

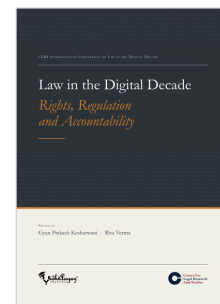
CHAPTER 16

Artificial Intelligence, Online Dispute Resolution and the Future of Justice Delivery: Opportunities, Risks and Regulatory Challenges

Yashasvi Sharma and Tejasvi Sharma

in *Law in the Digital Decade: Rights, Regulation and Accountability*, edited by Gyan Prakash Kesharwani and Ritu Verma (VidhiAagaz 2026), pp. 189–199

DOI <https://doi.org/10.63108/VAB.LDD.1.16>



CITATIONS

BLUEBOOK (21ST ED.)

Yashasvi Sharma & Tejasvi Sharma, *Artificial Intelligence, Online Dispute Resolution and the Future of Justice Delivery: Opportunities, Risks and Regulatory Challenges*, in *LAW IN THE DIGITAL DECADE: RIGHTS, REGULATION AND ACCOUNTABILITY* 189 (Gyan Prakash Kesharwani & Ritu Verma eds., VidhiAagaz 2026).

OSCOLA (4TH ED.)

Yashasvi Sharma and Tejasvi Sharma, ‘Artificial Intelligence, Online Dispute Resolution and the Future of Justice Delivery: Opportunities, Risks and Regulatory Challenges’ in Gyan Prakash Kesharwani and Ritu Verma (eds), *Law in the Digital Decade: Rights, Regulation and Accountability* (VidhiAagaz 2026) 189.

CHICAGO (17TH ED.)

Sharma, Yashasvi, and Tejasvi Sharma. “Artificial Intelligence, Online Dispute Resolution and the Future of Justice Delivery: Opportunities, Risks and Regulatory Challenges.” In *Law in the Digital Decade: Rights, Regulation and Accountability*, edited by Gyan Prakash Kesharwani and Ritu Verma, 189–199. Maihar: VidhiAagaz, 2026. <https://doi.org/10.63108/VAB.LDD.1.16>.

APA (7TH ED.)

Sharma, Y., & Sharma, T. (2026). Artificial intelligence, online dispute resolution and the future of justice delivery: Opportunities, risks and regulatory challenges. In G. P. Kesharwani & R. Verma (Eds.), *Law in the digital decade: Rights, regulation and accountability* (pp. 189–199). VidhiAagaz. <https://doi.org/10.63108/VAB.LDD.1.16>

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CHAPTER 16

Artificial Intelligence, Online Dispute Resolution and the Future of Justice Delivery: Opportunities, Risks and Regulatory Challenges

DR. YASHASVI SHARMA* AND DR. TEJASVI SHARMA**

The fast-paced development of Artificial Intelligence (AI) and digital technologies is reshaping the methods of handling disputes and providing new avenues for delivering justice. Online Dispute Resolution (ODR), which was initially devised as a technological tool for Alternative Dispute Resolution (ADR) procedures, has become one of the mechanisms that enables the solution of disputes outside of the courtroom. The implementation of AI capabilities in the sphere of ODR through the use of automated negotiation, dispute categorization, analysis of documents, legal research, prediction of outcomes, and decision-making has further expanded the capabilities of ODR. The main question arises whether innovation may enable better accessibility and efficiency of justice without undermining its principles of fairness, transparency, and accountability.

In this paper, the topic of the transformational potential of AI-based ODR in the process of justice delivery will be discussed with particular attention paid to the Indian legal system. The role of AI-based dispute resolution in cost reduction, overcoming geographical barriers, speeding up the process, enabling multilingualism, and assisting mediators, arbitrators, and disputing parties will be examined. Simultaneously, the issues with algorithmic approach to dispute resolution such as algorithmic bias, lack of explanation, data privacy issues, cybersecurity threats, unequal digital access, lack of accountability for AI results, and excessive automation will be considered. Furthermore, the compatibility of the AI-driven dispute resolution process with the constitutional and procedural principles of equality, access to justice, natural justice, impartiality and requirement of fair and reasonable procedure will be assessed.

The study will also consider the sufficiency of the legal and regulatory framework of the ODR, data protection and artificial intelligence in India and draw comparative lessons on the matter from international practices. It will be argued that AI should not be regarded as a replacement of courts, judges, mediators, and arbitrators but only as an assistive technology working within the human-centered framework of justice delivery. Some suggestions will be made in regard to increased algorithmic transparency, independent auditing, data protection, human control, challenge of AI-assisted decisions, platform accountability and inclusiveness of digital infrastructure. Finally, it will be concluded that the future of AI-enabled justice depends not just on the level of technological development, but on the ability of law and institutions to preserve the precedence of the core principles of fairness, dignity, equality and access to justice.

Keywords: Artificial Intelligence, Online Dispute Resolution, Access to Justice, Digital Justice, Algorithmic Bias, Natural Justice, Data Protection, AI

1 INTRODUCTION

The nexus between technology and justice in terms of ODR is changing conventional ways of dealing with disputes. ODR is the use of computer software in Alternative Dispute Resolution (ADR) processes including negotiation, mediation, and arbitration, thereby broadening its scope from online commercial

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dispute resolution to other places and institutions.¹ The use of Artificial Intelligence (AI) further augments the ODR process since this enables document analysis, pattern recognition, and communication.²

These, however, present serious questions regarding ethics and legality of the matter at hand. Despite the aims of ODR being greater efficiency and convenience, the concerns about fairness, transparency, and accountability cannot be overlooked.³ ODR should be guided by the same principles established by the UN Commission on International Trade Law, such as due process and transparency, while taking into account the risks of creating bias within the ODR system through the use of AI to make decisions due to the “black-box” issue of using AI in this case.⁴

Data protection, confidentiality and cybersecurity issues are important, as ODR systems process sensitive data. India’s Digital Personal Data Protection Act, 2023 provides a legal framework for digital data processing which in itself highlights the necessity of confidentiality to retain the concept of ADR processes.⁵

However, the digital divide is a factor to consider when technology is not equally accessible to different groups and could affect the effectiveness of ODR in resolving disputes.⁶ Unequal access to technology also poses challenges to the inclusivity of justice access in India. The Mediation Act, 2023 includes certain provisions on online mediation, showing legal acceptance of technology in the process of dispute resolution in Indian legislation.

The conversation is about the right use of AI technology in the dispute resolution process: not only its ability to work but the way it is used.⁷ Ideally, there should be a combination of human control and advanced technology in order to create the digital justice system with emphasis on constitutional values as well.⁸

The upcoming research will elaborate on this topic, examining the possibility of using AI technology for the dispute resolution process in order to achieve a more efficient and fair justice system.

2 AI AND ODR: UNDERSTANDING THE CONCEPT

The use of technology in dispute resolution has resulted in a completely new perspective regarding the methods that can be employed in managing, preventing and resolving conflicts. As an attempt to introduce alternatives to litigation procedures, ADR included methods like negotiation, mediation and arbitration, but ODR brought technology to this area of law. With the advent of AI, the scope of using

¹ Mania, K. (2015). Online dispute resolution: The future of justice. *International Comparative Jurisprudence*, 1(1), 76–86. <https://doi.org/10.1016/j.icj.2015.10.006>

² Mappingadr. (2024, April 17). *Artificial intelligence and the future of online dispute resolution in India*. *Mapping ADR*. <https://jgu.edu.in/mappingADR/artificial-intelligence-and-the-future-of-online-dispute-resolution-in-india/>

³ Naidu, P. J., & Sriram, B. N. S. (2024). Online Dispute resolution (ODR) in India: opportunities, challenges, and future prospects. *International Journal of Legal Science and Innovation*. <https://ijlsi.com/article/view/online-dispute-resolution-odr-in-india-opportunities-challenges-and-future-prospects#fn-22>

⁴ Vy, N. N. T. (2023). AI implementation in ODR: A Game-Changer or a Troublemaker of Data protection. *Vietnamese Journal of Legal Sciences*, 8(1), 1–24. <https://doi.org/10.2478/vjls-2023-0001>

⁵ Gupta, A., & Dixit, Dr. A. (n.d.). Data privacy and implications for India’s online dispute resolution economy. *International Journal of Economic Practices and Theories (IJEPT)*, 2025(1), 129–130. <https://ijapt.org>

⁶ Supra note 2.

⁷ Thompson, Darin, Creating New Pathways to Justice Using Simple Artificial Intelligence and Online Dispute Resolution (June 30, 2015). *International Journal of Online Dispute Resolution*, 2015 (2) 1, Osgoode Legal Studies Research Paper No. 27/2015, Available at SSRN: <https://ssrn.com/abstract=2696499>

⁸ Mediate.com. (2025, March 14). *The role of AI in alternative dispute Resolution: mediation and arbitration* - Mediate.com. <https://mediate.com/news/the-role-of-ai-in-alternative-dispute-resolution-mediation-and-arbitration/>

technology in ODR became even more sophisticated as technology evolved from being a method of communication into a more complex system of dispute resolution based on algorithms and information. It is important to comprehend the connection between ODR and AI in order to analyze the future prospects of delivering justice.⁹

2.1 Concept of AI

AI refers to the concept of technological developments in relation to machines, which are used to perform tasks that otherwise required human cognitive abilities such as learning, reasoning, problem solving, perceiving, language processing and decision making.¹⁰ Unlike normal computer programmes where operations are usually done on pre-programmed instructions, modern AI may be capable of finding patterns in large amounts of data and providing output based on the available data and model. Some of the technologies that contribute to the growing abilities of AI include machine learning, natural language processing, deep learning and generative AI.¹¹

The connection between AI and the law sector is due to the ability of AI to deal with large amounts of data faster than any human individual can do. The legal process requires a lot of documents such as laws, court decisions, agreements, pleadings and evidence.¹² Through AI, these data can be sorted and analysed; thus, patterns can be found and summaries can be made or predictions provided. Therefore, AI has been seen not just as a management tool but also as a decision support tool in the legal and dispute resolution processes.¹³

2.2 Concept of ODR

Online Dispute Resolution is a general term used to describe the resolution of disputes using information and communications technology.¹⁴ Online Dispute Resolution has significant connections to ADR but is not limited to just taking ADR online. Technology can affect the way in which parties communicate, exchange information, negotiate, mediate, and where necessary, resolve their disputes either in a binding or non-binding way.

UNCITRAL's Technical Notes on Online Dispute Resolution define ODR as a method for settling disputes using an online platform.¹⁵ The Technical Notes identify negotiation, facilitation, and adjudication as some stages of an ODR process.¹⁶ Thus, the main element of ODR is not only the physical

⁹ Menkel-Meadow, Carrie J., Is ODR ADR? Reflections of an ADR Founder from 15th ODR Conference, the Hague, the Netherlands, 22-23 May 2016 (January 4, 2017). International Journal of Online Dispute Resolution, Vol. 3, No. 1, pp. 4-7, 2016, UC Irvine School of Law Research Paper No. 2017-01, Available at SSRN: <https://ssrn.com/abstract=2893919>

¹⁰ Gil de Zúñiga, Homero & Goyanes, Manuel & Durotoye, Timilehin. (2023). A Scholarly Definition of Artificial Intelligence (AI): Advancing AI as a Conceptual Framework in Communication Research. Political Communication. 18. 10.1080/10584609.2023.2290497.

¹¹ Ijraset. (n.d.). *Artificial intelligence (AI): evolution, methodologies, and applications*. IJRASET. <https://www.ijraset.com/research-paper/artificial-intelligence-ai-evolution-methodologies-and-applications>

¹² Amjad Mohammad Badah, Camellia Najeh Khalaf, Fatima Jamil Dwaikat, Naji AlQbailat, The usage of artificial intelligence in legal translation: Bridging the gap between law and language, Ampersand, Volume 16, 2026, 100248, ISSN 2215-0390, <https://doi.org/10.1016/j.amper.2025.100248>. (<https://www.sciencedirect.com/science/article/pii/S2215039025000323>)

¹³ Bhaskar, A., Kumar, S., Uniyal, A., Tripathi, A. N., Zaidi, R. H., Gairola, A., Qurashi, S. Z., & Mittal, A. (2025). Introduction to the white paper. *White Paper*. <https://cdnbbsr.s3waas.gov.in/s3ec0490f1f4972d133619a60c30f3559e/uploads/2025/11/2025112244.pdf>

¹⁴ Ethan Katsh and Janet Rifkin, *Online Dispute Resolution: Resolving Conflicts in Cyberspace* (Jossey-Bass 2001)

¹⁵ Understanding ODR, the Future of Dispute Resolution – Richmond Journal of Law and Technology. (2022, March 4). <https://jolt.richmond.edu/2022/03/04/understanding-odr-the-future-of-dispute-resolution/>

¹⁶ UNCITRAL, *Technical Notes on Online Dispute Resolution* (2016), paras 1–4.

absence of the parties in a courtroom but the application of technology in the dispute resolution process itself.¹⁷

In terms of the development of ODR, it may be viewed as the next stage of evolution in dispute resolution techniques. Conventional litigation implies that the court is an essential element of dispute resolution, while in the case of ADR, individuals have alternative dispute resolution options which could be more flexible, consensual and efficient. ODR technique is built on the idea of using digital technologies to improve dispute resolution procedure.¹⁸

One could illustrate the evolution as follows:

Litigation → ADR → Digital ADR → ODR → AI-ODR

It is necessary to note that the change from ADR to ODR does not mean that the principles of negotiation, mediation or arbitration could be changed. In other words, the role of technology here is limited to changing the environment in which these processes should occur. While face-to-face communication was previously used, now it could be conducted through video conferencing, electronic communications or special digital platforms. Individuals are able to exchange documents electronically, conduct hearings remotely and record agreements and settlements electronically.

In this context, ODR is about more than just the “online transfer” of ADR; rather, it is about the opportunity to redesign the dispute-resolution process based on the strengths of technology. The NITI Aayog ODR Policy Plan for India acknowledges that ODR can help provide an accessible, effective, and affordable method for dispute resolution, and sees technology as a means for transforming the way disputes are resolved.¹⁹

ODR covers various dispute resolution methods such as online negotiation, mediation, and arbitration. In a simple online negotiation, parties can communicate using a digital platform to try reaching a settlement. Mediation online will mean the facilitation of communication between parties through digital means with a third party acting as a neutral.²⁰ Online arbitration can entail the presentation and examination of evidence and arguments online, culminating in the rendering of an award by an arbitrator based on the governing rules of law and procedure.

Online Dispute Resolution (ODR) applies digital communication and computational tools to negotiation, mediation, arbitration, and related processes.²¹ It emerged from disputes generated by electronic commerce, where conventional courts were slow and expensive relative to the value of many claims.²² In India, extensive case pendency, limited judicial capacity and unequal geographic access have encouraged increasing interest in technology-assisted resolution, which reflects not merely administrative

¹⁷ Menkel-Meadow, Carrie J., Is ODR ADR? Reflections of an ADR Founder from 15th ODR Conference, the Hague, the Netherlands, 22-23 May 2016 (January 4, 2017). International Journal of Online Dispute Resolution, Vol. 3, No. 1, pp. 4-7, 2016, UC Irvine School of Law Research Paper No. 2017-01, Available at SSRN: <https://ssrn.com/abstract=2893919>

¹⁸ Ballesteros, M. C. R., & Ávila, J. L. G. (2024). Online Dispute Resolution Platforms (ODR): A legal and technical perspective. *Law And Business*, 4(1), 28–38. <https://doi.org/10.2478/law-2024-0006>

¹⁹ NITI Aayog. (2021). *Designing the Future of Dispute Resolution: The ODR Policy Plan for India*. <https://www.niti.gov.in/node/687>

²⁰ Sulistianingsih, D., Lembang, A. a. R., Adhi, Y. P., & Prabowo, M. S. (2023). Online dispute resolution: Does the system actually enhance the mediation framework? *Cogent Social Sciences*, 9(1). <https://doi.org/10.1080/23311886.2023.2206348>

²¹ Lande, J. (n.d.). When AI comes to the table: How tech tools will change ADR. University of Missouri School of Law Scholarship Repository. <https://scholarship.law.missouri.edu/facpubs/1267/>

²² Carneiro, D., Novais, P., Andrade, F. *et al.* Online dispute resolution: an artificial intelligence perspective. *Artif Intell Rev* 41, 211–240 (2014). <https://doi.org/10.1007/s10462-011-9305-z>

modernization but a broader shift toward justice delivery that can operate beyond the physical courtroom.²³ AI may support this shift by assisting with dispute classification, information management, negotiation and procedural guidance, while leaving adjudicatory authority subject to human and legal oversight.²⁴ The central question is therefore whether technological efficiency can be reconciled with fairness, transparency, consent and meaningful access to justice.²⁵

3 OPPORTUNITIES PRESENTED BY AI-DRIVEN ODR IN DISPUTE RESOLUTION

The integration of Artificial Intelligence (AI) into Online Dispute Resolution (ODR) offers transformative opportunities to traditional dispute resolution methods. ODR improves accessibility and efficiency by minimizing challenges posed by geographical boundaries and different procedures, whereas AI adds to the effectiveness through automation, data analysis, and intelligent support.²⁶ The key opportunities offered by AI-based ODR are:

1. **Increased Justice Accessibility:** The AI-driven ODR system removes accessibility barriers through remote participation and maneuvering through complex processes. This will help in overcoming accessibility concerns, especially for individuals with limited resources and mobility challenges.²⁷
2. **Reducing Costs in the Process of Dispute Settlement:** Automation of routine and boring tasks in the process of dispute settlement through the use of AI leads to lower costs of the litigation process, particularly in cases of small value disputes. There will be fewer legal consultations required in such cases.²⁸
3. **Expedited Dispute Resolution:** The use of AI makes document scrutiny and communication easier and enables a shift towards the constant process involving data.²⁹
4. **AI-assisted Negotiations:** Based on the analysis of positions, interests, and offers, AI technology can enhance negotiations by proposing some ways to solve disputes based on common interests of parties participating in negotiations while maintaining voluntary nature of negotiations.³⁰
5. **Helping Mediators and other Dispute Resolution Professionals:** AI serves as an assistant to professionals in structuring and organizing the information, highlighting positions and producing documents in order to enable them to pay attention to the relational side of mediation.

²³ Yadav, Pitamber, Digitizing Justice: The Case for Dedicated Online Dispute Resolution Legislation in India (May 22, 2024). Available at SSRN: <https://ssrn.com/abstract=4840167> or <http://dx.doi.org/10.2139/ssrn.4840167>

²⁴ Wing, Leah, Artificial Intelligence and Online Dispute Resolution Systems Design: Lack of/Access to Justice Magnified (September 30, 2017). *International Journal of Online Dispute Resolution*, 4(2), 2017, 16-20. Available at SSRN: <https://ssrn.com/abstract=3665409>

²⁵ Singh, D., & Devi, K. (2025). Online Dispute Resolution (Odr): A Paradigm Shift In Access To Justice. *International Journal For Multidisciplinary Research*, 7(2). <https://doi.org/10.36948/ijfmr.2025.v07i02.40938>

²⁶ Vy, N. N. T. (2023). AI implementation in ODR: A game-changer or a troublemaker of data protection. *Vietnamese Journal of Legal Sciences*, 8(1), 1-24.

²⁷ Khatana, Dr. S. S., & Choudhary, Dr. S. (2025). ROLE OF ARTIFICIAL INTELLIGENCE IN ENHANCING ACCESS TO JUSTICE IN INDIA - a CRITICAL ANALYSIS. *Lex Localis - Journal of Local Self-Government*, 23(11), 1770-1778. <https://doi.org/10.52152/qytz3640>

²⁸ Agus, Agus & Sudirman, Sudirman & Rustan, Ahmad. (2023). The Use of Artificial Intelligence in Dispute Resolution Through Arbitration: The Potential and Challenges. *SASI*. 570-578. 10.47268/sasi.v29i3.1393.

²⁹ Yatharth Garg, AI and Alternative Dispute Resolution (ADR): Automating Arbitration and Mediation (2024). IndiaAI. <https://indiaai.gov.in/article/ai-and-alternative-dispute-resolution-adr-automating-arbitration-and-mediation>

³⁰ Zeleznikow, J. (2017). Can artificial intelligence and online dispute resolution enhance efficiency and effectiveness in courts. *International Journal for Court Administration*, 8(2), 30. <https://doi.org/10.18352/ijca.223>

6. Intelligent Dispute Classification and Triage: AI is able to categorize disputes by different characteristics such as the nature of the case and its complexity and send them to appropriate settlements right at the beginning of the process.³¹

Beyond all this, AI ODR also improves the decision-making processes in legal disputes through prediction of the possible outcomes and their impact on settlements but not replacing legal decision-making. Moreover, it takes care of multilingual issues in Indian linguistic environment with the help of natural language processing for the purposes of ODR. ODR is helpful in cross-border disputes in the sense that it permits remote participation and the use of AI for translation and legal material interpretation. In addition, ODR with the help of AI can help take off some burden from courts as it resolves the suitable disputes outside the court and thereby helps create a multi-tier justice system.³² The data from AI may help improve the dispute resolution process, moving towards prevention from reactive actions. The user-friendly AI system will help make the process more convenient.

In brief, AI-driven ODR is going to help enhance justice delivery by making it more accessible, cheaper, effective, and inclusive.

4 RISKS AND CHALLENGES OF AI-DRIVEN ODR

Incorporation of AI into ODR provides several advantages in terms of speed, access, and efficiency; however, it also raises numerous issues on the legal, ethical, and institutional levels.³³ Unlike traditional ODRs, in AI-enabled ODR there may be certain issues regarding the classification, evaluation, and resolution of disputes, because of the risk of algorithmic bias that arises due to biased data.³⁴ In such a way, the application of artificial intelligence technology in dispute resolution may cause discrimination unintentionally, which is why it is important to ensure that algorithms are impartial.³⁵

The problem of the “black box” that arises due to the complexity of the algorithm’s decision-making process can cause additional difficulties.³⁶ The participants of a dispute may have difficulties in understanding why some decisions were taken, thus questioning the issue of procedural justice as the parties have to be able to submit their arguments and understand how they are being analyzed.³⁷

Over-automation of the process of ODR is one more risk, as it may remove human judgment that takes into account emotional elements of the disputes. The problem of attribution of responsibility is also complicated due to the involvement of multiple entities in the process of making an error.³⁸

³¹ Zeleznikow, J. (2021). Using Artificial Intelligence to provide Intelligent Dispute Resolution Support. *Group Decision and Negotiation*, 30(4), 789–812. <https://doi.org/10.1007/s10726-021-09734-1>

³² Vidhikarya. (2026, January 2). *The role of AI in online dispute resolution Opportunities and challenges*. <https://www.vidhikarya.com/legal-blog/the-role-of-ai-in-online-dispute-resolution-opportunities-and-challenges>

³³ Buckland, Robert. 2023. AI, Judges and Judgement: Setting the Scene. Available online: <https://www.hks.harvard.edu/centers/mrcbg/publications/awp/awp220> (accessed on 30 June 2026).

³⁴ Khaliq, A. A., Ahmed, S. S., & Zafar, S. (2026, February 9). *Artificial intelligence in ODR platforms: ethical and legal concerns*. <https://assajournal.com/index.php/36/article/view/1501>

³⁵ *ibid*

³⁶ Vy, N. N. T. (2023). AI implementation in ODR: A Game-Changer or a Troublemaker of Data protection. *Vietnamese Journal of Legal Sciences*, 8(1), 1–24. <https://doi.org/10.2478/vjls-2023-0001>

³⁷ Remis, J. (2025, May 22). *Ethics in Online Dispute Resolution: Balancing technology and Human judgment*. ODR.com. <https://odr.com/ethics-in-online-dispute-resolution-balancing-technology-and-human-judgment/>

³⁸ N, G. P., & KT, R. V. (2024). A novel pathway to justice using artificial intelligence and humans oversight in AI-Driven alternative dispute resolution. *International Journal of Legal Science and Innovation*. <https://ijlsi.com/article/view/a-novel-pathway-to-justice-using-artificial-intelligence-and-humans-oversight-in-ai-driven-alternative-dispute-resolution>

Handling of sensitive information in ODR also requires appropriate privacy and cybersecurity solutions in order to address the possible threats connected to data leakage and unauthorized access.³⁹ In addition, equal accessibility of AI-enabled ODR must be guaranteed since lack of knowledge about the technology and limited resources may deepen the existing gap in dispute resolution.⁴⁰

Language differences may cause problems in terms of misunderstandings and communication in legal language. There is always a risk of faulty output of AI; therefore, AI input should be considered a probability, not certainty. It is important to have a regulated AI-ODR system which would provide legal protection.

A well-regulated AI-ODR system that would include legal guarantees is needed. This system needs to include automation and human involvement in order to guarantee that the principles of justice will be kept and that efficiency would add value to justice principles, but not replace them.

5 CURRENT LEGAL FRAMEWORK FOR ODR IN INDIA AND COMPARATIVE ANALYSIS

There are a number of bases for technology-mediated dispute resolution in India's legal system, even if it does not constitute an entire ODR code. The Information Technology Act, 2000, and the Consumer Protection Act, 2019, are among the legislation that have been found to support electronic transactions and consumer-recognition via the current legislative and procedural structure.⁴¹ However, these scattered statutes fail to cover matters such as platform accreditation, accountability for algorithms, data protection, informed consent, or redress for technological malfunction.⁴² The lack of dedicated legislation leaves gaps regarding the enforceability, confidentiality, neutrality criteria, and the nature of the interface between technological support and decision-making powers.⁴³ An integrated ODR code must retain procedural flexibility and set minimum standards for the entire spectrum of ODR service providers⁴⁴ subjected to digital proceedings. The Mediation Act, 2023, is also a relevant piece of legislation regarding mediation institutions.⁴⁵

These measures permit technological assistance, but the legal status of automated recommendations, the allocation of responsibility between platforms and neutrals, and the reviewability of digitally generated outcomes remain insufficiently defined.⁴⁶ This fragmentation is particularly significant where ODR processes involve vulnerable consumers or self-represented parties, because procedural convenience cannot substitute for consent, impartiality, and an effective opportunity to challenge error.⁴⁷ Dedicated legislation should therefore connect recognition of electronic processes with enforceable standards for transparency,

³⁹ *ibid*

⁴⁰ Wing, Leah, Artificial Intelligence and Online Dispute Resolution Systems Design: Lack of/Access to Justice Magnified (September 30, 2017). International Journal of Online Dispute Resolution, 4(2), 2017, 16-20. Available at SSRN: <https://ssrn.com/abstract=3665409>

⁴¹ Tadesse, S. G., Bhanwar, V., & Verma, S. (2026). Online dispute resolution in the field of consumer protection in India. *Journal of Digital Technologies and Law*, 4(1), 73–97. <https://doi.org/10.21202/jdtl.2026.4>

⁴² *Ibid*.

⁴³ Shamov, O. A. (2025). From ethical principles to certified practice: a tiered regulatory model for artificial intelligence in online dispute resolution. *Legal Position*, 3 (48), 10–14. <https://doi.org/10.32782/2521-6473.2025-3.2>

⁴⁴ *ibid*

⁴⁵ *Ibid*, at 10

⁴⁶ Yadav, Pitamber, Digitizing Justice: The Case for Dedicated Online Dispute Resolution Legislation in India (May 22, 2024). Available at SSRN: <https://ssrn.com/abstract=4840167> or <http://dx.doi.org/10.2139/ssrn.4840167>

⁴⁷ Wing, Leah, Artificial Intelligence and Online Dispute Resolution Systems Design: Lack of/Access to Justice Magnified (September 30, 2017). International Journal of Online Dispute Resolution, 4(2), 2017, 16-20. Available at SSRN: <https://ssrn.com/abstract=3665409>

accessibility, data governance, and human oversight.⁴⁸ A dedicated statute could also establish a tiered system of certification, requiring stricter scrutiny where AI performs functions that materially influence settlement or adjudicatory outcomes.⁴⁹ Such legislation should mandate accessible explanations, auditability, complaint mechanisms, and meaningful human review, while preserving party autonomy and ensuring that technological efficiency does not displace procedural justice.⁵⁰

This would create a clearer basis for the integration of ODR with India's existing mediation and court-connected institutions.⁵¹ A statutory framework should also distinguish facilitative tools from systems that truly determine outcomes, so that accountability is apportioned according to the level of automated influence.⁵² It should require ODR providers to keep records sufficient for independent review, protect confidential communications and provide accessible alternatives where parties cannot participate digitally.⁵³ These safeguards would make technological innovation consistent with equality of arms and the continuing authority of human decision-makers.⁵⁴

Specifically, the regulation of AI is beginning to impact legal policy, especially in the domain of Online Dispute Resolution (ODR). While ODR is appreciated for its ability to support negotiation and mediation, it also poses diverse problems of bias, responsibility and procedural justice when AI is implicated in ODR. At present, there is no global regulatory approach to AI-ODR. The European Union has adopted a risk-based legislative approach by enacting the EU Artificial Intelligence Act while the UK adopts the principles-based approach and the US adopts the risk-management approach. India falls somewhere in between these approaches as it does not have an AI-ODR statute but provides a legal ground for it through policies and statutes such as the Mediation Act 2023 and the Digital Personal Data Protection Act 2023 which regulates the consent for and processing of personal data used in AI-based ODR mechanisms. Apart from these, Arbitration and Conciliation Act, 1996 allows online arbitration and enforcement of electronic awards through its technologically neutral language, when read with IT Act, 2000⁵⁵; Information Technology Act, 2000 recognizes the credibility of electronic documents and signatures as digital evidence⁵⁶ and Bharatiya Sakshya Adhiniyam, 2023 also recognizes digital evidence⁵⁷; Consumer Protection Act, 2019 stipulates electronic filing and virtual proceedings for customer complaints.⁵⁸

India however has not one but several legal and policy instruments along with the ODR policy plan drafted by the NITI Aayog that talks about the technological capabilities of ODR but lacks a regulatory regime regarding the hazards caused by AI and therefore its regulation framework is permissive but inadequate.

⁴⁸ Shamov, O. A. (2025). From ethical principles to certified practice: a tiered regulatory model for artificial intelligence in online dispute resolution. *Legal Position*, 3 (48), 10–14. <https://doi.org/10.32782/2521-6473.2025-3.2>

⁴⁹ *ibid*

⁵⁰ *Ibid*.

⁵¹ Choung, Y. (2023). Application of AI in online dispute resolution in India. *Law Review*, 23(3), 57–75. <https://doi.org/10.57057/law-review.2023.09.23.3.57>

⁵² Zeleznikow, J. (2021). Using Artificial Intelligence to provide Intelligent Dispute Resolution Support. *Group Decision and Negotiation*, 30(4), 789–812. <https://doi.org/10.1007/s10726-021-09734-1>

⁵³ *Ibid*, at 17

⁵⁴ Zeleznikow, J. (2017). Can Artificial Intelligence and Online Dispute Resolution enhance efficiency and effectiveness in Courts. *International Journal for Court Administration*, 8(2), 30. <https://doi.org/10.18352/ijca.223>

⁵⁵ Section 36, Arbitration and Conciliation Act, 1996

⁵⁶ Sections 3, 4 and 5, Information Technology Act, 2000

⁵⁷ Sections 62 and 63, Bharatiya Sakshya Adhiniyam, 2023

⁵⁸ Section 35, Consumer Protection Act, 2019

Conversely, the approach taken by the EU⁵⁹ defines high-risk artificial intelligence technologies with stringent requirements in terms of transparency, risk management and human interaction.⁶⁰ Accessibility and procedural fairness are major considerations in the Online Procedure Rules of the UK, where it is stated that the application of technology must not hinder justice.⁶¹ In the US, it is regulation and standard-setting that matter along with continuous risk management.⁶²

Some important lessons for India from these comparative examples would include creating a bespoke AI-ODR approach that will include risk-based approach of the EU, consideration of accessibility by the UK, and continuous risk management of the US. Principles of India's regulatory framework could be the following: classification of AI technologies according to their legal effects, human involvement, transparency, and digital inclusion.

This core dilemma revolves around deciding the amount of control which is left in the hands of AI. Maintaining an optimal balance between innovation and essential measures could assist in building a successful AI-powered ODR system in India, which would not ignore important legal aspects of law. In the end, a hybrid strategy that incorporates the learning experiences from the EU, UK and US will be most suitable for India.

5.1 Current ODR Systems Operative in India

SAMA Platform employs AI technology to evaluate disputes and allocate cases to experts and achieves an average resolution time of below 45 days for numerous disputes related to financial matters and employment. The platform was able to solve 10,000 cases in six months. Presolv360 solves disputes before litigation through NLP interpretation of contracts and AI prediction of the process of negotiation. In E-Lok Adalats of Gujarat, Maharashtra, and Rajasthan, mass disputes related to traffic fines and small debts are sorted out with AI scheduling and biometric authentication techniques.⁶³ Apart from these, the MSME portal also has its own ODR system.⁶⁴

6 FUTURE OF AI-ENABLED JUSTICE

The future of justice in AI is the development of judicial processes due to the implementation of digital and intelligent systems. AI is used in legal research, case management, and online dispute resolution (ODR) and experiments with various functions. However, it is necessary to organize the implementation of AI to retain fundamental values such as fairness, transparency, and human control over decisions.⁶⁵

⁵⁹ Regulation - EU - 2024/1689, <https://eur-lex.europa.eu/eli/reg/2024/1689/oj/eng/>

⁶⁰ Novelli, C., Casolari, F., Hacker, P., Spedicato, G., & Floridi, L. (2024). Generative AI in EU law: Liability, privacy, intellectual property, and cybersecurity. *Computer Law & Security Review*, 55, 106066. <https://doi.org/10.1016/j.clsr.2024.106066>

⁶¹ Online Procedure Rule Committee. (2026, August 26). *Online Procedure Rules 2026*. GOV.UK. <https://www.gov.uk/government/publications/online-procedure-rules-2026>

⁶² Tabassi, E. (2023). Artificial Intelligence Risk Management Framework (AI RMF 1.0), NIST Trustworthy and Responsible AI, National Institute of Standards and Technology, Gaithersburg, MD, [online], <https://doi.org/10.6028/NIST.AI.100-1>, https://tsapps.nist.gov/publication/get_pdf.cfm?pub_id=936225 (Accessed September 11, 2026)

⁶³ Record of Law. (2026, February 21). *Integration of Artificial intelligence in Online Dispute Resolution (ODR)*. Record of Law. <https://recordoflaw.in/integration-of-artificial-intelligence-in-online-dispute-resolution-odr/>

⁶⁴ Ministry of Micro, Small and Medium Enterprises, Government of India. (n.d.). MSME Online Dispute Resolution (ODR) Portal. <https://odr.msme.gov.in/>

⁶⁵ RAVISHANKAR, S. (2025). THE ROLE OF ARTIFICIAL INTELLIGENCE IN ARBITRATION: PROSPECTS FOR INDIA. *International Journal For Multidisciplinary Research*, 7(2). <https://doi.org/10.36948/ijfmr.2025.v07i02.41005>

Thus, the process of the evolution from digital to intelligent justice shows the potential of using AI in automated processes including document summarization and procedural support, which results in better accessibility of justice.⁶⁶ The human-in-the-loop model is vital to make sure that the decision on legal questions still lies with humans and is accountable. It is possible to use the analysis of previous trends and predict decisions thanks to the use of predictive analytics; however, there is a danger of bias reinforcement.

In the future, ODR platforms will enable automated resolution of disputes through human oversight. Justice personalization will increase users' satisfaction, but the use of AI should take into account the risk of discrimination.⁶⁷ And it is crucial to make sure that everybody has access to the digital world and there is no digital divide in particular in those countries that are still developing.

Furthermore, the application of AI in the legal process should be transparent for both parties in order to understand what kind of role AI plays in that process.⁶⁸ It is essential to develop the accountability framework when artificial intelligence technologies fail, and the responsibilities of each party should be determined. Lawyers should get new skills in AI technologies and ethics.

Finally, the future of justice should become such a paradigm in which AI is used as the supplementary technology but cannot replace the competences of humans.⁶⁹ The main principle is that AI can change the nature of justice but should not affect the basic principles of justice and create a human-centered environment.

7 RECOMMENDATIONS AND SUGGESTIONS

The juncture of artificial intelligence (AI) and ODR will require a careful regulation to stimulate innovations in order to secure justice. The recommendations include:

1. Developing a special regulatory regime for AI in ODR.
2. Risk assessment approach to categorize the use of AI technology in terms of its impact on human rights.
3. Inclusion of human participation in critical cases.
4. Guarantee of transparency and clarity about the use of AI.
5. Protection of data privacy.
6. Performing independent evaluations of AI technologies with higher risks.
7. Protecting vulnerable users against digitalization through ODR.
8. Encouraging AI literacy among lawyers.
9. Establishing a review process for AI decisions.
10. Stimulating responsible innovations that comply with the constitution.

⁶⁶ *NexLaw Blog | AI in International ODR: Reshaping Global Justice*. (2026, May 13). NexLaw. <https://www.nexlaw.ai/blog/global-odr-ai-disputes/>

⁶⁷ Alessa, H. (2022). The role of Artificial Intelligence in Online Dispute Resolution: A brief and critical overview. *Information & Communications Technology Law*, 31(3), 319–342. <https://doi.org/10.1080/13600834.2022.2088060>

⁶⁸ *ibid*

⁶⁹ Michael Araszkiewicz et al., 'The Role of New Information Technologies in Alternative Dispute Resolution of Divorce Disputes' (2014) 1 *European Dispute Resolution Journal* 549, 552.

8 CONCLUSION

There is great potential for Artificial Intelligence (AI) in facilitating the delivery of justice as well as improving access to justice through ODR services. Such improvements could be seen in terms of reduced delay, reduced costs and increased efficiency of process, especially in case of low value disputes and those involving cross-border claims.⁷⁰ But there are also some difficulties that arise from such an approach – namely algorithmic bias, transparency questions, privacy concerns, digital divide and many others. Jurisdictions such as the EU, the UK and the US face similar issues and have started dealing with this problem, offering useful experience for India. India is starting to recognize the need for online mediation and ODR policy making, yet additional safeguards are needed with regard to transparency, oversight and accountability. The main question here is the level of authority that is granted to AI, which should not become the sole decision-maker. The future of AI-assisted justice is therefore one in which the future can be said to lie in human-centered and enhanced justice. In this kind of situation, the AI will undertake all the computational, analysis and administration functions, while the judges, mediators, arbitrators and other professionals will remain responsible for interpreting, exercising discretion and making the final decisions.

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⁷⁰ Khatana, Dr. S. S., & Choudhary, Dr. S. (2025). ROLE OF ARTIFICIAL INTELLIGENCE IN ENHANCING ACCESS TO JUSTICE IN INDIA - a CRITICAL ANALYSIS. *Lex Localis - Journal of Local Self-Government*, 23(11), 1770–1778. <https://doi.org/10.52152/qytz3640>