ODR- NEED OF THE HOUR

By Mohit Kukadia
From Faculty of Law, Maharaja Sayajirao University, Vadodara

1. Introduction

2.6 Crore! That is the number of cases that are pending in our District Court, 42 Lacs Pending in High Court and as of 01/11/2017, 55,259 cases are remaining pending Supreme Court. To fast process disposal of cases we had established Fast track court but after the central funding stopped 50% of them stopped functioning. Even after having the world’s largest judicial employees, we only have 17 judges for 1 Million people (Recommended is 50 per Million). Even if India fills the Vacancy of Judges, India lacks proper infrastructure for courtrooms.

In this era of Globalization and as India is slowly becoming a major power in International scenario, this problem can turn into a major obstacle for India. Yes, there is increase in rate of disposal but at the same time due to increase in population and literacy rate, the filing of cases albeit slowly has also increased. The need for an efficient dispute resolution is now or never. This is where Online Dispute Resolution(ODR) comes into play. ODR isn’t just an efficient method to resolve cases but when we include both Online Court and ODR into one component India has a highly efficient solution to the problem. Alternative Dispute Resolution(ADR) is also a viable solution but it can be a costly and a lengthy affair than ODR.

Further my idea of ODR isn’t just restricted to conducting court hearings across video links or online tracking of the progress of trials to be ODR. I believe in a wider view that has been implemented and is been in practice around the world. What I think is that ODR shouldn’t be just restricted to resolving disputes online but it should be used in resolving for small claims in direct business to consumer transaction. ODR is already being used for consumer and e-commerce related disputes but my idea is that by setting up an Internet-based court service. We can use ODR system as a basic DR process for petty cases where there is some tangible and monetary remedy sought by the parties. I understand that ODR is not appropriate for all classes of dispute but, on the face of it, is best placed to help settle high volumes of relatively low value disputes – robustly, but at much less expense and inconvenience than conventional court.

This article will focus first on the problem of pending cases before the court, then further will explain why the current dispute resolution system isn’t as efficient and why the implementation of ODR into ordinary court proceedings will be the solution to tackle the pending case problem. It will begin with analysis of why the current

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1 http://njdg.ecourts.gov.in/njdg_public/main.php
2 http://supremecourtofindia.nic.in/statistics
5 245th Law commission report
7 http://www.hindustantimes.com/editorials/shortage-of-judges-will-shackle-india-s-growth/story-tpt7b8W1c87mh4HkR2XVWN.html
dispute resolution system is failing to tackle this issue.

2. **Why the current Dispute Resolution solutions aren’t efficient anymore?**

Judicial Dispute Resolution and Extrajudicial Resolution are namely two most used solution to resolve disputes around the world. The most common form of judicial dispute resolution is litigation. Litigation is initiated when one party files suit against another. Proceedings are usually done in established court are governed by rules such as Indian Penal code etc. that are established by the legislature.

Extrajudicial Resolution solution has just been limited to ADR only that is, extrajudicial processes such as arbitration, collaborative law, and mediation used to resolve conflict and potential conflict between and among individuals, business entities, governmental agencies, and (in the public international law context) states. ADR generally depends on the agreement between both parties.

Both of these resolution process have been in practice in India for a long time. Still, none of them hasn’t been able to solve the problem of pending cases. Being the world’s largest democratic society, our judiciary must be the best but we are currently ranked 66 on world’s law and index rank.

The data says it all :-

<table>
<thead>
<tr>
<th>Number of Pending Cases in the Supreme Court</th>
<th>At the end of</th>
</tr>
</thead>
<tbody>
<tr>
<td>59468</td>
<td>19-02-2016</td>
</tr>
<tr>
<td>62281</td>
<td>30-06-2015</td>
</tr>
<tr>
<td>65970</td>
<td>30-06-2014</td>
</tr>
<tr>
<td>66603</td>
<td>30-09-2013</td>
</tr>
</tbody>
</table>

8 Ethan Katsh, “Dispute Resolution in Cyberspace,”

past three years – 40,189 in 2013, 45,042 in 2014 and 47,424 in 2015. The same trend can be see High court also:

<table>
<thead>
<tr>
<th>Number of Cases in the High Courts</th>
<th>At the end of</th>
</tr>
</thead>
<tbody>
<tr>
<td>4005704</td>
<td>30-6-2015</td>
</tr>
<tr>
<td>4107524</td>
<td>30-9-2014</td>
</tr>
<tr>
<td>4589920</td>
<td>30-09-13</td>
</tr>
</tbody>
</table>

As of 31 December 2014, about 18% of the cases had been pending for over 10 years or more in the High Courts. The number of cases pending in the District and Subordinate Courts has been around 2.6 crore for the past two years.

Further to tackle the problem the establishment of Fast track courts was done. It worked quite efficiently as they disposed of 30.7 Lac cases out of 36 Lacs that were given to them.

Fast Track Courts were started in 2005 but in 2011, the Centre cut off funding and made it the State’s responsibility to fund the FTCs out of their own budgets. Since then 60% of these courts have shut down.

Our Judiciary System has tried their best to dispose pending cases either by implements FTCs or by working more efficiently but India has a population of 1.3 billion that is increasing every day, further by having the largest youth population, people are more informed than ever. Globalization, Education and Internet are the main reasons that has led to Increase in filing of cases around the country. For example, Kerala gets 28 new cases per 1,000 people. It has a literacy rate of over 90%. Jharkhand, which has a literacy rate of around 53%, gets four cases per 1,000.

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10 http://thecompanion.in/tli-pendency-in-indian-courts/
11 Ibid 10
13 https://www.youthkiawaaz.com/2016/05/judiciary-pending-cases-india/
It is time time we change the system and by Implementation of ODR into ordinary court service might just be an answer as cyberspace is nothing else just a mirror world, where many institution of world can be seen in a digital form and where we can interact them as we do in physical space.

3. Why Online Dispute Resolution?

Before I explain that Why ODR is the best system for India. Let’s see what ODR is exactly or how it works and its objective or Is it compatible with our Indian legislation or not. Further to see what is the opinion of judiciary on using Internet and ODR in court based system.

3.1 Online Dispute Resolution.

Online Dispute Resolution (ODR) “refers to a wide class of alternate dispute resolution processes that take advantage of the availability and increasing development of internet technology.” It is a set of DR processes that allow for the resolution of disputes via online mechanisms such as the Internet or some form of technology that allows for virtual communication without requiring the parties to be in a room together. At present, the main application for ODR is extra-judicial dispute resolution, outside the ordinary court system but many countries are slowly implementing the idea of Internet-based court service.

The first experiments in extra-judicial ODR were made during 1996/1997 in the US and Canada. This experiment was developed from the use of offline ADR, which is more prevalent in the Anglo-American legal tradition.

The principles of ADR systems are being integrated into the ODR system. Whereas, the court services around the world are also considering the incorporation of elements of ODR into the ordinary court system. The aim is to provide increased access to justice at a lower cost. It is important to keep in mind that ODR does not involve a single approach to dispute resolution.

There is an enormous variety in the emerging picture of ODR providers with varying experimentation and different degrees of formality.

3.2 Objective Of ODR

The primary purpose of ODR is to allow the parties to resolve their dispute with the use of electronic technology. It may occur in “real time” or unroll in an asynchronus manner, depending on the rules of the ODR

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14 Definition by David Gelernter, a computer scientist
15 http://www.justice.gc.ca/eng/pr/ps-pr/ps-pr/sprd/res/drg-mrc/10.html#note1
16 https://www.judiciary.gov.uk/reviews/online-dispute-resolution/
18 ODR, as a process, may involve various types of dispute resolution including: dispute prevention; ombudsman programs; conflict management; assisted negotiation; early neutral evaluation and assessment; mediation/conciliation; mediation-arbitration (binding and/or non-binding); arbitration; expert determinations; executive tribunals; consumer programs.
Provider, as well as the wishes of the parties. Often, this process is more convenient and cost efficient than face to face meetings in order to negotiate, mediate, or otherwise resolve existing disputes.\(^{20}\)

It is conceived as a means to achieve some of the most powerful legal ideals of the legal tradition, which include:

1. Resolution of disputes in a civilized (i.e. peaceful) manner between private parties
2. Legal Certainty: In making individual plans, decisions, and choices everyone is entitled to know what the law is in advance.
3. Access to Justice: Everyone involved in a dispute shall be entitled to an easily accessible redress mechanism that provides for a timely resolution and effective remedies at reasonable cost.
4. To reduce the cost: - Use of networked technology and general accessibility (i.e. avoidance of travelling costs) makes dispute resolution much cheaper. Also, the use of intelligent software might reduce other costs such as costs for translation or for obtaining legal advice.
5. To increase the rate of court disposal: - One of the major objectives of ODR is increase in speed of disposing cases and convenience of use.\(^{21}\) Again, this factor is one of the advantages of ODR compared to offline court action. This is confirmed by the Consumers International survey, which concludes that most ODR providers meet the criteria of timeliness and convenience.\(^{22}\)

3.3 How Does ODR Work?

India is still trying to understand and slowly implementing concept of ODR, most of the West has begun taking bold strides in this direction. To understand how ODR works, we need to understand it via EU platform as they have implemented it.\(^{23}\)

In 2013, the EU famously enacted the ADR directive\(^{24}\) and the ODR regulation\(^{25}\). Through these, it attempted to facilitate faster dispute resolution for the benefit of consumers in the EU. It set up an ODR platform for the Union, for the resolution of disputes arising from online transactions. Complaints are to be filed electronically and free of charge and can be made in all official languages of the EU. This platform will connect all the existing ADR entities. Once the complaint is made, the opposite party (trader) will be notified, following which they will select a competent ADR entity. The ODR Platform will subsequently transmit information and facilitate the resolution of the dispute. The ODR Platform also provides for a free case management tool that enables the ADR entity to conduct the ADR procedure through the ODR Platform. All of this is to be done within a period of 90 days.\(^{26}\)

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3.4 Are there any Legal Issues for ODR in India.

India is since long trying to usher alternative dispute to the centre stage. Since the last decade or so there has been a paradigm shift in the legislative structure for ADR to be the first Dispute resolution solution for cases. Let’s see some developments in legislation:

A) The Code of Civil Procedure, 1908

By the CPC (Amendment) Act, 1999, Sec 89 of CrPC has made it clear that for any suit to proceed in court, it will first have to go through some mode of ADR. It should be noted that the statute does not make it mandatory for parties to actually resolve a dispute using ADR but it makes it mandatory, for parties seeking redress in a court, to first try to get their disputes resolved through an ADR mechanism of their choice. The court’s direction in this regard, as per the Rules, would come at the stage of hearing the suit after the recording of admissions and denials. It is only when ADR fails then the Court will have power to entertain the claim and act accordingly. This legislative act is one of the biggest in kind to solve the delays in dispensation of justice.

B) The Arbitration & Conciliation Act, 1996

This act was introduced to bring all the acts related to arbitration into one umbrella. It is drafted on the lines of the UNCITRAL Model Arbitration Law and the UNCITRAL Conciliation Rules and for the first time statutorily recognizes conciliation by providing elaborate rules of engagement. This provision hence affords parties the flexibility to hold their proceedings anywhere, even in cyberspace.

C) Information Technology Act, 2000

The Information Technology Act, 2000 Act (the 2000 Act) was enacted with a view to facilitate and encourage e-commerce and hence gives legal recognition to electronic records and digital signatures. The enactment of this Act has also brought with itself amendments to several other Acts. It is a law meant to be “applicable to alternatives to paper based methods of communication and storage of information”. Section 4 of the 2000 Act states that a requirement of any law for information or matter to be in written, printed or typewritten form shall be deemed to have

27 Sec 89(1) of CrPC: Where it appears to the court that there exist elements of a settlement which may be acceptable to the parties, the court shall formulate the terms of settlement and give them to the parties for their observations and after receiving the observations of the parties, the court may reformulate the terms of a possible settlement and refer the same for - arbitration; conciliation; judicial settlement including through Lok Adalat; or mediation.


(ii) The Arbitration Act, 1940; and
(iii)The Foreign Awards (Recognition and Enforcement) Act, 1961
30 The Indian Penal Code, 1860; The Indian Evidence Act, 1872; The Bankers’ Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934

www.supremoamicus.org
been satisfied if such information or matter is rendered or made available in an electronic form and is accessible so as to be usable for a subsequent reference.

Section 5 of the 2000 Act gives recognition to digital signatures by providing that the requirement of any law for authentication by a person’s signature shall be deemed to have been satisfied if such authentication is done by means of a digital signature.

With all these aforementioned legislature in place, it is now upto Indian Government to set up ODR and we already have ADR-friendly procedure, the statutory recognition and the technology to make

--Judiciary and ODR

In an decision\(^\text{32}\) it held that “When an effective consultation can be achieved by resort to electronic media and remote conferencing it is not necessary that the two persons required to act in consultation with each other must necessarily sit together at one place unless it is the requirement of law or of the ruling contract between the parties.” In this case the contention was that the two arbitrators appointed by the parties should have met in person to appoint the third arbitrator.

So, Judiciary has also approved use of technology for ordinary court proceedings\(^\text{33}\). Both Legislature and Judiciary are willingly ready for more inclusion of ODR into Indian court proceedings. We already have a very friendly environment for ODR to Implement. I think we should now focus on the awareness and how much efficient is ODR.

3.5 Why ODR is Most Efficient solution for India.

As it has been clearly proved that where and why the current dispute resolution has failed us, and why it is not enough for the time to come. Then the question is that why ODR.

I think ODR is the future as in a few decade we have seen tremendous technological advancement done in cyberspace. In 1996 Ethan kash wrote in his paper\(^\text{34}\) that someday in future we will have an exotic equipment, such as headgear that allows one to feel like one is leaving physical space and entering a new space i.e. VR\(^\text{35}\) that is now a reality. My point is that we have all the technological advancement needed for ODR based court system.

ODR will not just save time but will save be cost efficient, it has no-border barrier, all the records are accessible anytime anywhere further there will be no travelling cost etc. Let’s see in depth the the merits of ODR:-

A) Speedy Resolution

Where offline ADR may help settle a matter in days or months, as compared to the years it may take to resolve litigation,

\(^{32}\) Grid Corpn. Of Orissa Ltd. v. AES Corpn. 2002 A.I.R. (S.C.) 3435
\(^{33}\) State of Maharashtra v. Dr. Praful B. Desai (2003) 4 SCC 601
\(^{34}\) Grid Corpn. Of Orissa Ltd. v. AES Corpn. 2002 A.I.R. (S.C.) 3435
\(^{35}\) Sil Import, USA v. Exim Aides Exporters, Bangalore (1999) 4 SCC 56

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online ADR promises settlement of disputes within days or even hours. Further, most of these ODR service providers are functioning round the clock. Interested parties can merely visit the provider’s website and speed up the process.\textsuperscript{36}

\textbf{B) Cost Saving}

One of the biggest benefits of online dispute resolution is that such systems can drastically decrease the cost of getting a dispute resolved; thus allowing the opening of the doors of the justice system to traditionally disadvantaged groups\textsuperscript{37}. As compared to filing suit in a court, the cost of online dispute resolution is a “mere trifle.” There is even a fairly significant difference between the costs of using online dispute resolution as compared to using other forms of alternative dispute resolution.

\textbf{C) Avoidance of Complex Jurisdiction Issues}

A key advantage of resolving disputes through the use of cyber-mediation is that it avoids the issue of whether a particular court has jurisdiction over the dispute.\textsuperscript{38} Since disputants can bind themselves to resolution through an agreement, jurisdictional issues can be avoided altogether.\textsuperscript{39}

\textbf{D) It may also be argued that more thoughtful, well-crafted contributions result from the ability of the parties to edit messages prior to sending them: “Asynchronous Internet communications have the advantage of being edited ‘best’ communications in sometimes contrast to ‘first’ (often impulsive) responses that can take place in real time face-to-face mediation discussions.”}\textsuperscript{40}

These type of merits can effectively tackle the pending case problem of India. These are not some theory or some sci-fi story, ODR is a reality and is in practice at many places. Websites such as Cybersettle,\textsuperscript{41} Settlement Online\textsuperscript{42} and clickNsettle\textsuperscript{43} offer services that are entirely online and focus primarily on negotiating monetary settlements. These websites serve as a neutral arena to exchange settlement offers. Further some of the live examples of Internet based Courts where disputes are resolved are eBay, Canadian Civil Resolution Tribunal or Youstice and much more.


\textsuperscript{38} Jim Melamed, The Internet and Divorce Mediation, available at http://www.mediate.com/articles/melame89.cfm (last visited Nov. 25, 2002)


\textsuperscript{40} See Gibbons et al., Supra note 45, at 42; see also Friedman, Supra note 44, at 711.

\textsuperscript{41} See Cybersettle, At http://www.cybersettle.com

\textsuperscript{42} See it on http://www.settlementonline.com/

\textsuperscript{43} See http://www.clicknsettle.com/
Guidance is also given on the standards by which eBay assesses the merit of complaints. If the dispute cannot be resolved by negotiation, then eBay offers a resolution service in which, after the parties enter a discussion area to present their argument, a member of eBay’s staff determines a binding outcome under its Money Back Guarantee.

Whereas has a Canada has taken a step forward and implemented Internet based court service into regular court proceedings. It is a public scheme, regulated under the Civil Resolution Tribunal Act 2012. The online tribunal will be available as an alternative pathway to the traditional courts for resolving small claims through a process that is expected to be more convenient and less costly. It will deal with claims (under 25,000 Canadian dollars) relating to debts, damages, recovery of personal property, and certain types of condominium disputes.

So, we can see that this is not just some theoretical approach, Internet based Court system that are using ODR as a basic dispute resolution process are a reality and slowly many countries are trying to implement it. What I am saying is that we have the technology and means to make Internet courts are a reality that can solve our problems.

4. ODR Based Court

It may look like a new approach but in reality ODR is very easy to establish and implement it in ordinary court proceedings. As, We saw before that Indian legislature as well as judiciary has made great strides for ODR to work in India. So, the Internet based court proceedings will be done same as it is done in ODR process, there will be some changes like introduction of online judge that I propose in my model. Herewith I propose a model that has been recommended by United kingdom for Internet based court.

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The Proposed online court will consist of three-tier service:

--- Tier One will provide Online Evaluation. This facility will help users with a grievance to classify and categorize their problem, to be aware of their rights and obligations, and to understand the options and remedies available to them.

--- Tier Two will provide Online Facilitation. To bring a dispute to a speedy, fair conclusion without the involvement of judges, this service will provide online facilitators. Communicating via the Internet, these individuals will review papers and statements and help parties through mediation and negotiation. They will be supported where necessary, by telephone conferencing facilities. Additionally, there will be some automated negotiation, which are systems that help parties resolve their

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45 See 3.3 (How does ODR work)
47 [https://martinpartington.com/2015/02/](https://martinpartington.com/2015/02/)
differences without the intervention of human experts.

---Tier Three will provide Online Judges – full-time and part-time members of the Judiciary who will decide suitable cases or parts of cases on an online basis, largely on the basis of papers submitted to them electronically as part of a structured process of online pleading. This process will again be supported, where necessary, by telephone conferencing facilities.

The establishment of Internet based court system will require two major innovations in the justice system of India. The first is that some judges should be trained and authorized to decide some cases (or aspects of some cases) on an online basis. The second innovation is that the state should formally fund and make available some online facilitation and online evaluation services.

5. Conclusion

In summary there is a problem in India and how do we tackle a problem? By a solution. Currently India is facing a problem of pending cases that will not stop and we have tried by implementing many new approach to tackle the problem but we are not succeeding. So, the need is a drastic change in the system itself. The Solution as we read the implementation of ODR into court proceedings. For that we read the ODR is the most efficient solution to our problem as it is not only cost-efficient, speedy but also has no-border barrier that helps for International Proceedings further it also increases access to justice as everything is away just a click away. How does it help India? As all the merits of the ODR biggest one is its speedy yet effective work as we saw the real life example where it was implemented in eBay or in Canadian Judiciary system or EU. All of these examples proves that how much effective and speedy is the process. By Implementing it we will be solving the backlog of case problem. How to Implement it? I recommended a tier based system that has been proposed by UK. India is showing tremendous growth in every aspect of a nation only thing we are lacking any growth is judiciary and by Implementing ODR into court proceedings will not just solve the backlog problems but also we can make sure that in near future we will not suffer from the same problem.

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