

1. Alternative Dispute Resolution – Polity

India's judicial system is grappling with an unprecedented backlog underscoring the urgent need for alternative mechanisms to ensure timely delivery of justice.

About Alternative Dispute Resolution (ADR)

Definition and Concept – Alternative Dispute Resolution (ADR) refers to a set of structured processes designed to resolve disputes without resorting to formal judicial proceedings. It promotes consensual, participatory, and less adversarial mechanisms that ensure faster, cost-effective, and relationship-preserving justice.

Key Methods of ADR

Arbitration – A quasi-judicial, binding process in which an independent arbitrator delivers an enforceable award after hearing both sides.

Conciliation – A non-binding process where a conciliator helps disputing parties arrive at a mutually acceptable settlement.

Mediation – A voluntary, confidential process facilitated by a neutral mediator who encourages dialogue, identifies common interests, and helps parties reach an agreement.

Judicial Settlement / Lok Adalat – Settlement of cases referred by courts or pre-litigation disputes, often in community settings or before panels, embodying consensus-based justice.

Why ADR Is Essential in India

1. Addressing Pendency and Judicial Backlog – As per the National Judicial Data Grid (NJDG, 2025), India has over 4.57 crore pending cases, reflecting a systemic crisis –

Supreme Court – 81,768 cases

High Courts – ~6.29 lakh cases

District and Subordinate Courts – Over 3.9 crore cases

Prolonged litigation adversely impacts citizens' access to justice and businesses' operational efficiency.

2. Systemic Inefficiencies and State-Level Disparities – The India Justice Report (IJR) 2025 identifies critical administrative and human resource challenges –

Judicial vacancies – 33% in High Courts, 21% in District Courts.

High caseloads – Judges in states like Uttar Pradesh, Himachal Pradesh, and Kerala handle over 4,000 cases each.

Delays exceeding a decade – Many jurisdictions have cases pending for over 10 years. ADR provides an essential relief valve to reduce this mounting pressure.

3. Cost-Effectiveness and Time Efficiency – ADR mechanisms drastically reduce litigation expenses, procedural delays, and administrative burdens. Arbitration and mediation offer structured, time-bound solutions; for instance, the Arbitration and Conciliation Act mandates resolution within 180 days. The World Bank's "Ease of Doing Business" indicators emphasize ADR as key to improving contract enforcement in commercial settings.

4. Social Inclusion and Accessibility – ADR promotes participatory and inclusive justice, especially for marginalized groups who may find courts intimidating or unaffordable. Mediation and Lok Adalats create a safe, neutral, and confidential environment, encouraging reconciliation and preserving personal, familial, or business relationships. Community-driven processes align with India's traditional dispute resolution ethos, emphasizing social harmony over legal confrontation.

Constitutional and Legal Basis of ADR

1. Constitutional Mandate – Article 39A of the Constitution – Directs the State to ensure equal access to justice and provide free legal aid, forming the philosophical foundation of ADR.

2. Statutory Recognition under the Code of Civil Procedure – Section 89 of the Code of Civil Procedure (1908) – Explicitly empowers courts to refer disputes to arbitration, conciliation, mediation, or Lok Adalat for settlement.

3. Arbitration and Conciliation Act, 1996 (Amended 2021) – Incorporates UNCITRAL Model Law principles, ensuring global compatibility. Establishes the Indian Arbitration Council for procedural regulation and

institutional capacity building. Introduces –

1. Time-bound arbitration (maximum of 180 days for award delivery).
2. Pre-litigation mediation for commercial disputes.
3. Option to exit mediation after two sessions if no progress is achieved.

4. Mediation Act, 2023 – Introduces mandatory pre-litigation mediation for civil and commercial matters. Ensures confidentiality, neutrality, and voluntary participation. Establishes a Mediation Council of India (MCI) to standardize mediators' training, accreditation, and ethical norms. Encourages digital mediation platforms for remote participation and efficiency.

5. Legal Services Authorities Act, 1987 – Institutionalizes Lok Adalats, fulfilling Article 39A's vision of accessible justice. Empowers National, State, District, and Taluk Legal Services Authorities to organize Lok Adalats regularly.

Functioning and Types of Lok Adalats

1. Legal Framework – Governed by Chapter VI and VII of the Legal Services Authorities Act, 1987. Emphasizes conciliation-oriented justice delivery.

2. Types of Lok Adalats – Permanent Lok Adalat (Section 22B) – Deals with public utility services like transport, postal, and telecommunication disputes; its awards are binding.

National Lok Adalat – Conducted nationwide on specific days for large-scale settlement of pending cases. **e-Lok Adalat** – Uses digital platforms for online dispute resolution, enhancing accessibility, particularly in remote areas.

3. Characteristics and Significance

Binding decisions – Awards of Lok Adalats are deemed decrees of a civil court. **No appeal provision** – Ensures finality, but parties can file a fresh suit if dissatisfied. **People-centric mechanism** – Encourages reconciliation, empathy, and consent-based resolution. **Historical milestone** – The first Lok Adalat was held in Gujarat in 1999, marking a new era in participatory justice.

Global Alignment and Commercial Relevance

International Best Practices – ADR mechanisms in India reflect global standards such as the UNCITRAL Model Law and the Singapore Convention on Mediation.

Cross-border disputes – Foreign investors prefer arbitration and mediation due to their neutrality, confidentiality, and enforceability across jurisdictions.

Economic Diplomacy – Effective ADR systems enhance India's credibility as an investment destination and support international trade agreements that rely on swift dispute settlement.

Cultural and Civilizational Dimensions

Traditional Roots – India's ancient systems of justice, such as Panchayat Raj and Panch Parmeshwar, relied on consensus and moral authority rather than adversarial litigation.

Doctrinal Revival – The Union Minister of Law and Justice recently reiterated the doctrine of Panch Parmeshwar, symbolizing community consensus and mutual trust in dispute resolution. This revival underscores the integration of Indian values of harmony and dialogue into modern justice mechanisms.

Towards a More Accessible and Accountable Justice System

Alignment with SDG 16 – ADR advances the Sustainable Development Goal (SDG) 16 – Peace, Justice, and Strong Institutions, by ensuring inclusive access to justice for all.

Reducing Judicial Burden – Promoting pre-litigation mediation and institutional arbitration can drastically lower court pendency.

Institutional Strengthening – India needs greater investment in capacity-building, awareness programs, and mediator training to make ADR mainstream.

Community Empowerment – Grassroots legal literacy campaigns and digital ADR platforms can bridge the rural-urban justice divide.

Future Vision – By combining traditional ethos with modern legal frameworks, India can position ADR as a pillar of 21st-century justice, ensuring fairness, inclusivity, and efficiency.

Source – <https://www.thehindu.com/news/national/why-is-adr-crucial-for-indias-courts/article70127894.ece>