justice Surya Kant observed that the genuine strength of any justice system lies not only in adjudication but in its capacity to ensure fair, prompt and effective dispute settlement, and that initiatives of this kind promote the dialogue, institutional development and capacity-building essential to strengthening the rule of law. The Centre is intended to handle a wide range of dispute, corporate and commercial matter, trade and investment claim, construction and engineering contract, maritime dispute, insurance matter, intellectual property issue, technology-related conflict and banking and finance dispute among them, functioning as an independent, neutral body that neither represents any party nor provides legal advice.

¹⁴ Manraj Grewal Sharma, Chandigarh Enters Global Arbitration Arena as CJI Inaugurates International Centre, Times of India (Mar. 7, 2026).

6. CONCILIATION

Conciliation constitutes a further out-of-court dispute resolution instrument, under which the parties engage a conciliator who meets with them both separately and together in an effort to resolve their difference. Conciliation is deliberate, confidential and consent-based: the parties work to arrive at a mutually acceptable, amicable settlement with the neutral conciliator's assistance, and the conciliator may, in the course of that process, offer the parties a non-binding settlement proposal for their consideration.¹⁵

The conciliation process formally begins when one party sends a written invitation to the other, expressing an intention to resolve the dispute through conciliation and briefly identifying its subject matter, with proceedings commencing only upon the other party's written acceptance. Should the invited party explicitly reject the invitation, no conciliation proceeding will take place, and where the party initiating conciliation receives no response within thirty days of sending the invitation, or within any other period the invitation itself specifies, it may treat that silence as rejection, provided it informs the other party in writing of its decision to treat the invitation as declined. This structured, consent-dependent initiation procedure distinguishes conciliation from mediation and Lok Adalat referral alike, situating it as a genuinely voluntary mechanism at every stage of its operation rather than one a court or statute can compel a party to enter.

7. CHALLENGES IN THE ALTERNATIVE DISPUTE RESOLUTION FRAMEWORK

Despite their considerable contribution to India's justice delivery system, Alternative Dispute Resolution mechanisms continue to face several genuine practical and structural challenge limiting their full effectiveness.

- Limited public awareness: a large section of the population, particularly in rural and economically weaker area, remains unaware of its right to free legal aid or of Lok Adalat availability, and illiteracy, social disadvantage and the absence of effective outreach programming further constrain public participation, leaving many deserving individuals outside the reach of justice these mechanisms are meant to extend.
- Infrastructural gap: Lok Adalats in some area lack proper venue, trained conciliator or adequate administrative support, and rural region specifically face compounding difficulty from limited transportation and communication infrastructure.

¹⁵ Arbitration and Conciliation Act, 1996, pt. III, No. 26, Acts of Parliament, 1996 (India).

- The risk of forced or unequal settlement: weaker party may accept unfair term simply to avoid prolonged litigation, an outcome that can undermine the genuinely voluntary character settlement is meant to embody and correspondingly affect the credibility of the Lok Adalat mechanism specifically.
- Restricted jurisdiction: Lok Adalats may address only case suitable for compromise or settlement, and serious, non-compoundable criminal offence fall entirely outside their jurisdiction, limiting their capacity to relieve pressure on regular courts for a significant category of pending matter.
- Legal aid quality and resourcing: inadequate fee paid to legal aid lawyers has discouraged genuinely competent counsel from participating in legal aid work, and the continuing procedural formality of legal aid service itself remains a further obstacle to the scheme's full success, notwithstanding sustained effort by Legal Aid and Advice Committees to extend access to weaker sections of society.

8. CONCLUSION

Alternative Dispute Resolution offers a genuinely effective response to the problem of mounting case pendency this paper has examined throughout. By promoting speedy, economical and amicable dispute settlement, it complements the formal judicial system and strengthens the overall administration of justice, and if properly expanded and institutionalised, it holds the potential to play a transformative role in securing timely justice while reducing the burden Indian courts presently bear.

Arbitration in India has become a vital pillar of modern dispute resolution, reducing pressure on courts, encouraging investment, ensuring commercial certainty, and providing speedy, expert adjudication, and continued reform, institutional growth and judicial support, exemplified by the Chandigarh International Arbitration Centre this paper's Section 5 examined, position arbitration to play a genuinely transformative role in strengthening India's legal and economic landscape further still. Lok Adalats have become an indispensable component of India's justice administration, ensuring speedy case disposal, reducing court backlog, providing low-cost justice, encouraging amicable settlement and expanding access to justice in rural area specifically, thereby advancing the constitutional ideal of equal justice for all; their continued growth and modernisation, including through E-Lok Adalats, promises further contribution to an efficient, genuinely people-friendly justice system.

India's constitutional basis for equal justice lies in the harmonious operation of the Preamble together with Articles 14, 21 and 39A, provisions that

collectively secure equality, fairness, dignity and access to justice for every citizen and reflect the Constitution's vision of a democratic society governed by the rule of law and committed to protecting the rights of every individual. Realising that vision fully requires that Alternative Dispute Resolution's continued expansion proceed alongside sustained attention to the awareness, infrastructural and fairness challenge this paper's Section 7 has identified, so that the considerable efficiency gain these mechanisms offer translate into genuine, equitable access to justice for every section of Indian society rather than for those already best positioned to navigate the legal system.