News

AI-based settlement of cheque bounce cases is feasible: Chandrachud, Ex-CJI

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Justice DY Chandrachud, who was the Chief Justice of India, said on Saturday that because of the large number of them and their business-like nature, AI could be used to decide certain types of cases, like disputes over dishonoured cheques. He said that trying this could make the courts work through their backlogs without losing fairness.

He gave a keynote speech on technology, constitutionalism, and the future of dispute resolution at the IBA Litigation and ADR Symposium session called *"The benefits and impact of artificial intelligence on dispute resolution— is India's Grand Trunk Road warning 'speed thrills but kills' at all relevant in this context?"*

Carlo Portatadino from Tombari D'Angelo e Associati, Milan, who is also the co-chair of the IBA Litigation Committee, led the meeting. Jayant Mehta, Senior Advocate (New Delhi), Mahesh Rai of Drew & Napier (Singapore), and Professor Tania Sourdin, Professor Emerita, University of Newcastle, Australia were on the group.

Justice Chandrachud said that India needs to know the difference between the areas where AI can speed up the decision-making process and the ones where people need to be in charge. With that in mind, he noted that there are a huge number of cheque bounce cases still waiting to be heard in India's magistrate courts, and he suggested that an AI-enabled court system could be used to help settle these kinds of issues.

Justice Chandrachud noted, "Cheque-bounce cases, for example, are one of the largest groups of cases that are still pending in India.*" He went on to say that it might be possible to think about automating the resolution of disputes in which* "the outcomes don't have a very big effect on basic or fundamental human rights."

The comment was made after someone asked about places like the UAE that have moved traffic violations, small claims, and dishonored check cases completely to AI-based systems. Justice Chandrachud said that India has gone through automation itself, as Delhi's virtual courts took over normal traffic cases that were previously dealt with by many judges.

That reallocation, he said, allowed judicial officers to focus on issues demanding meaningful adjudication. A similar method, he suggested, could be extended to cheque dishonour litigation, noting that the nature of such disputes lends itself to standardised settlement.

However, Justice Chandrachud warned that housing and rent control litigation must remain under human supervision given the risk of eviction or displacement of vulnerable tenants. He also named car accident compensation claims as a space where AI could be introduced optionally — binding insurers while giving victims the choice to accept an instant award or seek judicial adjudication.

The former CJI tied these ideas back to the symposium's framing, noting that efficiency is increasingly a constitutional value but cannot be allowed to eclipse access and justice. India's focus on maximal procedural guarantees and access to justice had, he said, sometimes created a system unable to deliver results in time.

Picking up the efficiency theme from the panel discussion, Justice Chandrachud agreed that "efficiency must itself also be a constitutional value", warning that if justice administration is not efficient, "then the danger is that, you know, you are not giving timely justice to those who need it the most." He said this was the "great danger" he felt the system now faced, noting that "we have virtually rendered our court system dysfunctional" in an eagerness to allow for the fullest access to justice and the widest procedural rights.

At some point, he said, *"we have to balance the two" and "allow for some degree of injustice within the system, so as to make the system overall efficient,"* cautioning that otherwise, "in our effort to correct every error, there is a danger that we render every court dysfunctional."

Justice Chandrachud also pondered on how AI will reshape the legal profession, describing it as a disruptor that will require resilience from lawyers and adjudicators. While acknowledging worries over replacement of some traditional functions, he characterised the shift as a form of creative disruption that can expand access and ease judges of repetitive burdens if safeguards are properly designed.

> *Ultimately, he stressed the need for explainable AI systems that allow contestation, safeguard dignity and improve rather than replace judgment. Technology, he said, must remain a means to accelerate justice, not a substitute for its ideals.*