

The next era of Alternative Dispute Resolution

Trends, challenges
and opportunities



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Foreword - EY

India stands at an important juncture in the evolution of its Alternative Dispute Resolution (ADR) landscape. As the country's role in global trade, investment, infrastructure and technology continues to expand, an efficient, credible and business-friendly dispute resolution ecosystem is expected to play an important role in supporting economic growth and investor confidence.

Against this backdrop, our report, *The next era of ADR: Trends, challenges and opportunities*, seeks to understand how businesses, legal professionals and other stakeholders view the current state of arbitration and ADR in India, the challenges they encounter, and the priorities that will shape the future of dispute resolution. The survey captures evolving user expectations around efficiency, procedural certainty, institutional support, technology adoption, and overall confidence in dispute resolution mechanisms.

The findings indicate a clear shift in stakeholder expectations. Respondents are increasingly seeking well-managed, technology-enabled and institutionally supported processes that deliver predictability and commercial value. The growing preference for institutional and hybrid ADR mechanisms reflects a maturing market that is focused not only on access to dispute resolution but also on the quality of the experience and outcomes it delivers. Addressing challenges such as enforcement, cost, delays, institutional capability and broader user experience will be critical to strengthening confidence among both domestic and international stakeholders.

Ongoing reforms, the emergence of stronger arbitral institutions, growing acceptance of mediation and hybrid mechanisms, and the responsible adoption of technology are creating opportunities to build a more sophisticated and globally competitive ADR ecosystem.

India has laid many of the foundations required for long-term success. The next phase will depend on strengthening implementation, building professional capability, and delivering a dispute resolution experience that inspires confidence, efficiency and trust for businesses operating in an increasingly interconnected world.



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Foreword - Aarna Law

It is a privilege to introduce this report on the state and trajectory of arbitration and alternative dispute resolution (ADR) in India, “Shaping the Next Era of ADR”. This publication brings together survey findings and analysis on how businesses, practitioners, and institutions in India are experiencing arbitration and ADR today, and on the direction in which the ecosystem is heading.

This report is the first in what is intended to be an annual publication, forming part of a multi-year effort to track and address these issues on a sustained basis. Returning to these questions year after year, we hope to help build a longitudinal, evidence-based record of how India’s arbitration and ADR ecosystem is evolving, and to ensure that the recommendations made here are tested, refined, and followed through over time.

I would like to thank the team at EY, led by Arpinder Singh and Yogen Vaidya, for all their contributions in the preparation of this report. I would like to express my sincere gratitude to the survey respondents who generously shared their experiences and perspectives on arbitration and ADR, and the professionals whose insights have helped translate that data into meaningful analysis. Their contributions have made it possible to capture a candid, evidence-based picture of how arbitration actually functions in India, rather than relying solely on the promise of legislative reform.

The focus in India has shifted to whether the framework built over the past decade can deliver consistency, credibility, and efficiency in practice. This report examines that question across four dimensions: the evolving Indian arbitration landscape and the growing preference for institutional and hybrid mechanisms; trends in the choice of arbitral institutions, both international and domestic, and the factors driving those preferences; the accelerating role of technology, from remote hearings and digital documentation to the early integration of artificial intelligence; and, finally, a forward-looking assessment of the reforms needed to strengthen enforcement, institutional capability, judicial support, and professional capacity.

The findings gathered in this report are significant. They show a maturing arbitration ecosystem in which users are no longer simply seeking access to arbitration, but are demanding greater reliability, transparency, and institutional support. They also show that legislative reform alone cannot carry India’s ambitions forward; enforcement of awards, consistency of judicial support, and the depth of professional expertise available to parties will determine whether India is able to establish itself as a credible and preferred destination for dispute resolution, domestically and internationally.

The purpose of this report is not merely to document these trends, but to inform the choices that lie ahead. It is intended to assist legal practitioners in understanding how their clients and counterparts are experiencing arbitration in practice, to assist policymakers in identifying where reform efforts should be concentrated, and to give academicians a grounded, data-backed basis for further study of India’s dispute resolution landscape.

A central aim of this report is also to reframe the conversation around ADR itself. Too often, arbitration, mediation, and other consensual mechanisms are treated as “alternative” to litigation, a secondary route to be considered only once conventional adjudication proves unsuitable. This report seeks to challenge that framing. Depending on the nature of the dispute, the relationship between the parties, and the outcome sought, these mechanisms are frequently not the alternative but the appropriate means of resolution. I hope that, over time, ADR comes to be understood not as “Alternative Dispute Resolution” but as “Appropriate Dispute Resolution”, chosen on its merits rather than by default.

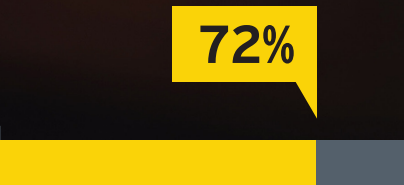


Shreyas Jayasimha

Founder & Counsel, Aarna Law

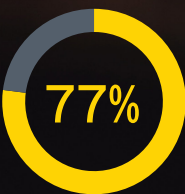
Executive summary

India's ADR landscape is evolving rapidly, driven by growing confidence, institutional adoption, digital transformation, and a demand for greater expertise and flexibility



prefer flexible dispute resolution mechanisms.

Familiarity with Arbitration



said they were familiar with the **Arbitration and Conciliation Act 1996 and its amendments**

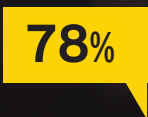
Preferred international arbitration institute

Currently, India prefers **Singapore's** arbitration framework*

Establishment of the India International Arbitration Centre (IIAC) is encouraging

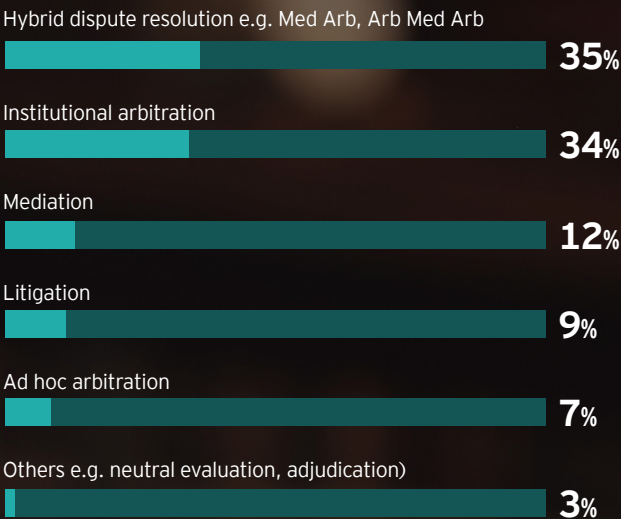
Mumbai Centre for International Arbitration (MCIA) is gaining ground

More than half respondents think institutional arbitration helps with standardization and support

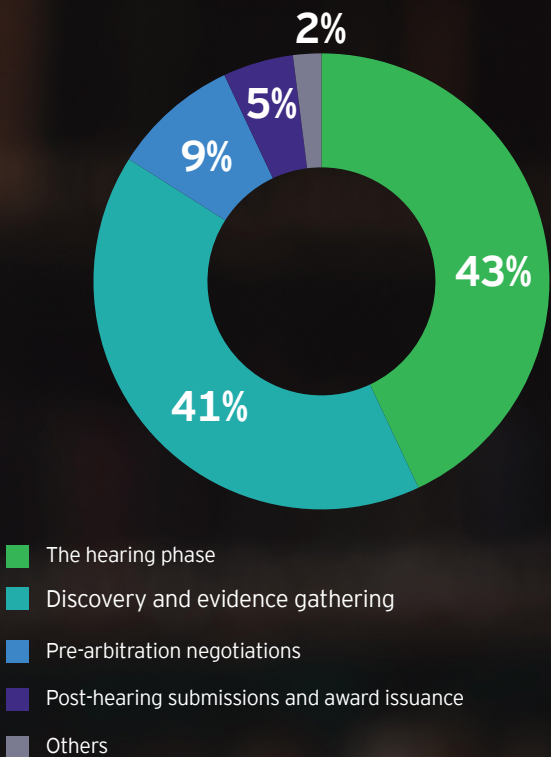


say the role of arbitration experts has **INCREASED SIGNIFICANTLY**

Flexible dispute resolution mechanism preferences



The cost factor



*Findings from the EY-Aarna Law ADR survey

Technology in arbitration

Remote hearings, digital documentation, and artificial intelligence are redefining arbitration

93%

find technology to be **EFFECTIVE** in arbitration proceedings

92%

hopeful AI will be a gamechanger for arbitration

Sectoral Standpoint

Infrastructure projects leading to arbitration

Highway / Road projects	52%
Airport projects	6%
Urban infrastructure	23%
Power generation and transmission	10%
Others	9%

Key challenges in arbitration

Managing complex technical evidence



Dealing with multiple parties and interests



Ensuring enforceability of arbitration award



All of the above



Common disputes arising in infra projects

58%

Delay in handing over/Right of Way (58%)

26%

Improper scope/change in scope of project

Future of Arbitration in India

77%

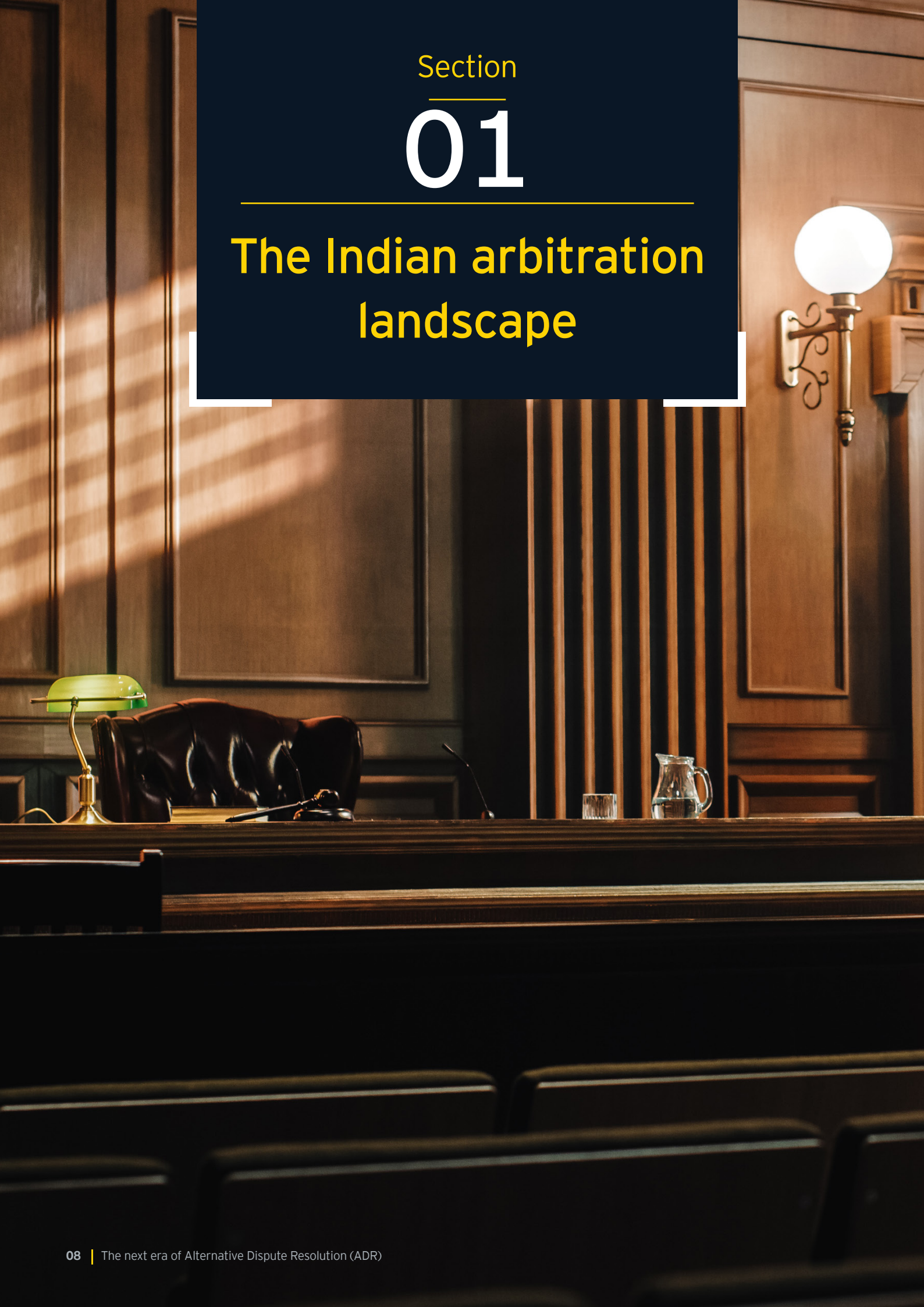
are optimistic about the
**Future of arbitration
in India**

Facilitate and limit judicial intervention in the arbitral process*:
The Honorable Supreme Court

Establishment of **Gujarat International Finance
Tec-City (GIFT City)** emphasizes India's commitment
towards strengthening its ADR landscape

*Derived from the Supreme Court's observation that judicial intervention should not undermine the objectives of arbitration under the Arbitration and Conciliation Act, 1996

Findings from the EY-Aarna Law ADR survey



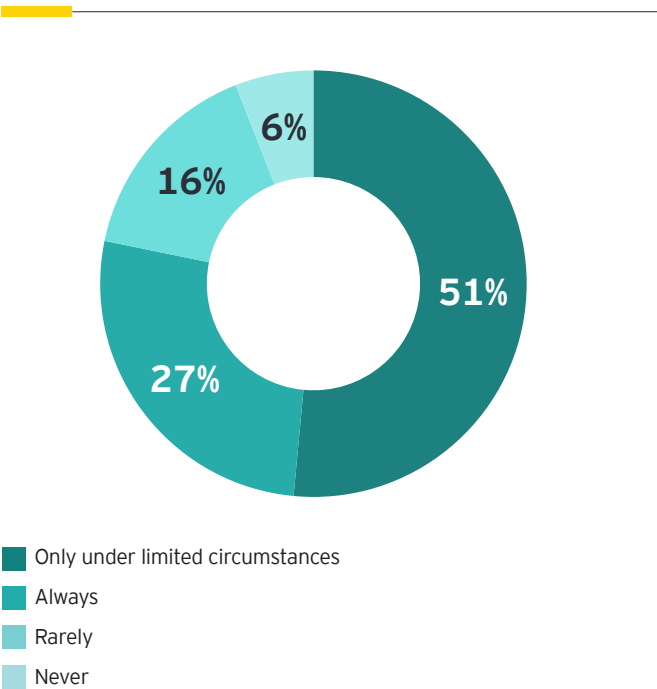
Section

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The Indian arbitration landscape

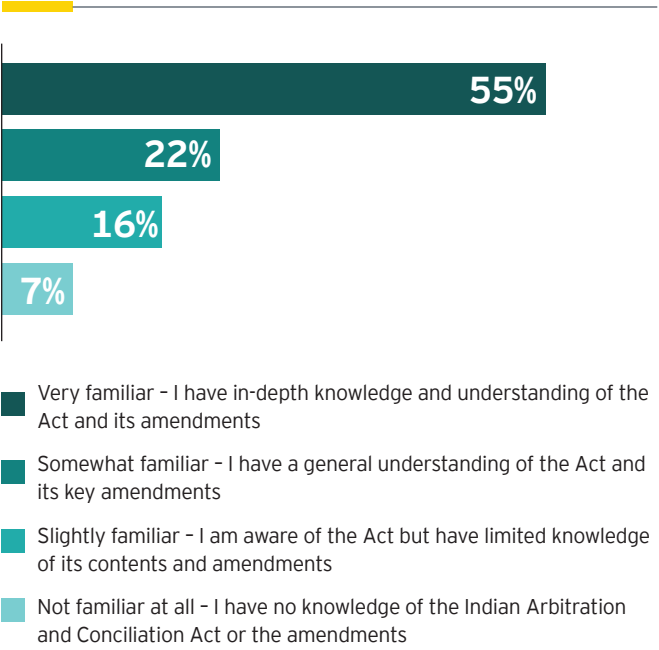
India's arbitration journey has entered a new phase. The focus is gradually shifting from legislative reform alone to the effectiveness, credibility and user experience of the dispute resolution system. Arbitration is increasingly being viewed not merely as an alternative to litigation, but as a strategic mechanism for managing complex commercial disputes. The survey findings reflect this change in preference, with 72% of respondents favoring institutional and hybrid ADR mechanisms. The move towards structured models indicates that businesses are placing greater emphasis on procedural certainty, administrative support and flexibility when selecting dispute resolution mechanisms.

Likelihood to opt for arbitration in cases involving allegations of fraud



The survey indicates familiarity with the Indian arbitration framework, with 77% of respondents demonstrating familiarity with the Arbitration and Conciliation Act, 1996, and its subsequent amendments. This suggests that arbitration has become an increasingly important part of commercial decision-making rather than remaining limited to specialist legal practice. At the same time, the findings indicate the need for continued professional development and capacity building to translate awareness into the effective use of arbitration.

Familiarity with Arbitration and Conciliation Act and the subsequent amendments made to it



India's arbitration reforms over the past decade have focused on addressing longstanding concerns relating to delay, procedural inefficiency and excessive judicial involvement. Amendments to the Arbitration and Conciliation Act, 1996, have sought to improve timelines, encourage institutional arbitration and reinforce the principle of limited court intervention. These developments represent a broader effort to create a dispute resolution framework capable of supporting India's expanding commercial activity and participation in cross-border transactions.

However, the effectiveness of arbitration depends not only on the strength of the legal framework but also on how consistently it operates in practice. The survey indicates that arbitration users continue to encounter challenges relating to enforcement, judicial intervention, procedural delays and cost management. These concerns are significant because the commercial value of arbitration is ultimately determined by the ability to secure timely and enforceable outcomes.

The enforceability of arbitral awards remains central to user confidence. An arbitral award achieves its intended purpose only when it can be effectively implemented. While arbitration offers parties a private and flexible dispute resolution mechanism, delays in enforcement can reduce its practical advantages and affect confidence in the process. This challenge becomes more complex in cross-border disputes, where differences in legal systems, procedural requirements and enforcement approaches can influence outcomes. Strengthening the reliability and consistency of enforcement will therefore be essential for India's ambition of becoming a preferred arbitration jurisdiction.

Judicial oversight remains an essential component of arbitration.

Courts play a critical role in matters such as the appointment of arbitrators, interim relief, and the review of arbitral awards, within the limits prescribed by law.

However, uncertainty regarding the scope and timing of judicial intervention can affect the efficiency and autonomy of arbitral proceedings. The survey reflects this concern, with 28% of respondents identifying judicial intervention as a significant challenge. For arbitration to function effectively, judicial involvement must remain supportive of the arbitral process while preserving party autonomy.

The survey also underscores the importance of the choice of arbitrator, with 96% of respondents considering the selection of an arbitrator to be important. This highlights the continuing significance of party autonomy and confidence in the expertise, independence and suitability of arbitrators in determining the effectiveness of arbitral proceedings.

Procedural efficiency continues to shape user expectations. Arbitration is often selected because parties seek a faster and more predictable alternative to litigation, yet prolonged proceedings can reduce these advantages. The survey indicates that 73% of respondents have adopted shorter procedural timelines to address delays, demonstrating a proactive effort by users to improve efficiency. This trend places greater importance on effective case management, early identification of issues and proportionate approaches to evidence and hearings.

Cost management remains closely connected to procedural efficiency. The survey identifies hearings as the most cost-intensive stage of arbitration, with 43% of respondents selecting this phase as the primary source of cost escalation. Hearings involve substantial expenditure on arbitrator fees, legal preparation, witness examination, expert testimony and logistical arrangements. Discovery and evidence gathering represent another significant cost area, with 41% of respondents identifying this phase as highly resource intensive. As commercial disputes become increasingly complex and document-heavy, efficient management of evidence has become critical to controlling both cost and duration.

For businesses, these findings have practical consequences for how arbitration clauses are drafted and disputes are managed. Effective dispute resolution planning begins at the contractual stage, where parties must consider factors such as institutional selection, procedural rules, timelines and mechanisms for efficient case management. During proceedings, tribunals and counsel will increasingly need to adopt proactive approaches towards issue identification, evidence management and procedural planning to balance efficiency with fairness.

The survey also highlights the sectors that are likely to generate significant arbitration activity as India's economy and infrastructure landscape continues to evolve. In the context of energy transition, respondents identified conventional oil,

gas and power generation, transmission and supply sectors most likely to give rise to disputes, with each accounting for 44% of the responses, while renewables accounted for 11%. Infrastructure continues to be a major source of arbitration, with highways and road projects accounting for 52% of responses, followed by urban infrastructure at 23%. The mining sector also reflects the increasing complexity of disputes, with bilateral investment treaty claims involving international coal mines as the leading category at 44%. These findings suggest that arbitration in India will increasingly be shaped by disputes arising from energy, infrastructure and natural resources, particularly as investment, regulatory changes and large-scale development projects create new areas of commercial and investment risk.

The survey also reflects the expanding role of arbitration experts and expert witnesses in modern dispute resolution. The findings indicate a strong perception of this evolution, with 78% of respondents stating that the role of arbitration experts has increased significantly in recent years. As disputes become more technical and sector-specific, expert evidence has become increasingly central to arbitration proceedings. Experts are now involved not only in presenting evidence but also in assisting with case strategy, valuation analysis and interpretation of specialized issues before tribunals. The wider adoption of remote hearings and digital documentation has further enabled expert participation across jurisdictions.

The findings point towards a maturing arbitration ecosystem, where users are not only seeking access to arbitration but also demanding greater efficiency, reliability and institutional support. India has made considerable progress in developing an arbitration-friendly framework; the next stage will depend on improving implementation, strengthening institutional capability, and ensuring that the system consistently delivers outcomes aligned with commercial expectations. This evolution also explains the growing importance of arbitral institutions and their role in shaping the future direction of dispute resolution in India.

Arbitration timeline

1899

Indian Arbitration Act

1937

The Arbitration Protocol and
Convention Act

1940

The Arbitration Act

1961

The Foreign Awards (Recognition
and Enforcement) Act

1996

The Arbitration and Conciliation Act

2015

The Arbitration and Conciliation
(Amendment) Act

2019

The Arbitration and Conciliation
(Amendment) Act

2021

The Arbitration and Conciliation
(Amendment) Act



Section

02

Trends and scope



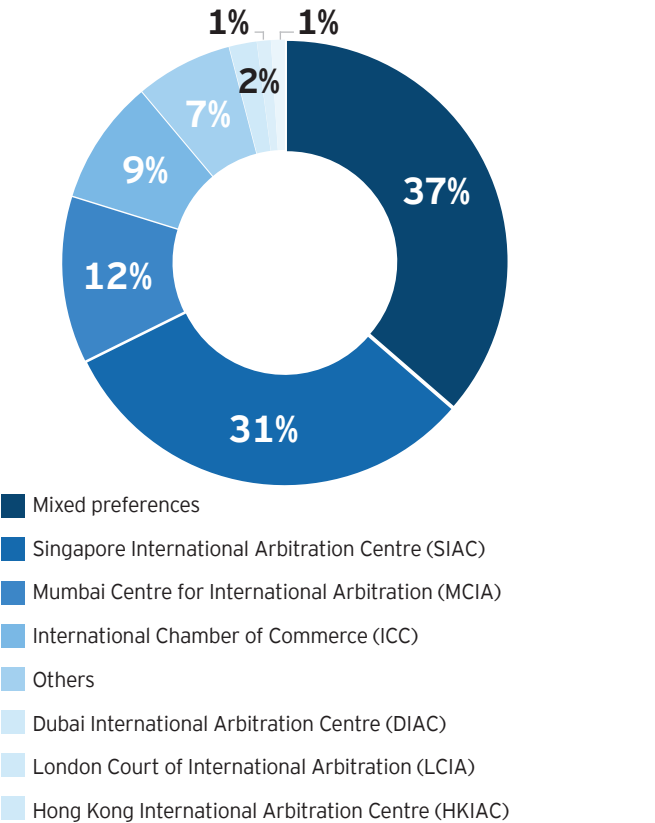
India's arbitration ecosystem is moving towards greater institutionalization, with users placing greater emphasis on credibility, administrative support and the overall quality of dispute resolution processes. The survey findings indicate that arbitration users are moving beyond traditional preferences for ad hoc mechanisms and are prioritizing frameworks that provide structured rules, procedural certainty and flexibility. This preference is evident in the fact that 72% of respondents favor institutional and hybrid ADR mechanisms.

The importance of institutional arbitration lies in the role institutions play beyond administering proceedings. In complex commercial disputes, parties evaluate institutions based on the quality of case management, procedural support, arbitrator networks and their ability to deliver predictable outcomes. As India seeks to strengthen its position in global arbitration, the capacity of arbitral institutions to provide efficient and reliable administration will remain a key determinant of user confidence.

**Preferred arbitration institutions:
international and domestic trends**

International institutions continue to remain prominent in cross-border commercial disputes due to their established procedures, global recognition and experience in managing complex matters. The survey findings indicate a strong preference for internationally recognized institutions, with SIAC emerging as the most preferred institution among respondents at 31%, followed by the ICC at 9%.

Preference around international arbitration institution



The preference for institutions such as SIAC reflects the importance parties place on neutrality, procedural efficiency and confidence in institutional administration. SIAC's position also reflects the wider growth of Asia as a center for international arbitration, supported by its experience in handling cross-border disputes and its focus on streamlined case management.

The survey also highlights the importance of neutrality and impartiality in institutional selection, with 33% of respondents identifying the neutrality and impartiality of the arbitrator as an important consideration when choosing an arbitral institution.

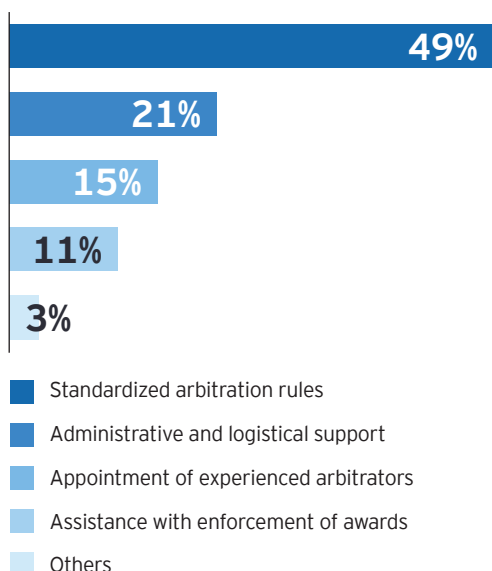
For Indian parties engaged in international transactions, established foreign institutions continue to offer familiarity and confidence, particularly where parties require a neutral forum and internationally recognized processes. However, this preference does not diminish the relevance of domestic institutions. Instead, it highlights the importance of developing Indian institutions that can offer comparable levels of professionalism, efficiency and user confidence.

The survey indicates growing recognition of domestic institutions, with the Mumbai Centre for International Arbitration (MCIA) preferred by 12% of respondents. The development of institutions such as MCIA and the establishment of the India International Arbitration Centre (IIAC) represent important steps towards strengthening India's domestic arbitration infrastructure. These initiatives support the broader objective of creating institutions capable of administering complex commercial disputes through structured processes and professional case management.

The growth of domestic institutions should therefore be viewed as an expansion of choice rather than a replacement for international centers. As Indian institutions continue to develop their processes, arbitrator networks and global engagement, they could gradually expand their role in domestic disputes and certain cross-border matters.

Why institutional arbitration dominates

Most significant benefit of using institutional arbitration



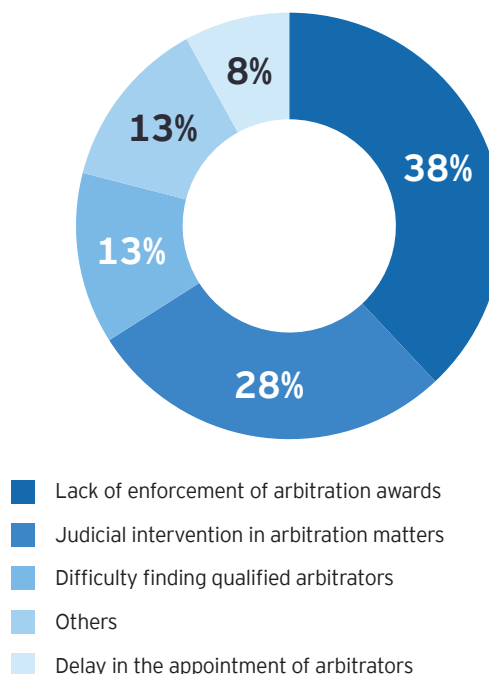
The preference for institutional arbitration is closely connected to the need for consistency and procedural support. The survey shows that 52% of respondents identify standardization and institutional support as the most significant benefit of institutional arbitration. Unlike ad hoc arbitration, institutional mechanisms provide established rules, administrative assistance and structured procedures that help reduce uncertainty during proceedings.

For businesses, these features are particularly valuable in disputes involving multiple parties, technical complexity, or cross-border elements. Institutional frameworks provide greater clarity around tribunal appointments, procedural timelines, communication channels and case administration. These factors directly influence whether arbitration is viewed as a dependable alternative to litigation.

The role of institutions has also expanded beyond procedural administration. Arbitration users now assess institutions based on responsiveness, quality of support and their ability to manage proceedings effectively. This has placed greater importance on the quality of administrative support and case management provided by institutions, rather than the legal framework governing the process.

Performance assessment of arbitral institutions

Challenges faced when dealing with arbitration under the Indian law



The survey findings show that users place significant importance on the practical functioning of arbitral institutions. Case management quality has emerged as an important measure of institutional performance, with respondents identifying the competence and expertise of case managers as the most important factor (42%). Communication was identified by 26% of respondents, while 21% prioritized the ability to achieve objectives efficiently. The purpose of vesting courts with certain powers under Sections 8 and 11 of the Arbitration Act is to facilitate and enable arbitration as well as to ensure that parties comply with arbitration agreements*.

These findings demonstrate that institutional effectiveness depends not only on procedural rules but also on the quality of administration supporting the arbitration process. Skilled case managers, effective communication and proactive procedural coordination can significantly influence efficiency and overall experience of proceedings.

*Interplay Between Arbitration Agreements Under the Arbitration and Conciliation Act 1996 and the Indian Stamp Act 1899



Efficiency and transparency gaps

Despite the preference for institutional arbitration, efficiency remains an area requiring continued attention. Respondents identified efficiency and transparency as key areas where arbitral institutions need to improve their services. This indicates that users expect institutions not only to provide established frameworks but also to actively contribute towards effective dispute management.

Speed remains an important consideration, particularly when arbitration is compared with traditional litigation. However, efficiency cannot be measured only by shorter timelines. Effective arbitration requires balancing procedural speed with adequate opportunity for parties to present their cases and ensuring that complex disputes receive appropriate consideration.

Transparency presents a more nuanced challenge. While institutions have increased publication of procedural information and statistics, arbitration continues to operate within a framework where confidentiality remains an important feature. The challenge for institutions will be to provide greater visibility into their processes while preserving the confidentiality and flexibility that make arbitration attractive.

Cost and diversity considerations

Cost continues to influence perceptions of institutional arbitration. While respondents recognize the value of institutional support, concerns remain around the overall expense of arbitration proceedings. These concerns are consistent with broader survey findings identifying hearings and evidence gathering as the most cost-intensive phases of arbitration.

Diversity in arbitrator appointments is another area receiving greater attention, although it remains secondary to efficiency and cost considerations among respondents. A wider pool of arbitrators with diverse professional backgrounds can contribute to broader expertise and greater confidence in arbitral proceedings. However, for most users, immediate priorities continue to center around predictable timelines, effective administration and cost management.

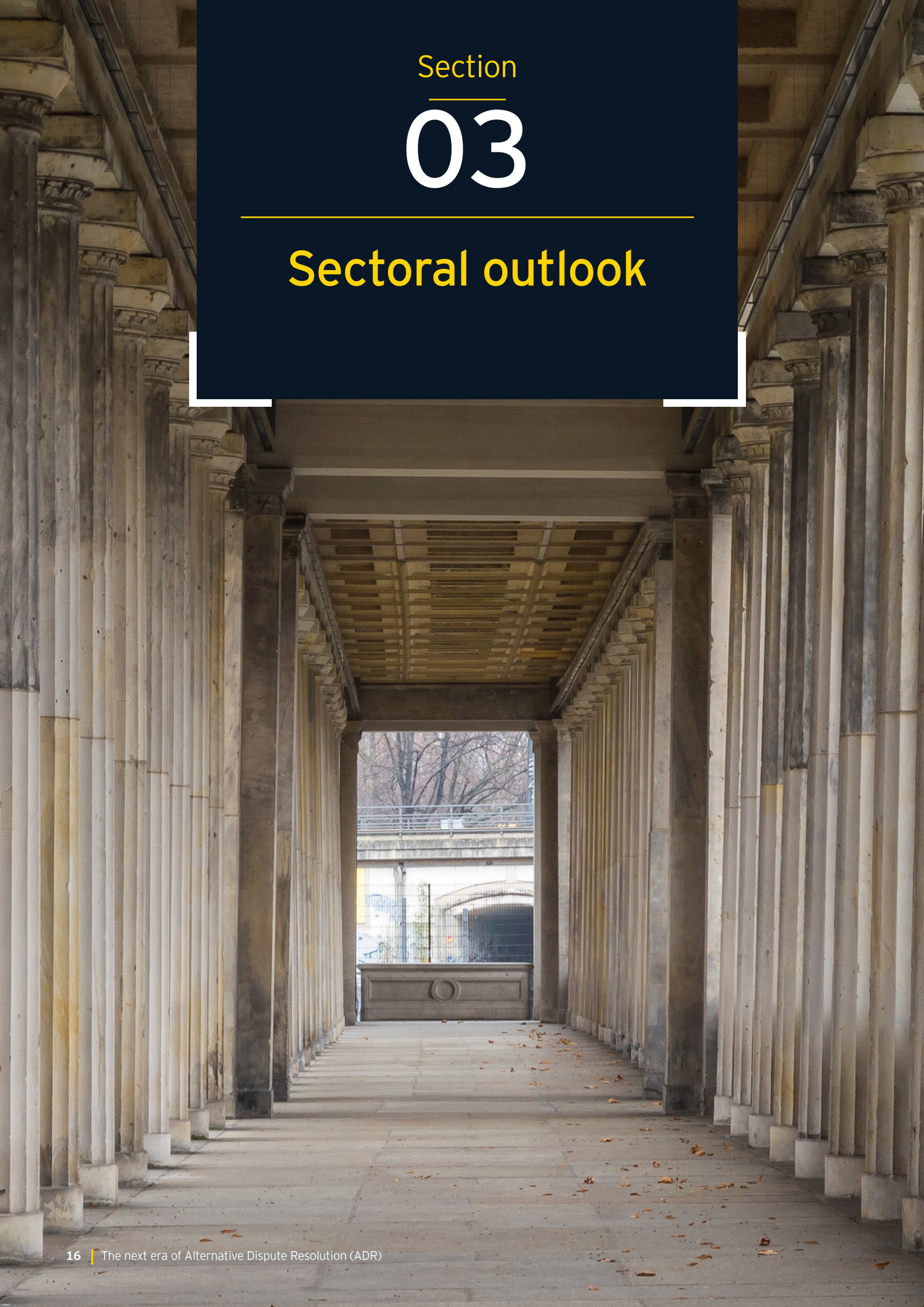
The emerging trend: arbitration users are placing greater value on institutions that can combine procedural credibility with effective administration. For India, the next phase of institutional development will depend not only on expanding the availability of arbitration institutions but also on ensuring that they deliver the quality, consistency and user experience expected by domestic and international parties.

67%

say the choice of arbitrator(s) is **EXTREMELY IMPORTANT** in influencing dispute outcome

78%

say the role of arbitration experts has **INCREASED SIGNIFICANTLY** in recent times



Section

03

Sectoral outlook

The survey also highlights the sectors that are likely to generate significant arbitration activity as India's economy and infrastructure landscape continues to evolve.

Infrastructure & Construction

Infrastructure disputes can involve significant contractual, operational and technical complexity. The survey indicates that delays in handing over projects are the most common source of disputes, identified by 58% of respondents, followed by improper or changed scope of work, identified by 26%.



58%

Delay in handing over/Right of Way

26%

Improper scope/change in scope of project

Despite some challenges, such as handling of complex technical evidence, arbitration offers advantages in resolving infrastructure disputes, particularly where disputes require flexible and efficient procedures. Thirty-two percent of the respondents identified flexibility and efficiency as a key benefit of arbitration in infrastructure disputes.

Infrastructure continues to be major source of arbitration, with highways and road projects accounting to 52% of responses, followed by urban infrastructure at 23%.



Other sectors

In the context of energy transition, respondents identified conventional oil, gas and power generation, transmission and supply sectors as the sectors most likely to give rise to disputes, with each accounting for 44% of the responses, while renewables accounted for 11%.

The mining sector also reflects the increasing complexity of disputes, with bilateral investment treaty claims involving international coal mines as the leading category at 44%. These findings suggest that arbitration in India will increasingly be shaped by disputes arising from energy, infrastructure and natural resources, particularly as investment, regulatory changes and large-scale development projects create new areas of commercial and investment risk.



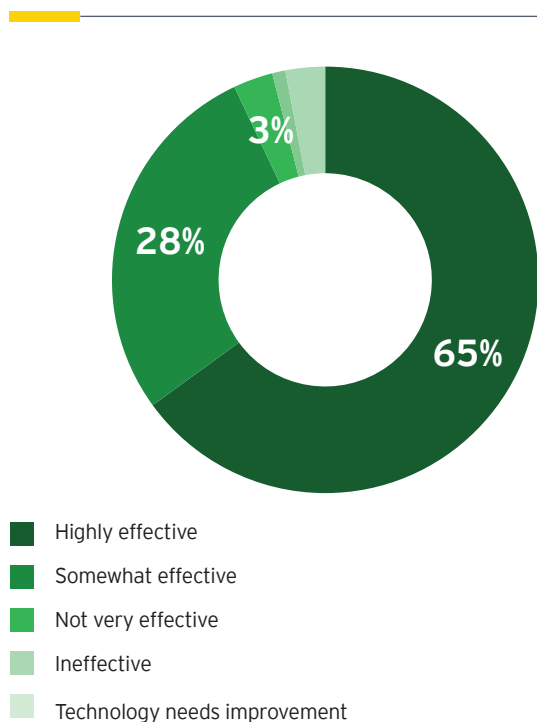
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04

Technology in dispute resolution

The adoption of technology has moved arbitration beyond traditional methods of conducting proceedings. Digital tools are now influencing how disputes are filed, managed, heard and resolved, although the pace of adoption continues to vary across the ecosystem. The survey findings indicate strong acceptance of technology among arbitration users, with 65% of respondents considering technology highly effective in improving arbitration proceedings.

Effective use of technology in arbitration proceedings



Survey findings indicate strong acceptance of technology among arbitration users, with 93% respondents considering technology for improving arbitration proceedings.

The growing use of digital tools reflects changing expectations around efficiency, accessibility and procedural flexibility. Businesses involved in domestic and cross-border disputes increasingly seek processes that can reduce logistical barriers, improve document management and enable effective participation across jurisdictions. At the same time, the survey highlights that technological integration remains at different stages of maturity, with practical challenges relating to skills, infrastructure, cybersecurity and legal clarity continuing to influence implementation.

Remote hearings

Remote hearings have emerged as one of the most significant developments in arbitration practice. The widespread adoption of video conferencing platforms has enabled parties, arbitrators, witnesses and experts to participate from different locations while reducing the logistical burden associated with physical hearing.

37%

say technology reduces hearing time

23%

say technology facilitates better document management

12%

say technology enhances quality of evidence presentation

The survey findings reinforce this trend, with 49% of respondents identifying video conferencing as the most beneficial technology used in arbitration proceedings. Remote hearings have improved accessibility, particularly in cross-border disputes where participants may be located across multiple jurisdictions. They have also contributed to greater flexibility in scheduling and reduced costs associated with travel, venue arrangements and related administrative requirements.

However, the use of remote hearings has also highlighted the importance of maintaining procedural fairness. Issues relating to witness examination, document sharing, confidentiality and reliable connectivity require careful management. The future approach is therefore likely to involve a balanced assessment of the dispute, with parties and institutions selecting hearing formats based on the complexity and requirements of each matter.

Digital documentation and evidence management

Digital documentation and evidence management

The transition towards digital documentation has significantly influenced arbitration processes. Electronic filing systems, digital document repositories and electronic evidence management tools have enabled parties and tribunals to handle large volumes of information more efficiently.

The survey findings indicate that digital documentation is considered a key area where technology contributes to efficiency in arbitration. Electronic document management systems were identified as beneficial by 23% of respondents, while 37% believe technology improves efficiency by reducing hearing time, and 23% associate technology adoption with improved document management.

The benefits of digital documentation are particularly relevant in complex commercial disputes, where evidence management may involve extensive records, technical material and multiple stakeholders. Digital systems can improve accessibility, reduce administrative delays and support better organization of evidence.

However, technological integration does not automatically reduce costs in every situation. The survey indicates that 40% of respondents believe digitization can make arbitration more cost intensive. This reflects the need for appropriate systems, technical support and procedural planning. Without effective implementation, digital tools may add complexity rather than reduce it.

Early signs of AI integration

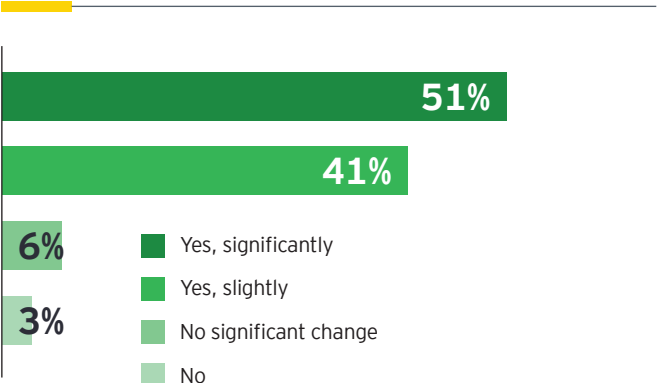
Artificial intelligence is beginning to influence arbitration practice, although its adoption remains at an early stage. Current applications are primarily focused on supporting legal and procedural tasks, including document review, legal research, evidence analysis and information management.

The survey indicates that 92% of respondents believe AI can increase efficiency in arbitration, with necessary guardrails in place. These findings suggest that arbitration professionals recognize the potential value of AI while remaining conscious of issues relating to accuracy, confidentiality, transparency and accountability. Unlike traditional digital tools that primarily improve administrative efficiency, AI introduces additional considerations around professional judgment and decision-making. Its role is therefore likely to remain supportive, assisting legal professionals and tribunals rather than replacing human expertise.

These findings indicate that arbitration professionals recognize the potential value of AI while remaining conscious of issues relating to accuracy, confidentiality, transparency and accountability. Unlike traditional digital tools that primarily improve administrative efficiency, AI introduces additional considerations around professional judgment and decision-making. Its role is therefore likely to remain supportive, assisting legal professionals and tribunals rather than replacing human expertise.

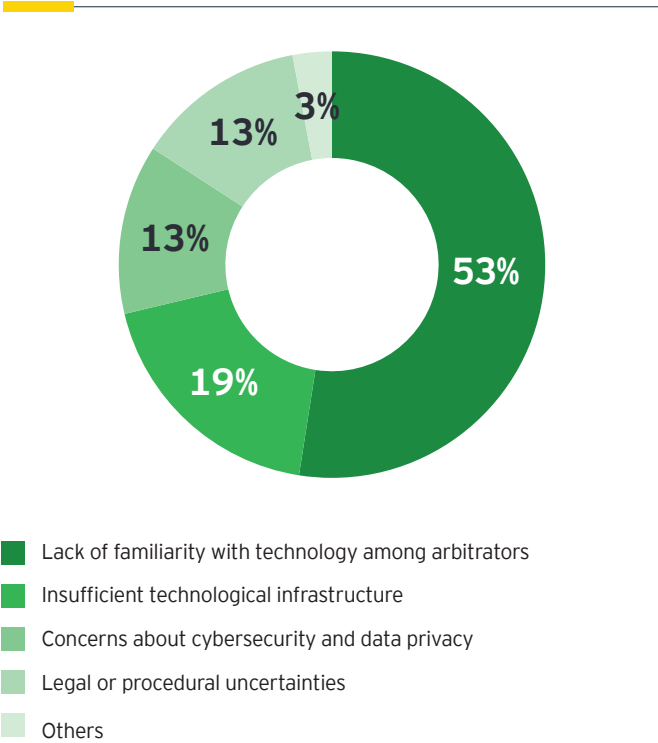
The successful integration of AI into arbitration will depend on responsible implementation, including protection of confidential information, clarity regarding the use of AI-assisted outputs and appropriate safeguards to maintain fairness and accountability.

Do you think augmenting AI can increase efficiency in arbitration proceedings?



Barriers to technology adoption

Barriers to adoption of technology in arbitration



Despite broad recognition of technology’s potential, the survey identifies several challenges affecting wider digital adoption.

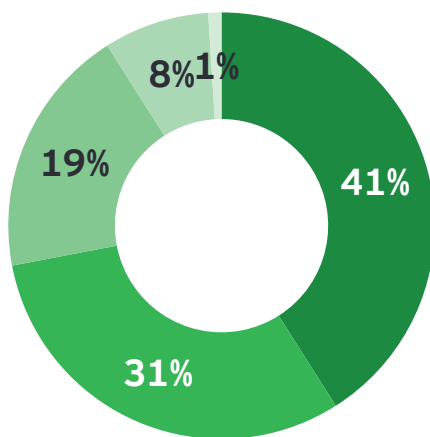
Human capability

Human capability remains one of the most significant barriers to effective technological integration. The survey indicates that 53% of respondents identify a lack of familiarity among arbitrators as the primary obstacle to technology implementation. Additionally, 38% report occasional resistance from arbitrators towards adopting technological solutions.

These findings highlight that successful digital transformation requires more than access to technology. Training, professional development and greater familiarity with digital tools will be essential to ensure that arbitrators, counsel and institutions can use technology effectively. Without adequate skills, the benefits of digital systems may not be fully realized.

Infrastructure and cybersecurity

Willingness to invest in technology for arbitration



- Possibly, if it proves to be cost-effective
- Yes
- Unsure, I need more information on ROI
- No, I do not see the value
- Others

Technology-enabled arbitration also depends on reliable infrastructure and effective cybersecurity measures. Arbitration proceedings involve sensitive commercial information, making data protection a critical consideration. As digital communication and cloud-based platforms become more common, maintaining confidentiality and preventing unauthorized access remain key priorities.

88%

say technology can lead to fairer arbitration but with safeguards

The survey reflects these concerns, with 19% of respondents identifying insufficient technological infrastructure as a barrier and 13% highlighting cybersecurity and data privacy concerns. These challenges are particularly relevant for cross-border disputes, where differing technological standards and regulatory requirements may complicate implementation.

Respondents have a positive view of technology's potential to support fairness in arbitration, with 88% of respondents indicating that technology can contribute to a fairer arbitration process. This demonstrates that users are not resistant to technology itself; rather, they seek greater certainty around its responsible application.

Legal clarity

The absence of clear procedural guidance remains another factor influencing wider technological integration. Questions relating to electronic evidence, cybersecurity safeguards, authentication of digital material and procedural fairness in technology-enabled proceedings continue to evolve.

However, users are not resistant to technology itself; rather, they seek greater certainty around its responsible application.

Technology is no longer viewed merely as an efficiency tool but as an important enabler of modern arbitration. However, its long-term impact will depend on whether institutions and practitioners can combine innovation with appropriate safeguards, skills and procedural certainty. The future of technology-enabled arbitration will therefore be shaped not only by the availability of digital tools but also by the confidence users place in their implementation.



Section

05

The last word

India's arbitration journey has moved beyond the stage of introducing reforms. The focus now is on whether these reforms can deliver consistency, confidence and efficiency expected by businesses and international users. The survey findings indicate a broader shift in how stakeholders perceive alternative dispute resolution mechanisms, with arbitration increasingly recognized as an effective tool for resolving complex commercial disputes. At the same time, the findings highlight that India's future progress will be shaped by how effectively it addresses concerns around enforcement, institutional capability, judicial support and procedural efficiency.

While arbitration remains central to India's ADR framework, the longer-term objective extends beyond arbitration alone. The emerging focus is on creating an integrated dispute resolution ecosystem capable of supporting domestic commerce as well as cross-border transactions. This includes developing stronger arbitration institutions, expanding mediation, improving professional expertise and using technology to make dispute resolution more accessible and efficient.

Reforms required to increase adoption and credibility

India has undertaken significant legal and institutional reforms to improve its arbitration framework. Amendments to the Arbitration and Conciliation Act, 1996, particularly after 2015, have sought to improve procedural efficiency, reduce avoidable judicial intervention and encourage greater reliance on institutional arbitration. These reforms reflect an effort to align India's arbitration framework with internationally recognized practices while addressing concerns that had historically affected confidence in India as an arbitration destination.

The survey findings indicate that awareness of this framework has improved among stakeholders. 77% report they are familiar with the Arbitration and Conciliation Act and subsequent amendments.

However, legislative reform alone cannot determine the success of arbitration. Users assess jurisdictions based on practical outcomes, including the quality of institutions, efficiency of proceedings, enforceability of awards, availability of skilled professionals and consistency of judicial support. The next phase will therefore require translating legal reforms into predictable experiences for businesses.

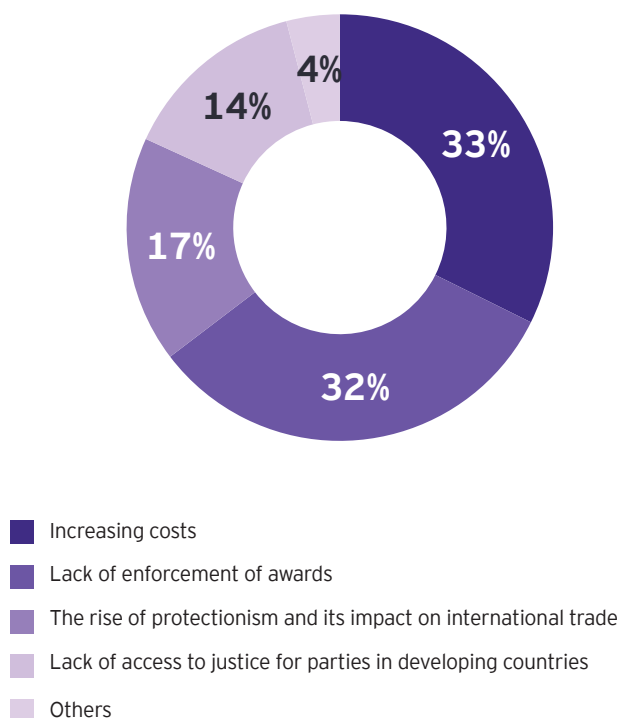
Institutional development will remain an important part of this process. The establishment of the India International Arbitration Centre (IIAC) represents an important step towards promoting institutional arbitration within India by providing structured rules, administrative support and professional case management. Similarly, the policy objective behind the Arbitration Council of India reflects the broader aim of improving institutional standards and encouraging greater professionalism within the arbitration ecosystem. While the

framework surrounding the Council has evolved, the objective of developing credible and capable arbitration institutions remains relevant.

The development of specialized commercial infrastructure, including Gujarat International Finance Tec-City (GIFT City), also reflects India's broader ambition of integrating financial services, investment and dispute resolution capabilities. While these initiatives remain at different stages of development, they demonstrate an effort to create an environment that is more attractive for international businesses and cross-border transactions.

Strengthening enforceability mechanisms

Primary concern regarding the future of international arbitration



Enforcement remains one of the most important factors determining confidence in arbitration. The survey findings highlight this concern, with 38% of respondents identifying the lack of enforcement of arbitral awards as a key challenge. Cross-jurisdictional enforcement also remains a concern, with respondents reporting difficulties in implementing awards across different legal systems.

The credibility of arbitration depends not only on obtaining an award but also on ensuring that the award produces an effective outcome. Although India has a legal framework supporting enforcement, practical challenges relating to delays, procedural complexity and inconsistent experiences continue to influence perceptions.

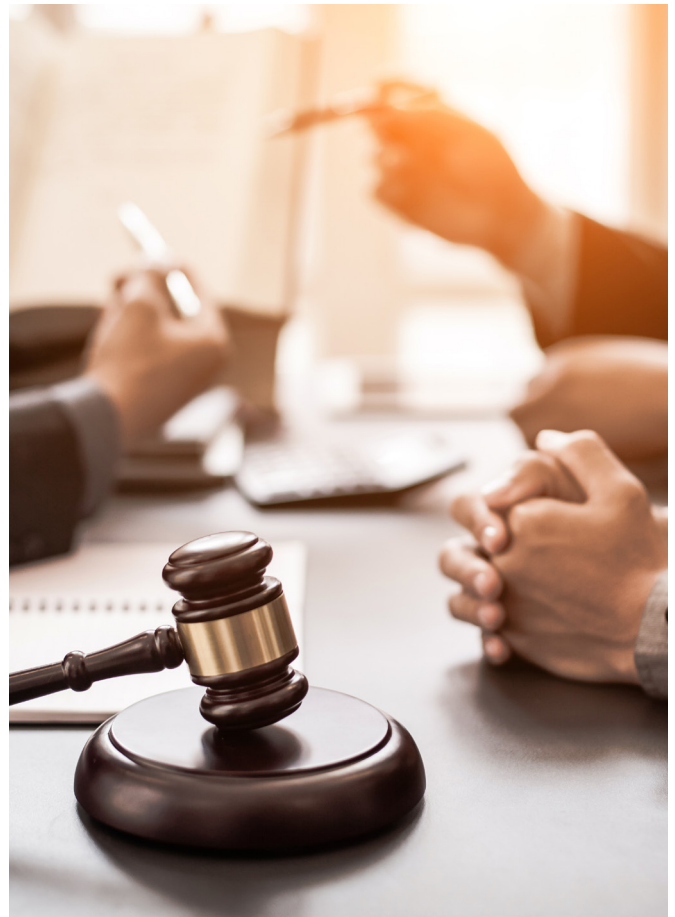
Improving enforcement requires coordinated efforts among courts, institutions and practitioners. Greater predictability in enforcement proceedings, efficient handling of applications and continued alignment with international practices will be essential to improving confidence among domestic and international users.

Building professional capacity through training and accreditation

The evolution of arbitration has also increased the importance of specialized professional expertise. The survey indicates that 78% of respondents believe the role of arbitration experts has increased significantly in recent years. This reflects the growing complexity of commercial disputes, particularly in sectors involving technical, financial and industry-specific issues.

The quality of arbitrators, expert witnesses and mediators will increasingly influence the effectiveness of dispute resolution processes. Respondents also identified challenges in accessing qualified professionals, highlighting the need for greater investment in training, accreditation and specialized expertise.

Building a strong professional ecosystem will require continuous development of arbitrators, mediators, experts and case managers. Sector-specific knowledge, ethical standards and exposure to international practices will be important in improving consistency and enhancing India's competitiveness.



Judicial support and institutional confidence

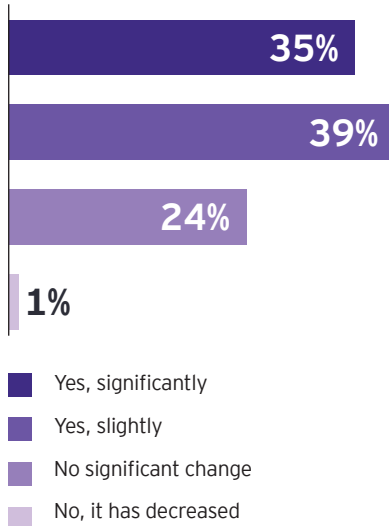
The judiciary continues to play an important role in supporting arbitration. Courts provide essential assistance in areas such as interim measures, enforcement and addressing procedural issues. At the same time, maintaining a balance between judicial oversight and party autonomy remains important for preserving arbitration's efficiency.

The survey reflects this balance, with 28% of respondents identifying judicial intervention as a challenge. The objective is not to eliminate judicial involvement, but to ensure that court intervention remains focused, predictable and supportive of the arbitral process.

Recent judicial developments indicate a greater emphasis on respecting party autonomy and facilitating arbitration. Continued consistency in judicial approaches will remain important in improving user confidence and India's credibility as an arbitration destination.

Outlook for arbitration and ADR in India

Have you observed an increase in the use of mediation as a pre-arbitration or pre-litigation process?



The future of India's dispute resolution ecosystem will increasingly involve the combined growth of arbitration, mediation and technology-enabled mechanisms. Arbitration will continue to remain important for high-value and complex commercial disputes, particularly as India's economy expands across infrastructure, energy, technology, manufacturing and financial services.

At the same time, India's ADR landscape is no longer limited to arbitration. The Mediation Act, 2023 represents a significant development by providing a statutory framework for mediation and providing statutory recognition to mediated settlement agreements. The legislation creates an opportunity for mediation to become a more prominent part of commercial dispute resolution by encouraging consensual outcomes and preserving business relationships.

This development aligns with changing user preferences. The survey indicates that institutional and hybrid ADR mechanisms together account for 72% of stakeholder preferences, reflecting growing acceptance of flexible approaches that combine different dispute resolution processes.

Technology will further influence this evolution. Remote hearings, digital documentation and online dispute resolution mechanisms have demonstrated how technology can improve accessibility and reduce transaction costs. Online dispute resolution, in particular, may provide significant opportunities for resolving lower-value commercial and consumer disputes efficiently.

Future of arbitration in India

41%

are very optimistic

32%

are cautiously optimistic

What must change for India to realize global hub ambitions

India's ambition of becoming a leading arbitration and ADR destination will ultimately be measured by the experience of users. International businesses consider factors such as institutional credibility, enforceability of outcomes, quality of professionals, efficiency of proceedings and reliability of judicial support when selecting dispute resolution jurisdictions.

The survey reflects optimism regarding India's future as an arbitration destination with 41% of respondents expressing strong optimism about the future of arbitration in India in light of the government's focus on establishing the country as a global arbitration hub. Findings demonstrate that the foundation for growth exists. Stakeholders recognize the progress made, but they also identify areas requiring continued attention. Addressing enforcement challenges, developing institutional capability, expanding professional expertise and improving technological readiness will be essential.

The opportunity before India is not merely to increase the use of arbitration, but to build a dispute resolution ecosystem that businesses can rely upon for efficiency, neutrality and certainty. Arbitration is expected to remain central to resolving complex disputes, while mediation and hybrid mechanisms are likely to gain wider acceptance as businesses seek efficient and relationship-preserving solutions. If it can convert legal reform into consistent user experience, it will be better positioned to establish itself as a credible and competitive ADR jurisdiction.



Survey Methodology

This report incorporates insights gathered through a survey of legal, corporate and government professionals to understand perspectives on investigation readiness, emerging risks, and evolving expectations within the investigations landscape.

A total of 125 respondents participated in the survey that was conducted across a 10-month period, from April 2025 to January 2026. The respondent base was predominantly located in India (92%), with a smaller representation from Europe, the Middle East, the United States, and other regions. The survey report, therefore, primarily reflects the views and experiences of professionals operating within the Indian business and regulatory environment.

Among respondents who provided information regarding their practice jurisdiction, 81% indicated that they primarily practise in India. This reinforces the report's focus on the opportunities, challenges and emerging trends shaping India's ADR ecosystem, while also incorporating perspectives from professionals with exposure to international markets and cross-border disputes.

Respondents represented a diverse mix of professional backgrounds. External counsel constituted the largest respondent group (42%), followed by corporate executives (37%), in-house counsel (17%) and government representatives (4%). This blend of perspectives enables the report to capture insights from legal practitioners, corporate decision-makers and public-sector stakeholders engaged in dispute resolution processes.

The survey findings presented throughout this report should be viewed as directional insights into current market sentiment, priorities and expectations relating to arbitration and ADR in India. They are intended to complement the legal, regulatory and industry analysis contained in the report and provide a practical perspective on how key stakeholders view the future of dispute resolution.

Note: Percentages may not always total 100 due to rounding and non-responses to certain demographic questions.

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