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## **ADR in India: A State-Wise, Analysis of Community Inclusion, Institutional Capacity, and Justice Delivery**

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### **Abstract**

This research paper tries to analyze ADR apparatus across states in terms of community inclusion, institutional capacity and justice delivery against a back drop of 4.57 crore pending cases (NJDG, 2025). ADR across arbitration, mediation, conciliation, Lok Adalats and online platforms, are cost-efficient and time-bound as evidenced by over 3.23 crore cases being settled in one day in 2025 Lok Adalats. However, interstate differences are evident - Maharashtra and Gujarat get 30–40% disposal owing to effective mediation centres while Bihar, Uttar Pradesh and several northeastern regions continue to lag due to low mediator density and limited institutional outreach.

Against this backdrop, the study addresses a critical research problem, despite the availability of government data; the substantial variations in ADR performance across states remain insufficiently analysed. The paper also compares and examines variations in the levels of community participation, access to institutional mechanisms and justice delivery systems across its states. The strategy is based on government data sets from National Legal Services Authority and National Judicial Data Grid, various policy reports and state level performance, and quantitative comparison is emphasized as it allows determining uneven progress- some states have high institutional

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capacity and inclusive community activities, and others are constrained by systemic factors that restrict equal access to ADR processes.

The findings indicate the need to create specific state-level policy changes to expand infrastructure capacity, provide more mediators, and community education. The present paper offers an elaborate empirical explanation of the state differences and makes a contribution to the national dialogue on establishing more homogenised, accessible and working ADR architecture in India.

*Keywords:* Alternative Dispute Resolution (ADR), Community Inclusion, Institutional Capacity, Justice Delivery, State-wise Analysis

## **1. Introduction**

Over the past few years the delay in justice delivery system has become a major concern. The courts across the country are overburdened with the cases, the litigation often stretches across years. For a large section of litigants especially those from weaker social or economic background the justice often loses its meaning, and such prolonged delay diminishes the faith in the justice delivery system. In these circumstances Alternative Dispute Resolution has acquired growing significance in India, serving not just as an optional mechanism but as a necessary response to the limitations of the formal adjudicatory process. The burden on courts has led to various challenges, and Alternative Dispute Resolution (ADR) can play a key role in alleviating this strain.<sup>3</sup>

To tackle the crippling judicial backlog of Indian justice system, Alternative Dispute Resolution mechanism have been formalized and introduced in various forms<sup>4</sup> also Article 39A of the Indian Constitution, places an obligation on the state to ensure that justice must be equally accessible and affordable. This constitutional vision has significantly influenced the evolution of the ADR mechanism in India. Legal Services Authority Act, which led the creation of institutions like Lok Adalat seen as people oriented forums, capable of resolving disputes effectively without adversarial aspect of litigation. Judicial interventions have further reinforced this approach. In

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<sup>3</sup> Kinjal Patil & Tvisha Kondi, *Easing the Burden: How ADR Supports the Indian Judiciary*, 5 *Ind. J. Integrated Rsch. L.* (2025), <https://ijirl.com/wp-content/uploads/2025/05/EASING-THE-BURDEN-HOW-ADR-SUPPORTS-THE-INDIAN-JUDICIARY.pdf>.

<sup>4</sup> Ameen Jauhar, *Alternative Dispute Resolution Mechanisms in India*, 1 *Socio-Legal Rev.*(2025), <https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1213&context=slr>.

Hussainara Khatoon v. State of Bihar<sup>5</sup>, the Supreme Court recognized speedy justice as an essential element of right to life with the focus being on human cost of procedural delay and overcrowded courts.<sup>6</sup> Reforms on arbitration, especially through amendments to the Arbitration and Conciliation Act, 1996, also give an indication of the efforts made by the State to enhance efficiency, minimize judicial intervention and harmonize the domestic practices with the international standards. Meanwhile, mediation has received a new focus that resulted in the introduction of the Mediation Act, 2023. The law is an attempt to formalise non-court-based mediation with the view to promoting voluntary and pre-litigation settlements whilst maintaining party autonomy. Similar policies such as those run by NITI Aayog have also emphasized the increased importance of Online Dispute Resolution ("ODR") in overcoming the geographical and logistical obstacles to justice. The Online Dispute Resolution (ODR) can be discussed as an example of the paradigmatic change in the mechanisms of dispute resolving and the democratization of the justice provided through technology.<sup>7</sup>

Based on the reports published by National Legal Service Authority, ADR systems shows a significant disposal rate, while these numbers indicates a quantifiable success, they also indicates concerns of consistency and effectiveness in the long-run. Imbalance adoption, infrastructure, insufficient professional training still posing challenges to the ADR processed in some settings. At that, ADR in India has a complicated look: an opportunity with a dose of reality. The paper will attempt to discuss how ADR can be used to facilitate access to justice by looking at the constitutional basis of this method and its creation by statute, judicial interpretation and empirical studies. While existing literature lacks a comparative, state-wise, and data-driven framework integrating community inclusion, institutional capacity, and justice delivery outcomes in ADR, this study addresses this gap by undertaking a systematic inter-state assessment of ADR performance across India. In that way, it will also evaluate the extent to which ADR has actually

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<sup>5</sup> *Hussainara Khatoon v. State of Bihar*, (1979) 3 S.C.C. 532 (India).

<sup>6</sup> Jyotsana Singh & Aparajita Singh, *Speedy Trial: A Comparative Analysis of the Procedural Mechanisms in India and Australia*, 5 *Ind. J. Integrated Rsch. L.* (2025), <https://ijirl.com/wp-content/uploads/2025/03/SPEEDY-TRIAL-A-COMPARATIVE-ANALYSIS-OF-THE-PROCEDURAL-MECHANISMS-IN-INDIA-AND-AUSTRALIA.pdf>.

<sup>7</sup> Shivanshu Pal, *Access to Justice in the Digital Era: A Comparative Study of ODR Implementation in India vis-à-vis International Best Practices*, 7 *Int'l J. for Multidisciplinary Rsch.* (July-Aug. 2025), <https://www.ijfmr.com/papers/2025/4/51548.pdf>.

managed to enhance the delivery of justice, or the need to recalibrate the structure and institutions further.

## **2. Conceptual & Legal Framework of ADR In India**

Alternative Dispute Resolution (ADR) refers to a range of processes structured to resolve disputes outside the conventional judicial system through mutual consent based, flexible and time and cost efficient ways. The main objective of ADR is to aid the formal court system by easing litigation backlogs, making dispute resolution efficient, reducing costs and enhancing justice access.<sup>8</sup> Ideally, ADR works on the principles of willingness, party autonomy, neutrality, flexible procedures, confidentiality and certainty of outcomes. As opposed to conventional litigation, ADR mechanisms highlight mutual cooperation, dialogue and dispute resolution, making them well suited for maintaining relationships and resolving community-level conflicts.

In India several forms of ADR are recognised, each one of them suitable for distinctive dispute situations. Arbitration includes judicial decision by a neutral arbitrator whose award is binding and enforceable under the Arbitration and Conciliation Act, 1996.<sup>9</sup> Mediation and conciliation are those ADR processes where a neutral third party helps disputants in achieving a mutually acceptable settlement without giving a decision. While Lok Adalats operate as statutory authority in the form of people's courts under the Legal Services Authorities Act, 1987, emphasizing on compromise-based settlements, especially in cases involving mass, motor accident, family, and public utility disputes.<sup>10</sup> Online Dispute Resolution (ODR), is an emerging form of ADR which tends to integrate technology with traditional ADR processes to improve and enhance its reach, efficiency, and expansion, particularly those disputes which tend to have low-value and are geographically scattered.<sup>11</sup> Overall, all these ADR mechanisms together constitute a diverse ADR framework.

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<sup>8</sup> Shashank Garg, ed., *Alternative Dispute Resolution: The Indian Perspective* (Oxford Univ. Press 2018).

<sup>9</sup> Arbitration and Conciliation Act, 1996 (India)

<sup>10</sup> Legal Services Authorities Act, 1987 (India).

<sup>11</sup> NITI Aayog, *ODR: The Future of Dispute Resolution in India* (2021).

The foundation of ADR in India can be traced back to Article 39A of the Constitution which imposes the duty on the State to ensure equal access to justice and provide free legal aid.<sup>12</sup> The ambit of “access to justice” has been constantly expanded by judicial interpretations which interpret it not just merely as a physical access to courts but instead as a tool for affordability, time-efficiency, and effectiveness of dispute resolution mechanisms.<sup>13</sup> Therefore, ADR procedures are constitutionally valid tools that make Article 39A effective by easing procedural complexity, economic barriers, and geographic barriers which exist in the formal court system.<sup>14</sup> The Supreme Court’s judgment on access-to-justice has repeatedly recognised ADR as a fundamental component of efficient justice delivery in a system having chronic judicial backlogs.<sup>15</sup>

The Arbitration and Conciliation Act, 1996 acts as the backbone of India’s formal ADR framework. Grounded on the UNCITRAL Model Law, this Act regulates domestic arbitration, international commercial arbitration, and conciliation, highlighting party autonomy and minimal judicial intervention.<sup>16</sup> The Legal Services Authorities Act, 1987 provides the legislative ground for establishing Lok Adalats and legal aid services, regulating community-based dispute resolution.<sup>17</sup> Moreover, India’s mediation policy framework seen in judicial mediation rules along with statutory mediation reforms strives to standardize mediation processes, enhance mediator discretion, and integrate mediation into pre-litigation and post-litigation mechanisms.

ADR in India works through a multi-dimensional structure consisting of courts, statutory bodies, arbitral institutions, mediation centers, and legal services bodies. National and State Legal Services Authorities regulate Lok Adalats and legal aid initiatives, while High Courts supervise court-governed mediation centers. Though unequally developed across the country, arbitral bodies aim to formalize arbitration administration. This institutional structure validates the empirical findings in Sections 5 and 6, where states with stronger ADR infrastructure, mediator availability, and judicial engagement constantly show higher disposal efficiency and settlement value.

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<sup>12</sup> INDIA CONST. art. 39A.

<sup>13</sup> *Hussainara Khatoon v. State of Bihar*, (1979) 3 SCC. 532.

<sup>14</sup> Law Comm’n of India, *Report No. 246, Amendments to the Arbitration and Conciliation Act, 1996* (2014).

<sup>15</sup> *Afcons Infrastructure Ltd. v. Cherian Varkey Constr. Co.*, (2010) 8 S.C.C. 24, ¶¶ 27–31 (India).

<sup>16</sup> Arbitration and Conciliation Act, 1996 (India); UNCITRAL Model Law on International Commercial Arbitration (1985).

<sup>17</sup> Legal Services Authorities Act, 1987 (India).

Three major conceptual factors guide the systematic framework of this study. Community inclusion means the extent to which ADR mechanisms are accessible to and meet the needs of different social groups, such as rural populations, women, and marginalized communities. While institutional capacity refers to the availability of infrastructure, trained employees, coordination among administration, and governance mechanisms necessary to produce efficient ADR outcomes. Justice delivery denotes disposal rates along with fairness, enforceability, time-efficiency, and public confidence in results. These concepts together provide a rational framework for evaluating ADR performance across states.

### **3. Literature Review**

Existing scholarly works on Alternative Dispute Resolution (ADR) in India primarily focuses on national-level study majorly based on arbitration reforms, mediation frameworks, and the functioning of Lok Adalats.<sup>18</sup> Studies on access to justice highlights ADR's role in easing procedural delays, reducing costs, and expanding legal access for marginalised communities, majorly through legal aid and community-based mechanisms. Moreover, researches on institutional capacity point out towards the significance of mediator availability, institutional structure, and judicial support in determining ADR effectiveness.<sup>19</sup> However, these literatures largely work in isolation. There remains a crucial gap in comparative, state-wise, and data-driven works that combines community inclusion, institutional capacity, and justice delivery outcomes within a unified framework. This study tends to address this gap by offering a systematic inter-state assessment of ADR performance across India.

### **4. Research Methodology**

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<sup>18</sup> Garg, *Alternative Dispute Resolution*, supra note 6.

<sup>19</sup> Law Comm'n of India, Amendments to the Arbitration and Conciliation Act, 1996, Rep. No. 246 (2014).

An empirical, comparative, and data-driven research structure is adopted to assess the performance of Alternative Dispute Resolution (ADR) mechanisms across the country. The study depends mainly on secondary data obtained from official government sources, such as the National Judicial Data Grid (NJDG), National and State Legal Services Authorities, and published policy and institutional reports. Meanwhile, state-wise ADR performance is evaluated through three major indicators namely, community inclusion, institutional capacity, and disposal and pendency rates. These indicators were selected on the basis of consistent data available across states and their relevance in measuring ADR access, institutional capacity, and dispute resolution outcomes. Comparisons are done based on quantitative data to trace inter-state differences in factors such as cases taken up, settlement results, and efficiency levels, while conceptual interpretation is used to understand observed patterns within institutional and socio-legal frameworks. The methodology faced limitations due to inconsistent reporting formats, uneven data availability across states, and variations in temporal coverage, which may affect the precision of comparative assessments.

## **5. State-Wise Mapping Of ADR Performance In India**

### *5.1 Purpose and Scope of the State-Wise Mapping*

Mediation has emerged as a pivotal mechanism within the global Alternative Dispute Resolution (ADR) spectrum, particularly in India where the formal judicial system is overburdened and often inaccessible.<sup>20</sup> State wise mapping of Alternative Dispute Resolution performance is essential, it is a growing field and even getting a lot of attention by the judiciary and the legislature itself therefore state wise mapping is essential to highlight and improve the inter-state disparity in the justice delivery system. The mapping indicators helps in measuring the performances particularly showing the disposal trends, infrastructure and manpower behind it. The underlying reasons for these variations such as institutional capacity and community inclusion are examined under subsequent sections to avoid any overlap and to ensure clarity as well.

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<sup>20</sup> Ayush Kumar, *Reconceptualizing Mediation in India: A Critical Appraisal of Its Efficacy and Jurisprudential Framework as an Alternative Dispute Resolution Mechanism*, 5 Ind. J. Integrated Rsch. L. 254, 254–71 (2025), <https://ijirl.com/wp-content/uploads/2025/07/RECONCEPTUALIZING-MEDIATION-IN-INDIA-A-CRITICAL-APPRAISAL-OF-ITS-EFFICACY-AND-JURISPRUDENTIAL-FRAMEWORK-AS-AN-ALTERNATIVE-DISPUTE-RESOLUTION-MECHANISM.pdf>.

## 5.2 National Overview of ADR Disposal Trends

Alternative Dispute Resolution mechanism is playing a critical role in reducing the burden of formal justice delivery system. According to the official report by National Legal Service Authority, during the period April 2024 to March 2025, a total number of 98,406 cases were settled through mediation across India. These outcomes were facilitated by 481 ADR centers and 417 functional mediation centers.<sup>21</sup> This rate of disposal reflects that the system is taking a major shift and developing a capacity to resolve disputes outside the formal court processes, easing the judicial burden and improving the access to timely justice. At the same time the figures also highlights a few important aspects, uneven availability of ADR centers (Infrastructure), mediator deployment (manpower) suggesting that national performance is shaped as much by capacity limitations as by growing acceptance.

## 5.3 High-Performing States: Patterns of Consistent Disposal

States like Maharashtra, Gujarat, Tamil Nadu, and Karnataka are emerging as high-performing states within the ADR framework of India.<sup>22</sup> These states together account for a disproportionately larger share of national dispute resolution results. As per the data of National Legal Services Authority (NALSA) for National Lok Adalat held on 10 May 2025, Karnataka alone disposed of nearly 5.8 million cases through Lok Adalats, with the settlement values exceeding ₹28,700 crore which is highest in the country.<sup>23</sup> Likewise Maharashtra and Gujarat reported large scale disposals of about 7.3 lakh and 11.6 lakh cases respectively with significant monetary settlements, depicting both procedural as well as economic efficiency.<sup>24</sup>

A remarkable feature of these states is the consistency reflected by them across ADR categories, including pre-litigation settlements, pending cases and mediation-based settlements. It is highlighted by empirical research that states which possess stronger institutional capacity such as

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<sup>21</sup> Settlement through Mediation, Apr. 2024–Mar. 2025, Nat'l Legal Servs. Auth. (India), <https://cdnbbsr.s3waas.gov.in/s32e45f93088c7db59767efcf516b306aa/uploads/2025/06/202511021883015027.pdf> (last visited Dec. 3, 2025).

<sup>22</sup> Id.

<sup>23</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat Held on 10 May 2025* (Gov't of India 2025).

<sup>24</sup> Id.

mediator availability, functional mediation centres, and judicial support, tends to achieve higher ADR outputs.<sup>25</sup> This notion perfectly aligns with *Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co.* (2010) 8 SCC 24 where the Apex court emphasised that structured mediation is integral for efficient justice delivery.<sup>26</sup> These factors collectively poses the high performing states as structural anchors of India's success in ADR, shaping national disposal outcomes rather than merely reflecting population size.

#### 5.4 Low-Performing and Lagging States

While the states like Bihar, Uttar Pradesh, the Northeastern states, and smaller Union Territories on the other hand depicts comparatively weak ADR outcomes despite having significant legal demand. The data of National Lok Adalat (2024–25) from NALSA shows that approximately 1.51 crore cases were taken up in Uttar Pradesh with the disposal rate was about 69% disposing nearly 1.05 crore cases with a settlement value of ₹8,500 crore which is modest against the exceptional caseload size as while UP leads in *volume* (bulk disposal of petty offenses/challans), it lags in *monetary value* or *complex civil settlements* compared to Karnataka, which achieved a much higher value (₹28,700 crore) on a smaller case volume.<sup>27</sup>

Bihar follows similar pattern with about 6.49 lakh cases taken up while only 59,012 cases of them were disposed of, these points towards weak institutional absorption instead of absence of disputes.<sup>28</sup> Moreover deeper structural weakness was displayed by Northeastern states and smaller Union Territories. Several jurisdictions like Mizoram, Nagaland, Meghalaya, and Lakshadweep have recorded less than 50 mediation settlements annually, along with thin ADR center density and limited mediator employed.<sup>29</sup> Such lack in performance is concerning when higher participation of Scheduled Tribes and rural populations is reflected in beneficiary data.<sup>30</sup> Evidences

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<sup>25</sup> Garg, *Alternative Dispute Resolution*, supra note 6.

<sup>26</sup> *Afcons Infrastructure Ltd.*, 8 S.C.C. note at 13.

<sup>27</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat*, supra note 21.

<sup>28</sup> *Id.*

<sup>29</sup> Nat'l Legal Servs. Auth., *ADR and Mediation Statistical Information* (Apr. 2024–Mar. 2025) (Gov't of India 2025).

<sup>30</sup> Nat'l Legal Servs. Auth., *Legal Services Beneficiary Statistics* (Apr. 2024–Mar. 2025) (Gov't of India 2025).

from National Judicial Data Grid and the India Justice Report<sup>31</sup> further confirms that while these regions face high pendency but they have weaker ADR penetration, strengthening court dependency while continuing access-to-justice imbalance instead of relieving them.<sup>32</sup>

### *5.5 Pre-Litigation vs Pending Case Disposal*

Alternative Dispute Resolution in India operates at two distinct stages: pre-litigation (dispute resolution mechanisms invoked before matters enter the formal court system) and post-litigation (pending litigation). This stage is primarily facilitated under the Legal Services Authorities Act<sup>33</sup>, 1987, particularly Sections 19(5) and 20(1), which empower Lok Adalats to take up disputes at the pre-litigation stage, as well as under Chapter VI-A (Section 22B) relating to Permanent Lok Adalats for public utility services. In addition, the Mediation Act, 2023<sup>34</sup>, under Section 5, expressly recognises pre-litigation mediation. In contrast, pending-case ADR applies to disputes already filed before courts and referred for settlement during litigation, most notably under Section 89 of the Code of Civil Procedure, 1908<sup>35</sup>, along with sector-specific provisions such as Section 9 of the Family Courts Act, 1984.<sup>36</sup> Solving disputes at early stage helps to prevent matter from becoming long and complex legal proceedings. Relying on the other approach ADR after cases have already been filed in court, is a way to settle dispute during ongoing litigation. From a practical point of view, pre-litigation ADR will be more effective and economical and the time saving for the parties. A stronger focus on early settlement therefore reflects a more forward-looking and efficient method of managing disputes.

### *5.6 Settlement Value vs Disposal Volume*

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<sup>31</sup> Tata Trusts, *India Justice Report* (2022).

<sup>32</sup> Nat'l Judicial Data Grid, *Pendency of Cases in Indian Courts* (2025).

<sup>33</sup> Legal Services Authorities Act, 1987 § 19 (India).

<sup>34</sup> The Mediation Act, 2023 § 5, No. 32 of 2023 (India).

<sup>35</sup> Code of Civil Procedure, 1908 § 89 (India).

<sup>36</sup> Family Courts Act, 1984 § 9 (India).

The nature and types of disputes brought to ADR forums vary significantly from public to private disputes, from small value commercial claims to complex civil matters.<sup>37</sup> Justice delivery through ADR cannot be equated simply with the quantity of cases disposed; the value and quality of resolution must be equally weighted.<sup>38</sup> State-wise ADR data reveals an important difference between disposal volume and settlement value, highlighting different patterns of dispute resolution across India. Some states report a high number of cases settled through ADR, but the disputes involved are often low in monetary value, such as family matters, minor civil claims, or neighborhood and community disputes. On the contrary, the number of settlements is lower in the other states, but the cases are associated with larger settlements, which are typically business disputes, land cases, or contract disputes. This difference is an indication that there are differences in the character of disputes that are referred to ADR as opposed to a difference in effectiveness in itself. Based on this, it is therefore misleading to determine the performance of ADR on the basis of the disposal numbers. To be meaningful, a review of the quantity of cases closed, as well as the value and complexity of disputes resolved should be taken into account, and it is necessary to emphasize that the success of ADR cannot be quantified by numbers. The effectiveness of ADR cannot be assessed merely by the number of cases it settles; the nature and complexity of the disputes resolved must also inform any evaluation.<sup>39</sup>

### *5.7 Inter-State Performance Inequality*

The ADR outcome patterns in India reveals keen inter-state performance imbalance with on one hand a small group of states are dominating national outputs; while on the other hand majority remain marginal participants. States like Maharashtra, Gujarat, Tamil Nadu, and Karnataka are emerging as high-performing states together accounting for a disproportionately larger share of

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<sup>37</sup> Aashna Bansal, *Alternative Dispute Resolution in India: Effectiveness, Challenges, and the Road Ahead*, 1 Defacto L.J. Paper ID DF935 (2025), <https://defactolawjournal.org/papers/alternative-dispute-resolution-in-india-effectiveness-challenges-and-the-road-ahead/> (last visited Dec. 4, 2025).

<sup>38</sup> Anshita, *Evolution and Growth of ADR in India: A Legal and Socio-Economic Perspective*, 7(3) Int'l J. Legal Sci. & Innovation 724 (2025), <https://ijlsi.com/wp-content/uploads/Evolution-and-Growth-of-ADR-in-India.pdf> (last visited Dec. 3, 2025).

<sup>39</sup> Dr. Caesar Roy, *Alternative Dispute Resolution and Its Mechanism: A Critical Analysis in the Light of Access to Justice in India*, 4 Int'l J. Criminal, Common & Statutory L. 25 (2024), <https://www.criminallawjournal.org/article/63/3-2-5-265.pdf> (last visited Dec. 2, 2025).

national dispute resolution results possessing stronger institutional capacity such as mediator availability, functional mediation centers, and judicial support.<sup>40</sup>

While the states like Bihar, Uttar Pradesh, the Northeastern states, and smaller Union Territories on the other hand depicts comparatively weak ADR outcomes despite having significant legal demand.<sup>41</sup> Such imbalance points out that access to ADR-based justice is not evenly distributed, rather is dependent on state-level infrastructure and governance priorities. Therefore, effectiveness of ADR in India cannot be understood as a uniform phenomenon rather it is structurally uneven, strengthening regional disparities in justice delivery, thus, limiting ADR's effectiveness as an equating access-to-justice mechanism across the country.<sup>42</sup>

### *5.8 Transition to Inclusion and Institutional Analysis*

State-wise patterns of performance in the above ideologies imply that differences in ADR results cannot be explicated using numerical data only. Although disposal volumes and settlement trends represent a valuable baseline, they fail to justify the fact that some states perform better than others do. Moreover, marginalized communities such as economically weaker sections, women, minorities, indigenous groups, and rural populations often face significant barriers in accessing justice. These barriers include high litigation costs, complex legal procedures, delays in court proceedings, and lack of awareness about legal rights.<sup>43</sup> To fill this gap, the analysis will henceforth focus on two elements behind it, community inclusion and institutional capacity. They will be analysed in the subsequent sections of this paper as the influential factors conditioning the access to ADR mechanisms and affecting the efficiency of the justice delivery on the state level.

## **6. Community Inclusion In ADR: A State-Wise Assessment**

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<sup>40</sup> Garg, *Alternative Dispute Resolution*, supra note 6.

<sup>41</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat*, supra note 21.

<sup>42</sup> Law Comm'n of India, *Amendments to the Arbitration and Conciliation Act, 1996*, supra note 12.

<sup>43</sup> Adv. Pooja Kumari, *Role of ADR in Promoting Access to Justice*, 2(2) *Advances in Consumer Rsch.* 209 (2025), <https://acr-journal.com/>.

Article 39A of the Indian Constitution provides the ground for the concept of inclusive justice in India's ADR framework which is operationalised through the Legal Services Authorities Act, 1987, that mandates access to justice for socially and economically marginalised groups. ADR mechanisms especially Lok Adalats and mediation are designed to ease procedural, financial, and social barriers that tends to exclude rural populations, women, and vulnerable communities from formal justice delivery system. However, state-wise data reveals that inclusion in ADR is uneven, showing disparities in outreach, institutional capacity, and legal literacy instead of uniform access.<sup>44</sup>

ADR's goal of inclusion requires participation of the rural population as rural litigants constitute a significant proportion of beneficiaries under legal services schemes. As per the data from NALSA (2024–25), it is clearly highlighted that there is a significant legal demand among rural and economically weaker populations indicated through high beneficiary counts in states such as Jharkhand, Madhya Pradesh, Bihar, and Assam with 3.28 lakh, 2.33 lakh, 84,505 and 82,694 beneficiaries respectively. Though these figures contravene sharply with relatively low ADR disposal rate and mediation outcomes in many of these states, highlighting a gap between legal demand and effective ADR absorption.<sup>45</sup>

A mixed pattern is observed in women's participation in ADR across states. High-performing states like Tamil Nadu (12,479 women beneficiaries), Maharashtra (20,167), Karnataka (12,167), and Gujarat (12,828) shows greater inclusion of women within ADR-related legal services. Moreover this corresponds with higher ADR disposal volumes and better mediation infrastructure in these states. Though, there is a significant number of female beneficiary in states like Bihar and Jharkhand, but there exists lower mediation settlements and weaker institutional execution which indicate that numerical inclusion does not always results into notable dispute resolution outcomes. Inter-state disparities are further visible in the inclusion of marginalised groups, consisting of Scheduled Castes (SC), Scheduled Tribes (ST), persons with disabilities, industrial workmen, and other vulnerable categories. States such as Jharkhand witnesses exceptionally high SC (41,537) and ST (42,987) beneficiaries, while on the other hand Madhya Pradesh records over 22,000 SC and 23,000 ST beneficiaries. Mediation results in these states, however, remain moderate

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<sup>44</sup> INDIA CONST. art. 39A; Legal Services Authorities Act, 1987 (India).

<sup>45</sup> Nat'l Legal Servs. Auth., *Legal Services Beneficiary Statistics*, supra note 28.

compared to beneficiary volume, indicating institutional lacks rather than lack of participation. While on the other side, states such as Kerala and Karnataka integrate moderate beneficiary counts with strong mediation settlement, highlighting better transformation of outreach into resolution.<sup>46</sup>

Outreach procedures like legal aid camps, Lok Adalat initiatives, and mediation centres play a vital role in community inclusion. Data available on ADR infrastructure depicts that states including Maharashtra (37 ADR centres), Karnataka (19), Tamil Nadu (33), and Gujarat (12) sustain comparatively dense and functional ADR frameworks, with higher employment of judicial and lawyer mediators . These states together account for a remarkable proportion of mediation settlements during 2024–25, with Maharashtra alone witnessing over 20,765 mediation settlements, while Karnataka 8,974. Such institutional density directly promotes and enhances community participation by reducing access costs and procedural distance.<sup>47</sup> Legal literacy also plays a vital role in states where outreach is sustained and structured. High-performing states not only witness higher disposal rate but also greater diversity in beneficiary categories, indicating deeper penetration of legal awareness drives. On the contrary, Northeastern states and smaller Union Territories report low beneficiary outcomes with minimal mediation settlements usually below 100 cases annually which suggests limited awareness and outreach reach and not the absence of disputes.

ADR faces continual obstructions in community inclusion such as limited availability of mediators in rural areas, linguistic and cultural barriers, gender-based power imbalances, and unequal state investment in legal aid infrastructure, despite its inclusive structure. States like Bihar and Uttar Pradesh, for instance, have high legal demand but at the same time relatively weaker mediation implementation and settlement outcomes, showing structural limitations instead of societal ones.<sup>48</sup>

In a nutshell, inter-state disparities relevant in community participation shows that inclusive justice through ADR is not uniformly obtained across India. States having stronger institutional capacity, mediator appointment, and sustained outreach shows higher inclusion and effective dispute resolution, on the other hand, states with weak ADR infrastructure but high sensitivity experience

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<sup>46</sup> Id.

<sup>47</sup> Nat'l Legal Servs. Auth., *ADR and Mediation Statistical Information*, supra note 27.

<sup>48</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat*, supra note 21.

higher inclusion at the entry level, but relatively lower resolution outcomes. This imbalance showcases the need for targeted capacity-building and community-focused ADR structure to ensure that inclusion is significant instead of merely being symbolic.<sup>49</sup>

## 7. Institutional Capacity & ADR Infrastructure

The effectiveness of the Alternative Dispute Resolution mechanism is very much impacted by the institutional capacity. The respective states have to make consistent efforts on the availability of trained mediators, functional infrastructure and technological integration. Variation in any of these might produce uneven performance.

State with high number of active mediator is in the better position to handle a good number of disputes. They are one the most significant component of the institutional capacity. There is a significant shortage of professionally trained mediators, and many existing mediators lack formal training, leading to variations in quality of mediation services.<sup>50</sup> The imbalance in the state wise list shows that limited number of appointed mediator or lack in the number of judicial officers might lead to low settlement rates despite formal infrastructure being in place. The ADR centre's effectiveness will be hampered unless accompanied by adequate human resources.

The administrative infrastructure availability is an important aspect; several states have established ADR centres and mediation centres attached to district court. For ADR to succeed, strong institutional support and proper infrastructure are necessary.<sup>51</sup> However ADR remains widely settled in urban districts, limiting the access for rural and remote population. Insufficient infrastructure hampers ADR mechanisms; there are very limited ADR centres available, and

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<sup>49</sup> Garg, *Alternative Dispute Resolution*, supra note 6.

<sup>50</sup> Dr. Mahesh R. Sharanappa, V. Shudarshana & Tilaka N.S., *The Role of Mediation in Resolving Commercial Disputes in India: Challenges*, 2 AIJVBCL 216, 216–44 (2025), <https://www.vbcllawreview.com/post/the-role-of-mediation-in-resolving-commercial-disputes-in-india-challenges> (last visited Dec. 30, 2025).

<sup>51</sup> Mohammed Farook Almas M & Asheel Almas M, *A Study on the Challenges on ADR and Its Implementation*, 6 Int'l J. Rsch. Publ'n & Rev., Iss. 11, 2273 (2025).

accessibility is poor especially in remote areas.<sup>52</sup> This uneven distribution constrains the further reach of ADR and therefore contributes to regional disparities in justice delivery system.

Training and funding also has an impact on the operation of ADR institutions. Problems like a shortage of trained professionals, low awareness, enforcement issues, and cultural resistance limit ADR's potential.<sup>53</sup> Although there are national standards like NALSA and the assistance they offer, the quality and the prevalence of mediator training programmes is usually a matter of state level dedication and financial capacity. States, which invest in regular capacity-building efforts, will demonstrate higher consistency in the ADR results since trained mediators will be capable of dealing with complicated conflicts and promoting settlements. The lack of sufficient funding on the other hand may lead to the use of old-fashioned facilities, lack of outreach and incentives to the mediators and compromise the overall ADR mechanism effectiveness. Such discrepancies emphasize the need to have a continued institutional investment and not a one-time structural growth.

Another dimension of Alternative Dispute Resolution is Online Dispute Resolution (ODR), have the potential to expand the access to justice by reducing the geographical barriers and cost. Some states have begun integrating such ODR parameters but others are lacking the technical infrastructure, necessary policy framework, trained personnel etc. Digital exclusion in rural and economically weaker regions further limits the ODR impact. Structural barriers such as procedural complexity, high costs, limited reach, and lengthy timelines have limited the effectiveness of these mechanisms, especially for small businesses, consumers, and marginalized groups.<sup>54</sup>

Notably, institutional capacity is also a determinant of the confidence of the citizen in ADR. In those areas where mediation services exist and they are professionally practiced and backed by the courts, litigants have a greater propensity to regard ADR as an alternative to litigation worth consideration. The poor infrastructure and inability to implement the changes consistently, however, threatens to increase the idea of ADR being perceived as informal or unreliable. Thus

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<sup>52</sup> Shehryar Edibam, *Alternate Dispute Resolution & Its Challenges*, 2 White Black Legal L.J. (Aug. 2023), <https://www.whiteblacklegal.co.in/details/alternate-dispute-resolution-its-challenges-by---shehryar-edibam/> (last visited Dec. 8, 2025).

<sup>53</sup> Mohammed Farook Almas M. & Asheel Almas M., *A Study on the Challenges on ADR and Its Implementation*, supra note 49.

<sup>54</sup> Akash Gupta & Apoorva Dixit, *A Critical Analysis of Online Dispute Resolution in India: Justice in the Digital Age*, 5 J. Informatics Educ. & Rsch. 161 (2025).

institutional capacity building is not only imperative in enhancing performance measures but also in long term legitimacy as well as sustainability of ADR mechanisms.

## 8. ADR And Justice Delivery Outcomes

Alternative Dispute Resolution (ADR) has become a fundamental part of India's justice delivery system, backed by statutory framework like the Legal Services Authorities Act, 1987 which incorporated Lok Adalats, mediation, and related forums under Article 39A of the Constitution to promote equal justice and free legal aid.<sup>55</sup> While Indian judiciary is facing chronic judicial backlog of over 4.5 crore cases as per the National Judicial Data Grid (NJDG) 2025<sup>56</sup>, ADR mechanisms in such a situation provides immense benefits in disposal speed, cost efficiency, pendency reduction, enforceability, and public legitimacy.

One of the remarkable features of ADR is its case disposal speed. Lok Adalats, held periodically at national, state, and district levels thrives to resolve a huge amount of caseloads in short time frames. For instance, in a single day at the Ghaziabad and GB Nagar districts nearly 7.8 lakh cases were resolved during a National Lok Adalat drive.<sup>57</sup> This depicts the significant reduction in judicial backlogs illustrating ADR's capacity of bulk resolution far off regular court timelines. Likewise, a Lok Adalat in Pune settled approximately 86,542 cases with nearly ₹183.5 crore being the settlement value.<sup>58</sup> This result in a single sitting seems to be nearly impossible with conventional court schedules. These figures highlights how ADR shortens years of litigation into concentrated sessions which becomes necessary where traditional civil litigation often spans 5–10 years or more for comparable disputes.<sup>59</sup>

Pendency reduction is another perk of ADR framework. ADR leads to removal of cases from formal courts, easing inflow and accelerating existing backlogs. Shashwat Gupta's empirical study on ADR effectiveness emphasizes on how Lok Adalats, mediation, and related mechanisms reduce

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<sup>55</sup> Legal Services Authorities Act, 1987 (India); India Const. art. 39A.

<sup>56</sup> Nat'l Judicial Data Grid, *Pendency of Cases in Indian Courts*, supra note 30.

<sup>57</sup> 7–8 Lakh Cases Resolved in a Day at Noida–Ghaziabad Lok Adalats, *The Times of India* (May 11, 2025).

<sup>58</sup> 86,542 Cases Settled in National Lok Adalat in Pune, **Times of India** (May 11, 2025).

<sup>59</sup> Nat'l Judicial Data Grid, *Pendency of Cases in Indian Courts*, supra note 30.

court burdens by redirecting easily compoundable disputes outside conventional court system, thereby leaving judicial space for complex matters.<sup>60</sup> National Lok Adalats routinely dispose of millions of pre-litigation and pending matters annually, thereby resolving significant portions of caseloads that otherwise pile up in the form of judicial backlogs.<sup>61</sup>

ADR is comparatively cost-efficient than litigation procedure which further validates ADR's utility. Litigation process involves significant court fees, attorney fees, and years of procedural expenditures. ADR, on the other hand, often incurs minimal fees, lesser timelines, and less procedural formality, reducing economic burdens on litigants and the State. This cost difference is decisive for economically vulnerable groups who constitute a large share of ADR beneficiaries. ADR mechanisms typically involve little to no lawyer-driven expense and encourage settlements that eliminate continuing financial drains.

The quality and enforceability of settlements also strengthens ADR's legitimacy. Verdicts from Lok Adalats carry the same weightage as a civil court decree, making them legally binding and enforceable unless challenged through fresh litigation, thereby ensuring validity of outcome.<sup>62</sup> Mediation agreements, established with party consent, often shows high compliance rates due to mutual agreement on terms. Still, academic critiques warns that all ADR outcomes doesn't show sound discretion especially in the cases where parties possess unequal bargaining power, showcasing the need for safeguards without undermining ADR's systemic value .

ADR also plays a crucial role in shaping public trust and legitimacy in justice delivery. The atmosphere of ADR with disputants themselves coming to negotiate in a less adversarial settings can help in strengthening public confidence, particularly where court congestion destroys faith in formal court system. This mechanism is especially noticeable for community and local disputes, where ADR aligns with relational and restorative values of justice. However, uneven awareness and adoption, especially in rural regions, limits ADR's universal legitimacy, making public outreach and legal literacy critical complements to institutional design .

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<sup>60</sup> Shashwat Gupta, *Effectiveness of ADR Mechanisms in India*, 12(1) Indian J. Arb. L. 21 (2021).

<sup>61</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat*, supra note 21.

<sup>62</sup> Legal Services Authorities Act, 1987 § 21 (India); *State of Punjab v. Jalour Singh*, (2008) 2 S.C.C. 660, ¶¶ 11–13 (India).

In a nutshell, ADR mechanisms in India demonstrate clear advantages in disposal speed, pendency reduction, cost savings, enforceability, and public engagement. Yet its transformative potential is maximized only when put together with capacity building, procedural fairness, and equitable access which are required to ensure that ADR not only reduces the burden of courts but also delivers justice substantively and sustainably.<sup>63</sup>

## **9. Key Challenges in Achieving Uniform ADR Growth in India**

The growth of Alternative Dispute Resolution (ADR) in India remains unequally distributed and structurally restricted even after its normative and institutional recognition. The major challenge is regional imparities, where a limited set of states repeatedly dominate ADR outcomes, while several other northern, eastern, and northeastern states showcase very little participation. This disparity shows uneven patterns of institutional capacity, administrative policies, and judicial engagement rather than the absence of dispute filing.<sup>64</sup>

Limited funding further hampers uniformity in expansion. State Legal Services Authorities in regions with limited resources often operate with limited budgets, resulting in weak ADR infrastructure, inadequate mediator training, and restricted promotion. Moreover, the problem of low mediator professionalism due to inconsistent training standards, lack of mandate, and minimal performance monitoring, affects the quality of settlement and public confidence. Moreover, weak monitoring systems and uneven reporting structures erode outcome evaluation and institutional accountability.

Besides the lack of comprehensive and uniform ADR data is one of the major structural limitations. Inconsistent records across states hamper valid inter-state comparison and evidence-based reform. Furthermore, while Online Dispute Resolution (ODR) offers expansion, the digital divide limits

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<sup>63</sup> *Afcons Infrastructure Ltd.*, 8 S.C.C. at 13.

<sup>64</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat Held on 10.05.2025 (All Types of Cases)*, supra note 21.

its access, thereby risking the enforcement of existing access-to-justice inequalities rather than providing their solutions.<sup>65</sup>

## **10. Policy Recommendations & Reform Strategy**

Uniform and effective growth of Alternative Dispute Resolution (ADR) in India can be achieved by targeted and multi-level policy making instead of uniform national suggestions as those reforms won't fulfill the specific needs of the states. Therefore to begin with, state-specific ADR strengthening models should be adopted, which would allow high-performing states to integrate institutional efficiency while at the same time help lagging states to enhance basic ADR infrastructure, mediator employment, and administrative coordination as per the local legal demand.<sup>66</sup> Furthermore, the establishment of a uniform national mediator training framework is essential to standardize mediation practice as uniform standards for training, certification, and performance evaluation would indeed enhance settlement quality, public confidence, and enforceability. Moreover, proper and efficient funding for ADR infrastructure such as mediation centres, digital platforms etc. should be enforced.

Also, legal literacy initiatives must be implemented to increase ADR awareness among rural populations, women, and marginalised groups, ensuring equitable access to ADR. Judicial referral process should be strengthened through structured pre-litigation screening and mandatory consideration of mediation in suitable cases, reinforcing court-ADR integration.<sup>67</sup> Finally, a standardized national ADR performance monitoring system should be developed to get uniform data reporting, track settlement durability, and enable evidence-based policy reform. Together, these measures can transform ADR from a supplementary mechanism into an efficient and reliable tool of justice delivery.

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<sup>65</sup> NITI Aayog, *ODR: The Future of Dispute Resolution in India*, supra note 9.

<sup>66</sup> Nat'l Legal Servs. Auth., *Disposal of National Lok Adalat Held on 10.05.2025 (All Types of Cases)*, supra note 21.

<sup>67</sup> *Afcons Infrastructure Ltd.*, 8 S.C.C. at 13.

## **11. Conclusion**

The paper has discussed how ADR contributes to the promotion of access to justice in India. The constitutional mandate Article 39A and other legislative provisions like Legal Service Authorities Act, Arbitration and Conciliation Act, Mediation Act shows the state's commitment ensuring expeditious settlement. Reports published by National Legal Services Authority and National Judicial Data Grids go further to suggest that ADR mechanisms, especially Lok Adalats and mediation have played a significant role in cutting litigation backlogs and ensuring that litigants settle their cases in time.

Meanwhile, the results indicate that there were significant discrepancies between states in terms of the adoption and the efficiency of ADR mechanisms. Some States demonstrate strong institutional capacity, high settlement rates and active legal services authorities, whereas other States remain behind. The enhancement of training systems, legal awareness, procedural protection standardization, and the enhancement of the coordination of courts with legal services institutions stand out as key areas of focus. The information also supports the idea that ADR should be considered more than a statutory system, yet as a practice that should be supported with the institutional investment of the state. The result of the findings also highlights the necessity of policy interventions that cater to regional imbalances, as opposed to the one-size-fits-all approach. Lastly, this paper presents research opportunities on a variety of fronts in the future.

Policy-wise, the research would add to the general discussion of ADR reform in India by making the foregrounds of the significance of data-driven assessment and contextual application. Further studies of comparative outcomes of ADR settlements in all states, the degree of their enforceability in the long term, and the influence of ODR platform on rural and marginalised populations should be closer examined. Additional empirical studies regarding the satisfaction of the user, the competence of mediators, and cost-effectiveness would also enhance the knowledge of the practical implications of ADR. It is important to note that as India still realigns its tailored justice delivery system, the long-term academic interest in ADR is crucial to make sure that its promise of affordable and prompt justice is achieved both on-paper and on-practice.