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ARTIFICIAL INTELLIGENCE AND LEGAL RESEARCH: THE PROBLEM OF AI-HALLUCINATED CASE LAW AND ITS IMPLICATIONS FOR THE ADMINISTRATION OF JUSTICE IN INDIA

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LIST OF ABBREVIATIONS

1. Main Abbreviation

Abbreviation	Full Form
AAAI	Association for the Advancement of Artificial Intelligence
ABA	American Bar Association
AI	Artificial Intelligence
CCTV	Closed-Circuit Television
CJI	Chief Justice of India
EIL	Essel Infraprojects Limited
IAAIL	International Association of Artificial Intelligence and Law
IBC	Insolvency and Bankruptcy Code
IRP	Interim Resolution Professional
IT Act	Information Technology Act
IT Rules	Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules
LegRAA	Legal Research Analysis Assistant
LISP	List Processing
LLM	Large Language Model

NCLAT	National Company Law Appellate Tribunal
NCLT	National Company Law Tribunal
NLP	Natural Language Processing
NPA	Non-Performing Asset

Abbreviation	Full Form
PIUDCL	Pan India Utilities Distribution Company Limited
SBI	State Bank of India
SGI	Synthetically Generated Information
SUPACE	Supreme Court Portal for Assistance in Court Efficiency
SUVAS	Supreme Court Vidhik Anuvaad Software

2. Abbreviations Used in Legal Citations

Abbreviation	Meaning
Anr	Another
art	Article
ch	Chapter
DLT	Delhi Law Times
ibid	Ibidem (in the same place)
INSC	Identifier used in Indian Supreme Court neutral citations
Ltd	Limited
n	Footnote
No	Number
s / ss	Section / sections
SC	Supreme Court
SCC	Supreme Court Cases

UK	United Kingdom
US	United States
v	Versus

LIST OF CASES

A. Cases Discussed in the Main Analysis

No	Full Case Name	Citation
1	<i>Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd and Anr</i>	Civil Appeal No 11950 of 2025; 2026 INSC 668; judgment dated 2 July 2026
2	<i>Kesavananda Bharati v State of Kerala</i>	(1973) 4 SCC 225
3	<i>Ved Parkash Kharbanda v Vimal Bindal</i>	198 (2013) DLT 555
4	<i>Justice KS Puttaswamy v Union of India</i>	(2017) 10 SCC 1
5	<i>Shreya Singhal v Union of India</i>	(2015) 5 SCC 1

B. Cases Discussed in the Analysis of Allegedly Fabricated or Incorrectly Cited Precedents

No	Full Case Name	Citation
6	<i>State Bank of India v Shree Ram Urban Infrastructure Ltd</i>	2020 SCC OnLine SC 341
7	<i>M Subramaniam v S Janaki</i>	Citation not provided
8	<i>Everest Kento Cylinders Ltd v Union of India</i>	(2015) 2 SCC 1
9	<i>ICICI Bank Ltd v Urban Infrastructure Real Estate Ltd</i>	(2019) 16 SCC 528
10	<i>VS Dempo and Co Ltd v Reliance Communications Ltd</i>	(2021) 10 SCC 176
11	<i>Canara Bank v NG Subbaraya Setty and Anr</i>	(2018) 16 SCC 228
12	<i>Sarbjit Singh v Union Bank of India</i>	(2022) 7 SCC 464

ABSTRACT

The rapid adoption of generative artificial intelligence in legal research has brought with it a new and serious risk: the production of ‘hallucinated’ authorities, that is, case citations, quotations and legal propositions that appear authentic but do not exist. This study examines that risk in the Indian context through the decision of the Supreme Court of India in *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd*, in which the orders of the National Company Law Tribunal and the National Company Law Appellate Tribunal were set aside because they relied on fabricated or misattributed precedents.

Using a doctrinal methodology, the paper explains the nature of legal research, the sources of law and the doctrine of judicial precedent under Article 141 of the Constitution of India, and then considers why generative AI systems produce false legal information. It evaluates the White Paper on Artificial Intelligence and Judiciary issued by the Supreme Court of India, the Draft Regulations for Use of Artificial Intelligence (AI) in Courts, 2026, the duties of advocates and judges to verify legal authorities, and the existing statutory framework that touches on AI in India.

The paper argues that AI must be treated as an aid to legal research and never as a source of law, and that responsibility for accuracy remains with the advocate and the court. It concludes with recommendations on compulsory verification of authorities, professional guidelines, human supervision, training, confidentiality and accountability.

Keywords: Artificial Intelligence, AI Hallucination, Fake Citations, Judicial Precedent, Legal Research, Professional Responsibility, Human Oversight, *Pooja Ramesh Singh*.

LITERATURE REVIEW

The existing research related to AI in legal research can be reviewed from three interrelated perspectives. The first is a new potential perspective of using AI to enhance legal research and access to the legal resources. Secondly, the viewpoint evaluates and assesses the authenticity of the materials generated by AI and the significance of the judicial precedent. Third, the perspective deals with professional accountability, human involvement and the necessity to develop the proper regulation in this field. The law in India has implications that the following viewpoints should be covered:

The attitude towards the significance of AI for legwork research is dependent on the articles published on iPleaders and Microsoft together with the University of California at Berkeley. In the sources, there is information related to the potentialities of artificial intelligence and generative AI. The sources say the artificial intelligence can be applied by Attorneys to researching, analyzing and summarizing the cases and finding relevant authority decisions. Teng Hu and Huafeng Lu explore how Artificial intelligence has affected the legal profession, and how the profession has developed with the technological advancement they review in their research.

The second is more related to the validity of data that can be derived from AI and its impact on legal research. The data provided by GeeksforGeeks, Haqq AI, in this case the article AI Legal Hallucination Audit, has an appearance of credibility but in reality is false, particularly when it comes to the citations and imaginary legal authorities that it offers. Another paper that talks about the strengths and weaknesses of language models and illustrates their mechanisms is “Why Language Models Hallucinate” by Adam Tauman Kalai, Ofir Nachum, Santosh S. Vempala and Edwin Zhang. From all these there is no guarantee of credibility of AI-generated information even if it might look credible. Materials covered in iPleaders' web portal for the use of AI in Legal Research operate in the same category.

Some literature, on the other hand, discusses things such as the importance of legal research, hierarchy of sources of the law and the doctrine of judicial precedents. For example, online resources such as FindLaw, Manupatra Academy, Thomson Reuters Legal, Cornell University Law School provide detailed explanation on necessity of locating authoritative law sources as well

as primary and secondary sources of law. Within the context of judges' rules and judicial precedent, the video 'stare decisis' of ILMS Academy mentions the significance of uniformity and harmony of judicial decisions. In the case of AI-driven legal research, incorrect lawyers and misinterpretation of decisions could invalidate the whole legal argument.

The fourth view is on the role of advocates and courts holding the judicial processes together. As per the Rules made by Bar Council of India on the duty of an advocate towards the court, aside from other resources like LawHelpline, Lloyd Law College, iPleaders and LiveLaw, it is the professional responsibility of the advocates to put forward the truth and substantiate the court devoid of misleading the court. Also, per article published by R.K. Dewan & Co., on verification, it is vital that the information given is accurate during formal legal discussions. All of these sources inform you whether the use of AI means the advocate is absolved from any wrong reasons or conclusions on the law.

The fifth perspective explores the way the Indian judiciary responds to the use of AI in its operations. The White Paper on Artificial Intelligence and Judiciary by the Supreme Court of India highlights the chances and dangers involved in the adoption of AI technology in judicial procedures. The points of interest here are the necessity of human judgment, institutional control and the responsible use of technologies. The Draft Regulations for Use of Artificial Intelligence (AI) in Courts, 2026 by the Supreme Court of India aims at responsible use of AI technology, checking of the verification of information, and submission of personal accountability for the use of AI software. The growing importance of AI technology in the legal field and in legal operations is the subject of the publication of sources by Drishti Judiciary and Oxford University Tech and Justice. In conclusion, all these sources converge on the key concern which is to balance technology efficiency with accuracy and independence, fairness.

Indian Kanoon, Aarna Law, CaseMine and the International Journal of Law, Legal Studies and Research dissects the case of Pooja Ramesh Singh v. Jammu and Kashmir Bank Ltd. & Anr. which is an important judicial opinion on implications of fake legal references. This case highlights the critical role of using unverified or hallucinated precedents in judicial decisions and underscores the importance of oversight from humans over the content produced by AI. Furthermore, the

University of Law (and SLSA) has published an article titled "The Future of Law: The Essential Role of Human Oversight in AI-Driven Decision-Making" that touches on the need for human oversight to guarantee AI accuracy, fairness, and transparency.

The final class of materials questions whether the existing legal setting is suitable to solve issues that can arise regarding AI. However, the papers from Servient, Lexitas Legal and Plaintiff Magazine address issues related to professional responsibility, possible indicators of an excessive use of artificial intelligence in legal practice and the validation of legal information. There is a paper which addresses the above issues titled 'Artificial Intelligence and Legal Accountability in India: A Socio-Legal Perspective on Emerging Regulatory Challenges' by Joylin Jacob, Ancy Dorshia and Aalan Joe Edwin. Aside the materials put out by CMS and Supreme Court Observer there is the list of the materials that make on the need for the specific regulation of the usage of AI in the Indian context.

Clearly, there is a literature gap in this aspect because existing literature relates to the positive aspect of AI, the concern on hallucination aspect, and the regulation of AI during the process of experiments. However, these questions must be looked into as a single complex with reference to the Indian law. In particular, the relationship of artificial precedent and judicial precedent doctrine, the obligations of lawyers and the independence of judges need greater attention. The present research will contribute to filling the literature gap since it will take a look at the case of Pooja Ramesh Singh in the context of present Legal Regulation and its application to AI in legal research.

CHAPTER I – INTRODUCTION

1.1 Background of the Study

Artificial Intelligence (AI) is revolutionizing the legal practice. AI systems have become a valuable ally in legal research, case law, summarizing judicial decisions, preparing legal documents, and providing general legal support.

Currently, there are many legal technologies involving AI, such as legal research, case law, summarization of judicial orders, document preparation, and legal assistance in general. But aside from all these beneficial uses of artificial intelligence technology there's one major issue that needs to be solved — AI hallucinations. At times, AI produces information that seems to be completely valid but turns out to be false. They can range from non-existent case laws to fake citations, fake quotes and even fake judgements. This is no more a theoretical question!

In *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd*, the Supreme Court dealt with a case in which the tribunals had relied on non-existent case laws created using Artificial Intelligence. The decisions have been annulled by the Supreme Court, which has pointed out that, even though AI can help in the process of judicial decision-making, it cannot take the place of human intellect.¹

Considering all the above, the purpose of the present research is to examine the nature of the relationship between legal research with the use of artificial intelligence and key concepts in jurisprudence.

1.2 Meaning of Artificial Intelligence

Artificial Intelligence is the technology that enables a machine to mimic, or demonstrate, the ability of a human brain to learn, understand, make decisions, solve problems and be creatively innovative.²

¹*Pooja Ramesh Singh v. Jammu & Kashmir Bank Ltd.*, Civil Appeal No. 11950 of 2025, 2026 INSC 668 (India July 2, 2026), <https://indiankanoon.org/doc/113338666/> (last visited Oct. 24, 2026).

²IBM, *Artificial Intelligence (AI)*, IBM THINK, <https://www.ibm.com/think/topics/artificial-intelligence> (last visited Oct. 24, 2026).

1.3 Development of Artificial Intelligence

- In 1921 the Czech playwright Karel Čapek wrote a play called ‘R.U.R.’ (also known as Rossum’s Universal Robots), introducing the term ‘Artificial People’ that is robots. It was the first time using this word.³
- In 1929, was the creation of the first Japanese robot, Gakutensoku by professor Makoto Nishimura.
- 1949: The book by computer scientist Edmund Callis Berkeley entitled ‘Giant Brains, or Machines that Think’ was published which compared the more advanced forms of computer with human brain.
- 1950: Alan Turing published Computing Machinery and Intelligence which proposes to devise a test called ‘Imitation Game’
- 1952: Scientist Arthur Samuel created a checkers-playing program – the first self-learning program.
- 1955: Scientist John McCarthy had an AI workshop in Dartmouth under the title of ‘artificial intelligence’ which marked the debut and popularization of the term.
- LISP acronym (also known as list processing) was invented in 1958 by John McCarthy. First language designed for use in the field of AI research. Is still widely used until nowadays.
- ‘Machine Learning’ was the term that was coined by Arthur Samuel in 1959 in a paper explaining that a computer could be programmed to outplay its programmer.
- The prototype 1961 industrial robot Unimate, too risky for humans to be on the assembly line, was put to use in General Motors in New Jersey to move die castings and weld parts in cars.
- In 1965, Edward Feigenbaum and Joshua Lederberg created the first ‘expert system’ – an AI program that would replicate the reasoning and decision making of human experts.

³Tableau, *History and Development of Artificial Intelligence*, <https://www.tableau.com/data-insights/ai/history> (last visited Oct. 24, 2026).

- 1966: Joseph Weizenbaum developed one of the first ‘chatterbots’ (or ‘chatbots’) in the form of a mock psychotherapist named ELIZA, communicating with humans using NLP.
- 1968: Soviet mathematician Alexey Ivakhnenko published ‘Group Method of Data Handling’ in the journal ‘Avtomatika’ which proposed a new paradigm for AI: ‘Deep Learning.’
- In 1973 a report by Applied Mathematician James Lighthill, for the British Science Council, highlighted that progress was not on par with that scientists had forecast and the level of funding for AI work in Britain consequently reduced.
- One of the first autonomous vehicles was the Stanford Cart, invented by James L. Adams in 1961; in 1979 it was able to navigate a room of chairs without being pushed.
- In 1979, the American Association for Artificial Intelligence was founded; it was later renamed the Association for the Advancement of Artificial Intelligence (AAAI).

1.4 The Emergence of Generative AI

Recently, one new component has been anticipated as a factor that will metamorphose the capabilities of machines: Generative AI.⁴

Generative AI are a variety of machine learning models that are designed to produce data, like images, music, or texts, that are close to or difficult to tell from human-created data. As generative AI has made its mark in the realm of artificial intelligence, it is impossible to ignore the potential for machines, and the understanding of creativity.

Generative AI is poised to primarily disrupt the world economy. Generative AI’s impact on the economy doesn’t stop there, though; it can also shape the way we live and interact with our digital surroundings on a daily basis by weaving seamlessly technologies that generate and curate information, as well as technologies that react to human emotions with tailored, real-time experiences on multiple devices and systems.

⁴UC Berkeley Exec. Educ., *The Emergence of Generative AI*, <https://executive.berkeley.edu/thought-leadership/blog/artificial-imagination-rise-generative-ai> (last visited Oct. 24, 2026).

In the time to come, such technology can be imagined to produce the presence of these AI collaborators—which can understand the nuances and convey fresh perspectives to the creative project, and work alongside the human project.

1.5 Artificial Intelligence in the Legal Profession

Artificial Intelligence has become a favourite and popular concept in recent years in the wake of the wonder of systems such as AlphaGo. It also draws many Lordships out of their books to review its implications to legal education in the future.⁵

On the global stage, this scenario had begun to manifest much earlier than most were expecting. The first ‘Artificial Intelligence + Law Science’ conference was in 1987 in Boston University, USA, for instance.

The International Association of Artificial Intelligence and Law (IAAIL) was established in 1991 in order to promote interdisciplinary science of artificial intelligence and law research and implementation. For the field in which implementation is to be carried out, it mentions ten major fields of AI.

One of the reasons for the strong link between AI and Legal work lies in the technology’s swift evolution since the 21st century has started.

1.6 Statement of the Problem

Being able to discover, analyze and reference legal authorities that are reliable, has always been a critical part of learning law. However, with the help of generative AI, now it’s becoming a much faster and easier task too. There is also a new challenge that arises with the AI – sometimes, the AI can produce real-looking legal authorities which are completely false.

So the question that arises is – is the AI generated legal content worthy of being used in any court procedures and legal research and, if not, who then is liable for all of these problems.

This present research will also attempt to investigate the suitability of different legislation and guidelines of India and whether they are prepared to address errors caused by AI.

⁵Teng Hu & Huafeng Lu, *Study on the Influence of Artificial Intelligence on Legal Profession* (Univ. of Elec. Sci. & Tech. of China).

1.7 Literature Review

The existing research related to AI in legal research can be reviewed from several interrelated perspectives. The first is a new potential perspective of using AI to enhance legal research and access to the legal resources. Secondly, the viewpoint evaluates and assesses the authenticity of the materials generated by AI and the significance of the judicial precedent. Third, the perspective deals with professional accountability, human involvement and the necessity to develop the proper regulation in this field. The law in India has implications that the following viewpoints should be covered:

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The second is more related to the validity of data that can be derived from AI and its impact on legal research. The material provided by GeeksforGeeks and Haqq AI, in this case the article AI Legal Hallucination Audit, shows that AI-generated information may have an appearance of credibility but in reality be false, particularly when it comes to the citations and imaginary legal authorities that AI offers.⁸ Another paper that talks about the strengths and weaknesses of language models and illustrates their mechanisms is 'Why Language Models Hallucinate' by Adam Tauman Kalai, Ofir Nachum, Santosh S. Vempala and Edwin Zhang.⁹ From all these there is no guarantee

⁶iPleaders, <https://blog.ipleaders.in/> (last visited Oct. 24, 2026); Microsoft, *How Does Generative AI Work?*, MICROSOFT AI 101, <https://www.microsoft.com/en-in/ai/ai-101/how-does-generative-ai-work> (last visited Oct. 24, 2026); UC Berkeley Exec. Educ., *supra* note 4.

⁷Hu & Lu, *supra* note 5.

⁸GeeksforGeeks, <https://www.geeksforgeeks.org/> (last visited Oct. 24, 2026); Haqq AI, *AI Legal Hallucination Audit*, <https://www.haqq.ai/blog/ai-legal-hallucination-audit> (last visited Oct. 24, 2026).

⁹Adam Tauman Kalai et al., *Why Language Models Hallucinate*, ARXIV (Sept. 4, 2025), <https://arxiv.org/abs/2509.04664> (last visited Oct. 24, 2026).

of credibility of AI-generated information even if it might look credible. Materials covered in iPleaders' web portal for the use of AI in Legal Research operate in the same category.¹⁰

Some literature, on the other hand, discusses things such as the importance of legal research, hierarchy of sources of the law and the doctrine of judicial precedents. For example, online resources such as FindLaw, Manupatra Academy, Thomson Reuters Legal, Cornell University Law School provide detailed explanation on necessity of locating authoritative law sources as well as primary and secondary sources of law.¹¹ Within the context of judges' rules and judicial precedent, the video 'stare decisis' of ILMS Academy mentions the significance of uniformity and harmony of judicial decisions.¹² In the case of AI-driven legal research, incorrect citations and misinterpretation of decisions could invalidate the whole legal argument.

The fourth view is on the role of advocates and courts holding the judicial processes together. As per the Rules made by Bar Council of India on the duty of an advocate towards the court, aside from other resources like LawHelpline, Lloyd Law College, iPleaders and LiveLaw, it is the professional responsibility of the advocates to put forward the truth and substantiate the court devoid of misleading the court.¹³ Also, per article published by R.K. Dewan & Co., on verification, it is vital that the information given is accurate during formal legal discussions.¹⁴ All of these

¹⁰iPleaders, *supra* note 6.

¹¹FindLaw, *Legal Research*, <https://www.findlaw.com/hirealawyer/choosing-the-right-lawyer/legal-research.html> (last visited Oct. 24, 2026); Manupatra Academy, *Foundations of Legal Research*, https://www.manupatracademy.com/notes-for-law-students/foundations_of_legal_research (last visited Oct. 24, 2026); Thomson Reuters Legal, *Sources of Legal Research: Primary, Secondary and the Role of AI*, <https://legal.thomsonreuters.com/blog/sources-of-legal-research-primary-secondary-and-the-role-of-ai/> (last visited Oct. 24, 2026); Cornell Law School Library, *Law Library Guides*, <https://guides.library.cornell.edu/c.php?g=1119426&p=8163366> (last visited Oct. 24, 2026).

¹²ILMS Academy, *What Is Judicial Precedent in Indian Law? Role, Types, Doctrine of Stare Decisis, Examples*, <https://www.ilms.academy/blog/what-is-judicial-precedent-in-indian-law-role-types-doctrine-of-stare-decisis-examples> (last visited Oct. 24, 2026).

¹³Bar Council of India, *Rules on an Advocate's Duty Towards the Court*, <https://www.barcouncilofindia.org/info/rules-on-an-advocates-duty-towards-the-court> (last visited Oct. 24, 2026); LawHelpline, *Role of Advocates in Administration of Justice*, https://lawhelpline.in/wp-content/uploads/2024/10/Role-of-Advocates-in-Admn.-5-page_-02.02.2019.pdf (last visited Oct. 24, 2026); Lloyd Law College, *Difference Between Lawyer and Advocate*, <https://www.lloydlawcollege.edu.in/blog/difference-between-lawyer-and-advocate.html> (last visited Oct. 24, 2026); iPleaders, *Advocates Act 1961*, <https://blog.ipleaders.in/advocates-act-1961/> (last visited Oct. 24, 2026); LiveLaw, *Role of Lawyers in the Rule of Law*, <https://www.livelaw.in/role-lawyers-rule-law> (last visited Oct. 24, 2026).

¹⁴R.K. Dewan & Co., *The Importance of Verification Clauses in Evidence Affidavits: A Legal Perspective with Insights*, <https://www.rkdewan.com/articles/the-importance-of-verification-clauses-in-evidence-affidavits-a-legal-perspective-with-insights/> (last visited Oct. 24, 2026).

sources indicate that the use of AI does not absolve the advocate from wrong reasoning or conclusions on the law.

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¹⁵Supreme Court of India, WHITE PAPER ON ARTIFICIAL INTELLIGENCE AND JUDICIARY (2025), <https://cdnbbsr.s3waas.gov.in/s3ec0490f1f4972d133619a60c30f3559e/uploads/2025/11/2025112244.pdf> (last visited Oct. 24, 2026).

¹⁶Artificial Intelligence Committee, Supreme Court of India, DRAFT REGULATIONS FOR USE OF ARTIFICIAL INTELLIGENCE (AI) IN COURTS 2026, https://allahabadhighcourt.in/Final_draft_with_Notice_v2.pdf (last visited Oct. 24, 2026).

¹⁷Drishti Judiciary, <https://www.drishtijudiciary.com/> (last visited Oct. 24, 2026); Univ. of Oxford, Blavatnik Sch. of Gov't, *Tech and Justice*, <https://www.techandjustice.bsg.ox.ac.uk/> (last visited Oct. 24, 2026).

¹⁸*Pooja Ramesh Singh*, 2026 INSC 668; Aarna Law, *Pooja Ramesh v. Jammu & Kashmir Bank Ltd. & Anr.*, <https://www.aarnalaw.com/insights/pooja-ramesh-v-jammu-and-kashmir-bank-ltd-and-anr> (last visited Oct. 24, 2026); CaseMine, *Pooja Ramesh Singh v. Jammu & Kashmir Bank Ltd. (Case Materials)*, <https://www.casemine.com/judgement/in/68c31cdb122f6526c79152c2> (last visited Oct. 24, 2026); Int'l J. L., Legal Stud. & Rsch., *The Limits to Delegation: Analyzing Pooja Ramesh Singh vs Jammu and Kashmir Bank Ltd*, <https://www.ijlra.com/post/the-limits-to-delegation-analyzing-pooja-ramesh-singh-vs-jammu-and-kashmir-bank-ltd> (last visited Oct. 24, 2026).

The Essential Role of Human Oversight in AI-Driven Decision-Making’ that touches on the need for human oversight to guarantee AI accuracy, fairness, and transparency.¹⁹

The final class of materials questions whether the existing legal setting is suitable to solve issues that can arise regarding AI. However, the papers from Servient, Lexitas Legal and Plaintiff Magazine address issues related to professional responsibility, possible indicators of an excessive use of artificial intelligence in legal practice and the validation of legal information.²⁰ There is a paper which addresses the above issues titled ‘Artificial Intelligence and Legal Accountability in India: A Socio-Legal Perspective on Emerging Regulatory Challenges’ by Joylin Jacob, Ancy Dorshia and Aalan Joe Edwin.²¹ The materials put out by CMS and Supreme Court Observer also emphasise the need for specific regulation of the usage of AI in the Indian context.²²

Clearly, there is a literature gap in this aspect because existing literature relates to the positive aspect of AI, the concern on hallucination aspect, and the regulation of AI during the process of experiments. However, these questions must be looked into as a single complex with reference to the Indian law. In particular, the relationship between artificial precedent and the doctrine of judicial precedent, the obligations of lawyers and the independence of judges need greater attention. The present research will contribute to filling the literature gap since it will take a look at the case of *Pooja Ramesh Singh* in the context of present Legal Regulation and its application to AI in legal research.

¹⁹Univ. of L./SLSA, *The Future of Law: The Essential Role of Human Oversight in AI-Driven Decision-Making*, <https://www.slsa.ac.uk/post/the-future-of-law-the-essential-role-of-human-oversight-in-ai-driven-decision-making> (last visited Oct. 24, 2026).

²⁰Servient, <https://servient.com/> (last visited Oct. 24, 2026); Lexitas Legal, <https://www.lexitaslegal.com/> (last visited Oct. 24, 2026); Plaintiff Magazine, <https://plaintiffmagazine.com/> (last visited Oct. 24, 2026).

²¹Joylin Jacob Y et al., *Artificial Intelligence and Legal Accountability in India: A Socio-Legal Perspective on Emerging Regulatory Challenges*, INT’L J. L., LEGAL STUD. & RSCH., <https://www.ijllr.com/> (last visited Oct. 24, 2026).

²²CMS, <https://cms.law/> (last visited Oct. 24, 2026); Supreme Court Observer, <https://www.scobserver.in/> (last visited Oct. 24, 2026).

1.8 Research Questions

The study will try to answer the following enquiries:

1. How is AI being integrated into modern-day legal research and court processes?
2. What are AI hallucinations, and why do generative AI-based systems create imaginary legal authority?
3. What is the significance of precisely identifying and verifying the precedents of Indian courts from a legal perspective?
4. What consequences result from using AI-generated or hallucinated case law in court?
5. Legal Profession and Legal Responsibilities: When taking advantage of AI-assisted legal research, what does it mean to be an advocate and what does it entail in terms of professional responsibility?
6. What is the likelihood of AI-generated legal content becoming increasingly common for tribunals and judges?
7. How did the Supreme Court in *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd* address the challenges posed by artificial intelligence, its proneness to errors, and its other effects?
8. What are the current legal and professional structure(s) in India to regulate the use of AI in legal research and adjudication?
9. How can it be ensured that AI tools do not supplant human reasoning but continue to assist legal professionals in their work?

1.9 Research Objectives

The following are the main goals of this study:

- To explore the increasing use of Artificial Intelligence in the domain of legal research and the Indian legal system.
- To understand the implications of AI hallucinations with regard to legal data.
- To highlight the importance of accuracy and verification of legal resources.

- To explore the link between the theory of judicial precedent and legal text generated through the use of AI.
- To consider judgement of the Supreme court in the case of *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd.*
- To understand the ethical and professional responsibilities of an advocate who employs AI tools, and to evaluate the dangers of courts and tribunals using content produced by AI.
- To discuss the regulatory frameworks under Indian laws governing the use of AI in the legal field.
- To provide practical and relevant recommendations to advance the ethical use of AI for legal research and decision making.

1.10 Research Methodology

The research carried out will be primarily doctrinal type based on legal research.

It will use both primary and secondary (legal) sources.

The sources will be:

- Orders of the NCLT and NCLAT
- Provisions reflecting the principles and values of the Indian Constitution
- Legislation and regulations relevant to the topic
- Ethics and professional conduct of advocates
- Principles governing the use of technology and AI in legal practice
- Official Supreme Court reports, white papers and policy documents of the Supreme Court, etc.

Special focus will be on the case study- *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd* and White Paper on Artificial Intelligence and Judiciary by Supreme Court.

The research will be referenced among the following:

- An outline of the legal system;
- Legal research skills and legal method books;

- Books (also see the collections held at the library); and
- Research about implications of AI technologies for law and legal practice;
- Reports from the professionals and international institutions;
- Reliable legal databases and commentaries.

The study will include case-law analysis, statutory interpretation, doctrinal analysis and critical evaluation of existing methodology of the law.

1.11 Scope of the Study

This study focuses mostly on the legal application of generative AI, particularly concerning legal research and judicial processes, with a specific interest in the Indian legal system.

It will address, in particular, the following areas:

- AI powered legal research.
- The role of AI hallucinations and falsified legal authorities.
- AI hallucination and legal fictions.
- Establishment of legality and uniformity of judicial decisions.
- Verification of authorities and judicial precedents.
- Duties and responsibilities of advocates.
- Content created by Tribunals and Courts using AI;
- Sanctity of judicial decisions.
- Introduction of new standards & regulations on AI in Indian courts.
- A brief comparison with other jurisdictions to examine the potential protections available for India may be included.

Unless they are directly related to the primary issue, the study will not cover all legal uses of AI, such as contract automation, legal chatbots, or predictive policing.

1.12 Limitations of the Study

Due to the rapid advancement of AI technology, legal and regulatory reactions may continue to change while this research is being conducted.

The study does not perform a technical and computer science level study of the building of Artificial Intelligence systems, and mostly focuses on Indian legislation.

CHAPTER II – LEGAL RESEARCH, LEGAL SOURCES AND THE DOCTRINE OF PRECEDENT

2.1 Meaning of Legal Research

‘Legal research’ is defined as an activity of seeking answers to legal queries in the law in support of legal decision or argument. At any time an attorney makes a statement in court they must provide a law or decision from prior court cases to back up the statement they made. When a law is already in place, or cases have been handled in such a manner, other cases shall be handled as per that law.²³

2.2 Importance of Legal Research

Legal research is an integral part of the rules of law. This is key for the following reasons:²⁴

1. It promotes fairness: it promotes fairness in that the proportional rules of law are equally applied to all, thus ensuring that the legal system is believed to be fair.
2. It facilitates strategic planning: It assists legal practitioners in the successful prediction of arguments and the choice of suitable legal theories that they can use to advance their line of thinking.
3. It helps with legal development: As society and technology evolve, understanding the relationship between current laws and new situations, or the necessity for new laws, is essential for legal development, which is greatly facilitated by it. For instance, a new type of electronic signature is used in an agreement, and a lawsuit is filed against a company because it failed to adhere to the agreement. The defense attorney needs to find out if the state’s legislature has or the courts have modified the definition of ‘valid signature.’

2.3 Sources of Legal Research

The two most frequently used sources that lawyers use are primary and secondary sources. Primary sources are documents like constitutions, case law, statutes, administrative rules and regulations.

²³FindLaw, *supra* note 11.

²⁴Manupatra Academy, *supra* note 11.

Secondary sources of law not only define the law, but may also comment on, describe, analyse, explain or criticise the law.

The basis of our whole legal system is based on primary sources of law. This is because the primary sources of law are the most authoritative means of having rules of law, which is where most convincing evidence of the rules of law can be found.²⁵

As you read, the books you stumble on discussing, explaining, analyzing, and criticizing the law constitute secondary sources. They are resources about the law, and not the law itself. Some common secondary sources are legal encyclopedia, legal dictionaries, Restatements of the Law, subject treatises, and articles from legal periodicals.

The secondary sources assist the researcher to orient the parameters of the research topic and to learn the fundamental information on the topic. Researchers who know little about the area of law they are researching should first use a secondary source to gain familiarity with the jargon, issues, key cases and statutes, and history.²⁶

2.4 Judicial Precedent in India

Judicial precedent is one of the pillars of the common law system as it is a source of consistency, predictability and fairness in decision-making. Precedent is a fundamental principle in India's legal system, shaped by statutory provisions as well as judicial precedents. Through this article this author delves deeper into judicial precedence of Indian law, its meaning, types of precedents and its significance in determining judicial outcomes. This discussion demonstrates the importance of a concept like stare decisis and the distinction between binding and persuasive precedent through case examples, and should help clarify for legal practitioners, students, and the public.²⁷

²⁵Thomson Reuters Legal, *supra* note 11.

²⁶Cornell Law School Library, *supra* note 11.

²⁷ILMS Academy, *supra* note 12.

Historical Background of Judicial Precedent in India

1. Origins and Evolution

Judicial precedent is a legacy of the common law system inherited from the British Colonial Period. In early days of jurisprudence in India, this was the usual way of solving the issues of the day by referring to previous judgments. With the passage of time, the underlying ideas associated with the principle of judicial precedent came to play an essential part in assuring consistency in the implementation of the laws. It can be seen from the case of *Kesavananda Bharati v State of Kerala*.²⁸

2. Influence of the British Common Law

British Common Law had a profound impact on it. It was significantly shaped by British Common Law. In the period of colonization, the judicial system put forth by the Brits gave rise to an effective system of judicial reasoning and the doctrine of stare decisis. According to this doctrine, lower courts must conform to decisions made by higher courts in like cases. Now that India has gained independence, the doctrine of stare decisis was introduced and adapted to Indian environment. Indeed, the case law in India, as a result, has become a blend of common law principles and judicial innovation.

2.5 Doctrine of Stare Decisis

The court's policy of adhering to precedents is known as stare decisis. It simply means 'to stand by the decided matters' i.e., stick to a decision. 'Stare decisis' is a shortened form of the Latin phrase 'stare decisis et non quieta movere' which means 'to stand by decisions and not to disturb the already settled matters.' So, it means to stick with the conclusion and not mess up settled matters. Stare decisis is an 'old fashion' legal principle that requires that principles of the court of higher jurisdiction be followed and respected.

The principle and philosophy of stare decisis has been reflected from the Latin motto 'stare decisis et non quieta movere' and also promulgated in Article 141 of the Constitution of India. This article puts it that the law established by the Supreme Court will be operative in all courts in the territories

²⁸*Kesavananda Bharati v. State of Kerala*, (1973) 4 S.C.C. 225 (India).

of India.²⁹ The word ‘binding’, and the word ‘on all courts’ really takes our attention. It needs to be determined as to what is binding must be decided as well as whether the Supreme Court is bound by its decisions.

Advantages of the Doctrine of Stare Decisis

1. Time is saved and needless litigations avoided.
2. The law is turning into a more formal system via legislation.
3. The most important advantage is that it enhanced the clarity and uniformity in law. A good decision maker needs to be consistent in his judgments and prevent arbitrariness in decision making.
4. It removes uncertainty from the decision-making process as it is binding and inferior courts can adhere to the ruling of the superior court without questioning.
5. Where precedence is included there are less opportunities for errors in determining the principle used.

Disadvantages of the Doctrine of Stare Decisis

1. Consideration of precedence means to be less experienced in law! - Actual practice is based on experience, and consideration of precedence is reduction of experience! - Reduction of experience defeats the basic premise of practicing law!
2. Criticized for being an impediment to the growth of law.
3. The biggest disadvantage of the doctrine and the precedent system is the rigidity of not allowing any change.
4. Another set back of the doctrine is that it is complicated, which occasionally results in uncertainty in circumstances.
5. Judges’ decisions on many occasions are misapplications and it is treated as ‘precedents’.

²⁹INDIA CONST. art. 141.

2.6 Verification of Legal Authorities

When legal authorities have been verified, there is little chance of any clerical errors, of the functionaries getting any document that is not theirs, or of fraud at any level.

The following are the principal reasons to seek verification of legal authorities:

1. **Helps avoid misquotation of law:** By checking the relevant parts of the statute, precedent or law, you will not misquote an outdated ruling.³⁰
2. **Avoids any fraudulent deals** – If you are involved in any property transaction, the first thing you should do is check that you are the owner otherwise you can be involved in a fraudulent transaction of any sort or have unknown liens or loans attached.³¹
3. **Preserves the Integrity of the court:** Verifications of any pleadings and affidavits will preserve the integrity of the court proceeding and keep the court from being misled.³²
4. **Regulatory Compliance:** Companies can ensure that they are going to be compliant of the various regulations that are relevant to them through the verification process and not get in trouble with the law.³³
5. **Effective Decision Making:** Confirming any ruling, through proper reference to an authorised source further improves decision making processes.³⁴

2.7 Role of Advocates and Courts in Identifying the Correct Law

Advocates and Courts are co-partners in the administration of justice, for discovering, interpreting and applying the correct law.³⁵

³⁰LexisNexis, <https://www.lexisnexis.com> (last visited Oct. 24, 2026).

³¹G Square Housing, *Why Legal Verification Is Important Before Plot Investment*, <https://www.gsquarehousing.com/why-legal-verification-is-important-before-plot-investment/> (last visited Oct. 24, 2026).

³²R.K. Dewan & Co., *supra* note 14.

³³Incode, *Document Verification: Meaning and Importance*, <https://www.incode.com/blog/document-verification-meaning-importance/> (last visited Oct. 24, 2026).

³⁴*The Role of Verification in Improving the Quality of Legal Decision-Making*, RESEARCHGATE, https://www.researchgate.net/publication/228546511_The_Role_of_Verification_in_Improving_the_Quality_of_Legal_Decision-Making (last visited Oct. 24, 2026).

³⁵LawHelpline, *supra* note 13.

Role of Advocates in Finding out Law

Legal Research: Legal research is conducted on existing statutes, regulations and precedent cases to establish a case.³⁶

Assisting the Courts: Extracts from the Advocates Act 1961 and the Rules of Bar Council of India make it clear that an advocate is an officer of the Court. There is an absolute responsibility on the part of the advocate not to mislead the judge and he should present the relevant laws sincerely.³⁷

Fact and Law Relationship: Advocates connect raw facts to legal rules in order to help articulate and present complex legal issues for judicial consideration.³⁸

Role of Courts in Defining Law

Authority: In a common law legal system, the last word in defining and declaring what the law is lies with the courts.³⁹

Judgment on Interpretations: The judges evaluate the various claims, evidence and research produced by the advocates competing to find out what is correct and what is not.⁴⁰

Establishment of Precedents: The courts' decisions establish legal precedents for future cases.⁴¹

³⁶Lloyd Law College, *supra* note 13.

³⁷Advocates Act, 1961, No. 25 of 1961 (India); Bar Council of India, *supra* note 13; iPleaders, *Advocates Act 1961*, *supra* note 13.

³⁸Advocate in High Court, <https://advocateinhighcourt.law.blog/> (last visited Oct. 24, 2026).

³⁹LiveLaw, *supra* note 13.

⁴⁰Lloyd Law College, *supra* note 13; LiveLaw, *supra* note 13.

⁴¹Advocate in High Court, *supra* note 38.

CHAPTER III – ARTIFICIAL INTELLIGENCE AND AI HALLUCINATIONS IN LEGAL RESEARCH

3.1 How Does Generative AI Work?

Under the umbrella of generative AI, neural networks serve as one of the fundamental types of algorithms; they are computational models that mimic the architecture and operations of the human brain. They are comprised of several layers of communications between the interconnected neurons process and transmit information, and each layer has a particular function in the information process.⁴²

The first layer is an ‘input’ layer and feeds raw data, that is passed through many layers and creates an ‘output’. The hierarchical structure enables neural networks to abstraction and/or recognition of complex patterns in data, wherein that a complicated or higher level of abstraction is found in the deeper layers, similar to the way that the human brain processes sensory information.

The weights in the layers are critical — they specify how to process the input data. In order to make generative AI models perform their functions, they need to be trained on certain data sets. Training involves feeding the neural networks with huge databases, and teaching them some of the patterns in those databases. To sum up, there are two kinds of learning that are involved with the training process of the models: supervised learning and unsupervised learning. Supervised learning entails the use of labeled data whereby the network learns how to output certain things given certain inputs. Unsupervised learning is the process in which the data is not labeled.

The training process is one in which the model is making itself ‘wiser’ by a feedback loop of learning from prediction. In this case, the model uses the input data set, generates certain predictions and measures how far these predictions are from the actual outputs (this measure is referred to as loss). The model can adjust its parameters through an iterative backpropagation process.

Regarding language processing, generative AI processes language into smaller parts referred to as tokens that may consist of entire words, subwords, or even individual characters. By using tokens, the model can provide a broader and more diverse set of vocabularies and variations of language.

⁴²Microsoft, *supra* note 6.

Using token processing, the model can find relationships between various words and generate more complex results. This results in better performance for composing texts and participating in conversations, among other things.

3.2 AI in Legal Research

Legal research is the process of studying the law to aid in legal reasoning and/or legal decision making. Prior to AI, legal research used to be conducted manually by the lawyers; this used to be time-consuming and could result in errors. So AI, machine learning, NLP has created the bedrock of legal research capabilities. With the help of AI-powered solutions like research databases, chatbots, and document review software, we can easily find answers to our queries.⁴³

AI in the Legal Domain can be applied in the fields of Document analysis, Legal research, and Document Review. With the help of NLP, or Natural Language Processing, it has resulted in enhancements in the efficiency and accuracy of legal information reachable by the stakeholders, namely, the legal professionals. With that data it can predict a result for the cases. This would aid the lawyers in their lawful choices. Hence, it is recommended that there should be integration of AI in the field of law. As for AI's ability to think intelligently, it's unable to do that like humans, and can't have expertise and judgment skills like the law, but it can help in improving the efficiency and accuracy of data.

3.3 Meaning of AI Hallucination

AI hallucinations refer to AI models inaccurately providing information that appear to be true but are instead false or misleading or fabricated. The model makes outputs that seem logical and confident to the reader but without solid supporting information in the text, and just from the context presented.⁴⁴

- Hallucination is a phenomenon that can take place in various AI systems.
- An example of this is the problem of adding facts, references or events that did not occur into a LLM output, or the generation of an image that contains objects or parts of an image that were not at all requested.

⁴³iPleaders, *supra* note 6.

⁴⁴GeeksforGeeks, *supra* note 8.

- Hallucinations (false responses) can range from minor errors like incorrect facts and information to completely made-up answers that can mislead its user to think he or she is hearing a fact when the answer is different.

3.4 Why AI Produces Fake Legal Information

AI can write fake citations and cases because it relies on pattern matching of the words in sentences and not on factual data. This happens for the following reasons: the models do not have real-time access to the databases; the data fed into the models may be dated, (training the model improperly) and/or outputs are given whatever the level of accuracy.⁴⁵

In fact, the AI system that powers the machine learning hasn't been given 'knowledge' about any one issue in the way that an attorney would be; rather, it's been learned from the statistical characteristics of billions of texts, such as case style (case name, volume, case reporter, page and year). The question is, what does it do when it is presented with a legal question? It tries to answer it by generating the 'most likely' next text, based on what it has learned from its training input, that is, in this case, by forming a citation the shape of which it expects to see, rather than by searching for the actual case from some trusted legal database.

However, if the actual case is poorly represented in training, or is not remembered precisely, the AI does not have a built-in 'don't know' response that it can give. Rather, it is able to create a citation by analogy with other like cases, whether or not the case exists, because it may have a good statistical fit. Moreover, there is no possibility for the machine learning models to automatically verify the facts for output, because they do not have access to court records, legal databases, or other resources in real time unless explicitly wired in.⁴⁶

3.5 Supreme Court on Fake Citations and Cases

A legal question reached the Supreme Court of India, which caused its lawyers to sit up. On 2 July 2026, a bench of Justices P.S. Narasimha and Alok Aradhe, hearing an insolvency appeal arising from an application filed by Jammu and Kashmir Bank under Section 7 of the Insolvency and Bankruptcy Code, found that both the National Company Law Tribunal (NCLT) and the National

⁴⁵Haqq AI, *supra* note 8.

⁴⁶Kalai et al., *supra* note 9.

Company Law Appellate Tribunal (NCLAT) had relied on fabricated or misattributed precedents. Some of the ‘precedents’ were made up. Others were actual cases, but with the introduction of pseudo-paragraphs. Every single piece appeared to be a byproduct of a generative AI model that had been prompted to identify authorities and had gone on to fill them out. All were marked with the ‘hallmark’ of a generative AI that was queried about authorities and ‘just made them up,’ as they tend to do.⁴⁷

The resolution of the Court was rather plainer. It set the orders aside, established a ‘zero-tolerance approach’ towards AI-generated precedent used without verification, and said it was ‘misconduct on the part of an advocate’ to cite such rulings. If a decision is based even on some of that hallucinated material, it is still ‘no decision in the eyes of the law,’ it said. That decision, *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd*, 2026 INSC 668, is the strongest message the Court has yet sent on the dangers of fake citations in AI-generated content.⁴⁸

3.6 Benefits and Risks of AI in Legal Work

The key benefits AI brings to running a legal practice are:⁴⁹

Automation Saves Time

Having AI technology is a prerequisite for automation. The time taken to undertake the process will be greatly reduced. For example, the machine learning algorithm can analyse thousands of documents in just seconds and identify crucial sections.

Improved Legal Research

With the AI legal research tools, natural language processing allows for understanding of complex questions and providing accurate answers within no time. It’s not only convenient and time-saving, but it also ensures greater accuracy.

⁴⁷*Supreme Court Raises Alarm over AI-Drafted Pleas, Fake Cases, Fabricated Quotes*, INDIA TODAY (Feb. 17, 2026), <https://www.indiatoday.in/india/law-news/story/supreme-court-raises-alarm-over-ai-drafted-pleas-fake-cases-fabricated-quotes-2869848-2026-02-17> (last visited Oct. 24, 2026).

⁴⁸*Pooja Ramesh Singh*, 2026 INSC 668.

⁴⁹John McMahon, *The Benefits of Artificial Intelligence in Running a Legal Practice*, LINKEDIN, <https://www.linkedin.com/in/john-mcmahon-7aa30225/> (last visited Oct. 24, 2026).

Further enhancements in accuracy and risk minimisation

The mistakes made by humans in legal processes may result in costly errors. AI reduces the possibility of making such mistakes as the same standards are used in all documents. This can be particularly useful during contract reviews, where the AI can identify any potential deviations or problems with compliance that may not be picked up by humans.

Better case management

Case management software with AI capabilities helps law firms organize and manage their clients' data, deadlines and documentation more effectively. These types of software might update records automatically, set up reminders, and prioritize instances based on their complexity or urgency.

Cost effectiveness

The increased efficiency and lower need for labor will mean that law firms can save money and stay more competitive in terms of prices with the use of AI technologies. For example, small businesses can leverage some of the larger businesses' higher-priority capabilities.

Enhanced Customer Services and insights

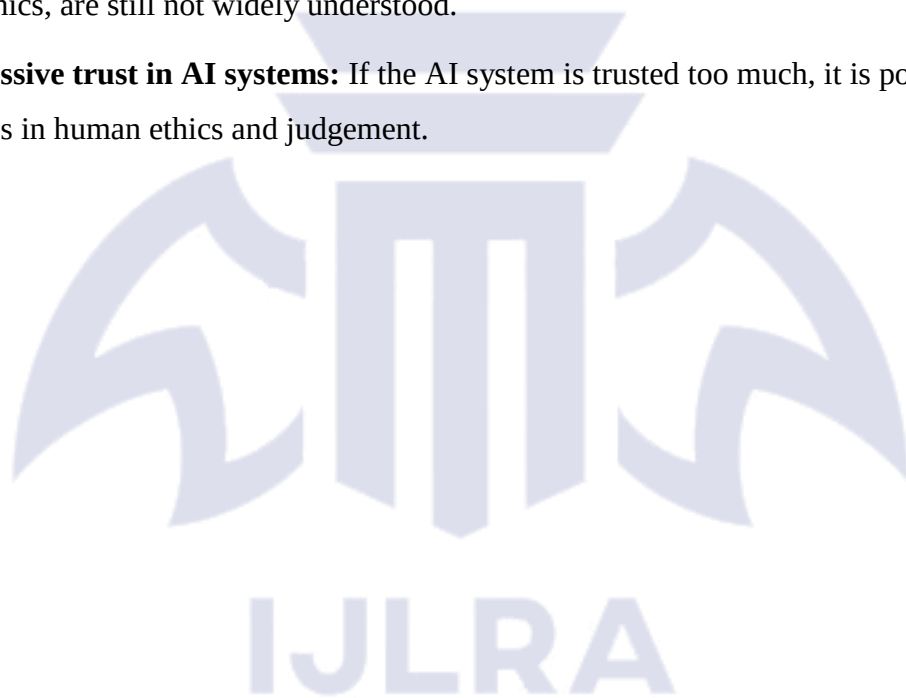
AI tools will be leveraged to analyze incoming data, identify trends, preferences, and legal requirements, to craft a more comprehensive legal strategy for clients. This will help ensure the firm can tailor its services to meet the client's needs, thereby enhancing the client's satisfaction. Some Chatbots and Virtual Assistant have even been seen providing customer service support 24/7 to the customer queries.

Predictive Analytics

By analysing the results of past cases and legal trends, AI can help lawyers to predict the result of their case and risks involved in certain legal strategies. This will help lawyers to take proper decisions and defend cases accordingly. It can also assist with negotiating a compromise using a mediation process.

3.7 Key Risks for Legal Professionals

1. **AI hallucinations:** The information included in the AI outputs should be verified from a credible source. Otherwise, it's a form of misconduct.⁵⁰
2. **Delegation to client and technology:** No current lawyers can outsource their research to a client or to the technology.
3. **Reputational damage:** Even if the lawyers aren't sanctioned, the fallout can be severe - as long as it continues to damage their reputation and regulatory standing.
4. **Limited understanding of AI and its ethics:** How AI works, and its proper use in terms of ethics, are still not widely understood.
5. **Excessive trust in AI systems:** If the AI system is trusted too much, it is possible to face lapses in human ethics and judgement.



⁵⁰Linnear Legal, <https://www.linnearlegal.co.uk/> (last visited Oct. 24, 2026).

CHAPTER IV – AI-GENERATED CASE LAW AND JUDICIAL DECISION-MAKING: THE INDIAN POSITION

4.1 Growth of Artificial Intelligence in the Indian Judiciary

The integration of Artificial Intelligence (AI) into India's legal framework is gaining momentum, and it has the potential to revolutionize case management, legal research, and document analysis. Certain questions have been raised concerning the acceptance and usage of AI technologies like ChatGPT in the legal context, with some High Courts expressing greater openness and engagement with this innovation. However, there are inconsistencies in how High Courts are responsive and use these AI tools in the legal context.⁵¹

In its judgement on the case, the Manipur High Court referred to its use of Google and ChatGPT 3.5 for further research, signaling a broader shift towards embracing AI in Indian courts—an approach with a note of caution, similar to many legal professionals worldwide while they ponder the integration of AI into legal practice.

The decision comes after the first-of-its-kind effort by the Punjab & Haryana High Court, which adopted this novel way of conducting legal research in 2023.

Artificial intelligence has found its way into almost every facet of the justice system, especially with police forces making use of AI to find patterns in crime importance, detect criminal activity, and predict crime patterns. The use of facial recognition and AI enhanced CCTV analysis (e.g. AMPED FIVE) enhances investigations and the handling of evidence. To assist in case management in the preparation of first information reports and analysis of witness statements, prosecutors are leveraging AI. AI is now being integrated into the operation of courts to streamline processes for automated case management, legal research, translation (SUVAS) and summarisation and legal research (SUPACE), with platforms such as Nyaay AI (commercialised AI platform) and Adalat AI (developed by a non-profit legal tech organisation) making it easier and more efficient to access. There are dedicated chatbots for victims to receive updates on cases,

⁵¹Drishti Judiciary, *supra* note 17.

summarise and translate cases. Awareness training of judges and police is growing and improving the awareness of AI usage to bolster justice delivery.⁵²

There is no specific legislation for Artificial Intelligence in India. Detailed practitioner rules and/or guides for lawyers and judges are developing as are more general (criminal procedure) rules. As opposed to the creation of new laws for governing AI in India, there are plans to amend existing laws and rely on sectoral regulations and the adoption of voluntary frameworks.

4.2 Supreme Court Initiatives on AI and Technology

In a significant development, the Supreme Court of India has come out with draft regulations for the application of artificial intelligence (AI) in the functioning of courts. It allows parties and advocates to use AI and requires disclosure of the same.⁵³

According to the Draft Regulations for Use of Artificial Intelligence in Courts which has been put out for comments by the Supreme Court AI Committee until June 20, 2026, the courts across the country would include the Supreme Court, High Courts, Subordinate Courts, Tribunals and any other statutory Adjudicatory Authorities.

The AI is mentioned in the abovementioned draft of the Regulations with respect to the research of law, citations, the drafting of documents, translation, transcription, case management, scheduling and recordkeeping. Moreover, the draft allows for using AI for improving accessibility and for litigants to use services of the court.

It is equally essential to mention that the draft puts restrictions on the use of the technology. For instance, an Artificial Intelligence programme is not permitted to decide the subject matter of the case, bail or sentencing, to assess witness evidence, or to predict behavior and influence judicial consideration. Additionally, courts will not be allowed to employ 'black box' technologies, including AI scoring systems of risk of recidivism and absconding.

The essential parts of the proposal are the requirement for disclosure. Any party or party's attorney who relies on the use of AI to prepare pleadings, documents or submissions or evidence, shall

⁵²Univ. of Oxford, Blavatnik Sch. of Gov't, *supra* note 17.

⁵³Artificial Intelligence Committee, *supra* note 16.

disclose that reliance to the court. In addition, the court may investigate what kind of AI system is being utilized and the degree of support and ways of checking the accuracy.

In this regulation the responsibility for materials submitted is vested in the litigant and their lawyer. The person(s) submitting fake, false, misleading or incorrect information would be liable, even if the information is AI generated. This is based on the idea of ‘human primacy’ which considers that the AI would be used only as a support instrument and that judges/court officials are the sole ones responsible for any decision they reached based on the facts of the matter, law and justice. Under the draft, parties would have the possibility to have the output from AI systems scrutinized before it would be used in court processes, in recognition that AI hallucinations are a threat.

The draft recommends having a permanent apex AI body at the Supreme Court level as well as the formation of AI Committees and AI secretariats in courts for the implementation and supervision of the same. Furthermore, annual reporting to be carried out on an ongoing basis will be provided on auditing of AI systems, the (AI) registers, incident databases, cybersecurity measures, compliance of data protection laws and training of judges, lawyers and court officials.

More importantly, the draft includes language for an AI policy for responsible application to the courts, urging an analysis of different technologies that could enhance access to justice and improve efficiency.

4.3 White Paper on Artificial Intelligence and Judiciary

Why This Paper Was Brought Out

This is precisely what the Supreme Court’s research arm is responding to – a world where AI is not merely an administrative novelty, but one in which judges, the registry and attorneys are employing AI but not always under the guidance of institutions. The authors make the case very concisely – the courts have already weathered two waves of technologies (digitization, and then data driven e-governance) and now have to face the third wave which is far more disruptive than the earlier ones due to the generative nature of the tools. That’s why there’s a need for oversight. This paper is inspired by two pressures, both of them institutional:⁵⁴

⁵⁴Supreme Court of India, *supra* note 15.

Institutional pressure – Currently, the e-Courts project in India (Phase III, with a total budget of ₹7210 crores) is being designed to deploy AI in Supreme Court functioning, and the institution is seeking guidance in this process.

Global cautionary pressure – a string of embarrassing incidents abroad and in India (submission of fake citations generated by lawyers through the use of AI; rush to issue guidelines for judges in courts of New Zealand, the US and elsewhere) has shown that AI implementation without guidance leads to negative consequences in courtrooms.

The Paper in Itself

The paper is not merely an objective survey, but there is a clear institutional approach which permeates the whole work.

There is no room for technology to make the decision, but assistance can always be obtained through technology. This principle is explicitly stated in the introduction and picked up in every jurisdiction the authors refer to, making it one of the most consistent principles across all the jurisdictions mentioned.

Judges' responsibilities under the Constitution cannot be delegated. The authors state explicitly that efficiency – which is what makes AI appealing – is dangerous in the court room context in particular.

AI itself is not the challenge; the danger is over-reliance on AI. The discussion of 'hallucination' and the 'black box' problem suggests that the authors are really worried about humans never verifying what the AI produces because it saves them the time and trouble of doing so — a concern that extends beyond the tools themselves to disclosure and verification of their output, as the recommendations chapter indicates.

India needs to develop its own AI tools for the judicial process. This is not mentioned merely in passing; it is the end result of the concern over confidentiality and data protection, as well as the fact that 86% of the tools in use are free.

A graduated approach to regulation should be taken. Obviously AI cannot be banned outright, because there are many different actors with different degrees of risk and different forms of restrictions, as the organization of the paper (table of contents, AI Ethics committee and different

rules for judges versus lawyers versus law clerks) suggests. A total ban on AI is not evident in a paper so organized.

4.4 Analysis of Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd

Case Name	<i>Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd and Anr</i> ⁵⁵
Citation	Civil Appeal No 11950 of 2025; reported as 2026 INSC 668 ⁵⁶
Date of Judgment	2 July 2026 (New Delhi)
Bench	Justice Pamidighantam Sri Narasimha (author) and Justice Alok Aradhe

Facts

- Appellant: suspended director of Essel Infraprojects Ltd. (EIL) — corporate debtor & guarantor.
- Borrower: Pan India Utilities Distribution Company Ltd. (PIUDCL), which took loans from J&K Bank (Respondent No. 1).
- EIL executed a corporate guarantee to secure PIUDCL's loans.
- PIUDCL defaulted; loan accounts declared NPA.
- Bank filed Section 7 application (IBC) before NCLT, Mumbai, against EIL.
- NCLT order (28.08.2024): admitted the application, appointed IRP, declared moratorium under Section 14.
- Appellant appealed to NCLAT (Comp. Appeal (AT) (Insolvency) No. 1808/2024), arguing:
 - EIL's liabilities were transferred via demerger/amalgamation scheme.
 - A renewed sanction letter (18.11.2017) didn't mention the guarantee, implying it lapsed.
- NCLAT dismissed the appeal (11.09.2025):

⁵⁵*Pooja Ramesh Singh*, 2026 INSC 668.

⁵⁶See also Aarna Law, *supra* note 18; CaseMine, *supra* note 18; Int'l J. L., Legal Stud. & Rsch., *supra* note 18.

- Held internal ESSL group restructuring didn't affect guarantor liability.
- Relied on Clause 8 of guarantee deed — guarantee survives amalgamation/absorption.
- Cited precedents (SBI v Shree Ram Urban Infra, Everest Kento Cylinders, ICICI Bank v Urban Infra RE, V.S. Dempo v Reliance Comm., Canara Bank v N.G. Subbaraya Setty, Sarbjit Singh v Union Bank) for this proposition.
- These precedents were later found to be fake/hallucinated or misattributed AI-generated citations relied on by NCLT and left unverified by NCLAT.

Issues

1. Whether the NCLT/NCLAT judgments, which relied on fake, non-existent, or hallucinated AI-generated case citations, can be sustained in law.
2. Whether a judicial/tribunal decision that incorporates even partially fabricated precedent material, irrespective of whether it materially influenced the outcome, must be set aside.
3. (Incidentally raised) What is the appropriate approach to the regulation of AI use in litigation and adjudication.

Appellant's Contention

Ms. Madhavi Divan, learned senior counsel for the appellant, pointed out that the citations/judgments relied upon by the NCLT to reach its findings — as reproduced by the NCLAT in paragraph 12 of its opinion — were fake and non-existent, probably AI-generated. She further pointed out that even where certain case citations were technically accurate, the paragraphs excerpted and attributed to those judgments were not traceable to the actual reported judgments. Counsel also advanced arguments on the merits (regarding the effect of the demerger/amalgamation and the 2017 renewed sanction letter on the guarantee), but the fabricated-precedent argument was the decisive plank.

Respondent's Contention

The respondents' counsel countered the appellant's submissions on the merits of the guarantee dispute. Separately, Respondent No. 1 (the Bank) filed an affidavit clarifying that the disputed precedents relied on by the NCLT had not been cited by its own counsel at the bar, and that the

so-called precedents appeared to have been introduced through the Tribunal's own research. Thus, the Bank effectively distanced itself from having placed the fabricated material before the court.

Judgment

Findings on the Fabricated Citations

An independent examination by the Supreme Court confirmed that the judgments relied on by the NCLT were indeed problematic:⁵⁷

- *State Bank of India v Shree Ram Urban Infrastructure Ltd*, 2020 SCC OnLine SC 341 — wrong citation of an existing reported judgment (the correct case for that citation was *M Subramaniam v S Janaki*) coupled with a non-existent paragraph
- *Everest Kento Cylinders Ltd v Union of India*, (2015) 2 SCC 1 — correct citation but non-existent paragraph
- *ICICI Bank Ltd v Urban Infrastructure Real Estate Ltd*, (2019) 16 SCC 528 — non-existent citation
- *VS Dempo and Co Ltd v Reliance Communications Ltd*, (2021) 10 SCC 176 — non-existent citation
- *Canara Bank v NG Subbaraya Setty and Anr*, (2018) 16 SCC 228 — correct citation but non-existent paragraph
- *Sarbjit Singh v Union Bank of India*, (2022) 7 SCC 464 — non-existent citation

Ratio Decidendi

- Courts and tribunals must adopt a zero-tolerance approach toward the production, citation, or use of AI-generated precedents without verification; it is misconduct on the part of an advocate to cite unverified judgments, and equally a serious lapse if a judge relies on fake or hallucinated AI-generated material in reaching a determination.⁵⁸
- A decision that relies, even to the slightest extent, on fake or hallucinated material is 'no decision' in the eyes of law, irrespective of whether such material had a direct or indirect

⁵⁷Pooja Ramesh Singh, 2026 INSC 668.

⁵⁸*Id.*

bearing on the outcome — such decisions must be set aside even if only an iota of fake material entered the decision-making process, since this violates the sanctity of adjudication.

- Accordingly, both the NCLT order dated 28.08.2024 and the NCLAT judgment dated 11.09.2025 were set aside, and the Section 7 application (RCP (IB) 6/MB/2023) was restored to its original number before the NCLT.
- The NCLT was directed to reconsider the application on its own merits, without any expression of opinion by the Supreme Court on the underlying merits, and to dispose of it expeditiously, preferably within two weeks, with the parties directed to maintain status quo in the interim.

Obiter Dicta

- The Court reflected at length on the transformative and potentially destabilising effect of AI on the exercise of independent human judgment and reasoning, cautioning that delegating thinking to AI, if it becomes habitual, risks eroding the human capacity to discern right from wrong, truth from falsehood — describing this discernment as arising from disciplined mental training and lived experience, a continuous ‘Saadhana.’
- The Court likened the infiltration of fake AI-generated precedent into judicial reasoning to the release of methyl isocyanate — invisible, insidious, and catastrophic before it is detected — contaminating the ‘lifeblood’ of judicial determination.
- The Court noted that this was not an isolated instance and referenced a UK case where a law firm’s associate relied on an AI-fabricated statutory quotation that went unnoticed by supervising partners, ultimately triggering judicial admonishment and a self-referral to the regulator.
- The Court directed the Bar Council of India, as the apex statutory body, to constitute a committee to deliberate on advocates submitting fake/hallucinated material as precedents, and to prescribe guiding principles and disciplinary consequences for such conduct.⁵⁹

⁵⁹*Id.*

- The Court clarified that its judgment does not concern the legitimate use of AI as such, but only the presentation or reliance on fake or hallucinated material as if it were genuine court precedent — emphasizing that AI adoption in aid of adjudication is welcome, provided there is total human control with ‘a human in the loop at every stage.’

4.5 Impact of Relying on Fake or Hallucinated Precedent

In fact, a decision based on false or hallucinated precedents is ‘no decision’ in the eyes of law, a failure to abide by the rule of law. The Court took a zero-tolerance approach and struck down both the decisions of the NCLT as well as the NCLAT, even if only a part of the material relied upon was hallucinated, irrespective of its relevance to the decision. To cite unverified case law generated using artificial intelligence is misconduct on the part of lawyers and a serious lapse on the part of judges. It also erodes the confidence that courts have in lawyers’ citations, which is why the Court directed the Bar Council of India to frame guidelines and disciplinary consequences for such conduct.

4.6 Need for Human Oversight in Adjudication

In the future, the use of AI in the legal field has the potential to revolutionize how legal services are rendered. The ability of AI to bring about efficiency, accessibility, and accuracy gives the promise of a revolution in the legal domain. However, this technological progress has so many ethical implications in developing and utilizing AI to the greatest ethical standards. The fact is that AI systems are built upon big data, which includes biases such as racial or gender discrimination, and this discrimination could be promoted through the decisions made by the AI. Even if the AI decision making is with an individual human, AI can introduce biases to the system that lawyers will be able to assess and correct.⁶⁰

However in many instances the legal profession must make judgements which are not necessarily informed on the basis of data, particularly where case can have unique features or is being interpreted through the application of law. AI is highly efficient in analyzing massive quantities of data, but it is unable to understand all nuances and the human factor of a legal dispute. Human legal professionals will be able to interpret AI suggestions in the larger framework of law, making

⁶⁰Univ. of L./SLSA, *supra* note 19.

the decisions more precise. The ‘black box’ issue is one of the problems that come with using AI in any field as it is the scenario where the decision making is not explainable. When it comes to legal issues it is crucial, particularly when a rationale for decisions is required. With human review of the recommendations given by AI, the legal industry will continue to have complete documentation and reasons behind decisions.

A key factor in the successful implementation of AI in the Legal sector is whether the obstacles within the legal profession will be met, and while it will undoubtedly advance human abilities and competencies, not diminish or violate the integrity of the conduct of law. If balanced well, the use of AI will greatly transform the legal profession.



CHAPTER V – PROFESSIONAL RESPONSIBILITY, ETHICS AND REGULATION: DUTY OF ADVOCATES TO VERIFY LEGAL AUTHORITIES

5.1 Ethics in AI-Assisted Legal Research

Ethics rules for lawyers using AI are the same as for lawyers overall, such as the rules of competency, confidentiality, communication with the client and so on. A lawyer who employs an AI legal research agent is accountable for the same to her client as she is when an associate, or a contracting legal research service, provides it. Anyone using this tool has to grasp it, monitor the output of the tool, safeguard the client's privacy and communicate with the client about its use. With new rules for generative AI, ABA Formal Opinion 512, issued in July of 2024, came to a similar conclusion but applied this innovation to the Model Rules rather than creating new rules.⁶¹

AI ethics in legal decision-making involves examining the ethical considerations related to the use of AI in legal contexts such as, but not limited to, its impact on fairness, accountability, and adherence to professional ethics rules. The American Bar Association has created guidance on ethics for using AI in the legal industry.

Although there are some algorithms available that can analyze contracts, or even predict the results of a case, the relationship between AI and the legal industry is a multifaceted one. AI is starting to be seen as a force in a legal and corporate practice's regulation, due diligence and litigation plans.

The quality of the information the AI system is programmed on determines its effectiveness. If this data is inconsistent and does not present the full picture of situations in which AI will be used by lawyers, AI systems used by lawyers will reproduce these patterns more often. A law firm that implements AI to forecast case results, for example, should be aware that when the system is trained on data that contains prevalent biased patterns, it may deliver a form of justice that is unfair to certain claims.

⁶¹ABA Standing Comm. on Ethics & Pro. Resp., Formal Op. 512: Generative Artificial Intelligence Tools (July 29, 2024); Servient, *supra* note 20.

This can lead to potential misconduct, claims of malpractice, and serious damage of a lawyer and legal professional's reputation.

Regulatory pressure on algorithmic decision-making in the legal sector is growing and several significant instances have led to significant penalties against companies over the uneven nature of legal assessments or case handling using their AI applications.⁶²

5.2 Judicial Responsibility in Checking Sources

The issue of judge's responsibility as far as source and factual verification is concerned, within the framework of laws and legal systems across the world, is very much determined by the differentiation made between legal research and factual research. Judges, by contrast are certainly responsible for learning where to obtain or read legal sources — statutes, case law and precedents — but are considerably more constrained in doing research with regard to the points of fact.⁶³

Justice is based on the principle of truth. Application of law according to truth is one of most important and indispensable pillars of Justice Delivery. Just in practice is truth! The judge is the one who is saddled with the responsibility of accurately determining the facts and thus providing proper justice. The whole judicial procedure is planned to ensure that it assists in identifying the truth. A sense of justice based on truth will provide harmony in society. For the common man, truth is all but synonymous with justice and whenever there is no truth, there is no justice. There is only Truth that can produce public confidence in the judiciary. Truth is involved in every trial, and it is the intended outcome of any trial process. The judge should be a part of the process in determining the truth. The Delhi High Court has discussed about the meaning of the 'Truth' and how it is defined in the law.

The Delhi High Court has elucidated on the nature and ambit of Sections 3, 114 and 165 of the Indian Evidence Act 1872 (since replaced by the Bharatiya Sakshya Adhiniyam 2023) in order to arrive at the truth. The definition as to the mode of proving facts in Court of Law is contained in section 3 of Indian Evidence Act 1872 (now section 2 of the Bharatiya Sakshya Adhiniyam 2023). The court under section 114 of Evidence Act (now section 119 of the Bharatiya Sakshya

⁶²Lexitas Legal, *supra* note 20.

⁶³Plaintiff Magazine, *supra* note 20.

Adhiniyam 2023) has been empowered to make an inference on the existence or non-existence of the unknown facts by the evidence/admission of other facts.⁶⁴

The unlimited power of the Judge to ask any question to any witness or party relating to any fact is granted by section 165, Indian Evidence Act 1872 (now section 168 of the Bharatiya Sakshya Adhiniyam 2023). The intent of this section is to insure the Judge the widest and most ample powers it is possible to give him for obtaining the truth. That is, the effect of this part is that the outcome is for the Court to attempt to look at each of the facts to ascertain the truth as it bobbed and weaved amongst them. The Court however does not rely on its judgment unless the facts are relevant.⁶⁵

5.3 Data Privacy and Confidentiality Concerns

The information lawyers work with – whether personal or confidential business records – is highly sensitive. Confidentiality is an inalienable right of the client. They are entitled to the utmost secrecy. They want and deserve it -- absolute secretiveness. Such a breach of trust can cause significant consequences to not just yourself, but the litigative process as well.

Confidentiality is a professional duty, guided by and also a direct obligation within the field of law.

Attorneys have a moral responsibility to safeguard information belonging to their clients, making it secure and ensure it is kept private. This duty is an integral part of the attorney-client relationship and is an important element that can affect the integrity of the entire legal system.

With AI playing a more significant part in legal research, the significance of data privacy and confidentiality grows even higher.

AI tools need a huge amount of data to work but these data can also contain sensitive information, if improperly managed.

⁶⁴Indian Evidence Act, 1872, No. 1 of 1872, §§ 3, 114, 165 (India) (replaced by Bharatiya Sakshya Adhiniyam, 2023, No. 47 of 2023, §§ 2, 119, 168).

⁶⁵*Ved Parkash Kharbanda v. Vimal Bindal*, 198 (2013) D.L.T. 555 (India); Judicial Academy, <https://judicialacademy.nic.in/> (last visited Oct. 24, 2026).

However, it is important to have strict protection measures in place so that AI technology can support legal practice without compromising the strict privacy standards that are crucial to it.

5.4 Existing Regulatory Frameworks Applicable to AI

While there is yet no dedicated AI statute in India, its form is governed by the provisions of central legislation along with circulars and notifications from the relevant Central Government ministry. They include the following:⁶⁶

Information Technology Act 2000 is the major legislation that governs electronic communications, electronic transactions and electronic commerce in India. It punishes cyber crimes such as identity theft, cheating, privacy violation and obscene publications, which are highly prevalent in the use of AI on the internet, and also deals with intermediary liability.⁶⁷

These rules, which were framed under the IT Act, were recently amended by the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules 2026 dated 10 February 2026, leading to the implementation of the first binding compliance regime in India specific to Artificial Intelligence. The amendments include a new definition of ‘synthetically generated information’ (‘SGI’), which refers to ‘sounds, visuals, or sounds and visuals’ that have been artificially or algorithmically created, generated, modified, or altered by or with use of a computer resource, and that are, or likely to be, perceived as coming from a natural person or real-world event. The definition of SGI excludes content created or altered routinely and in good faith for the purpose of document preparation, or even for making documents accessible. The intermediary shall implement reasonable and appropriate technical measures, such as automated measures, to prevent the creation, generation or dissemination of SGI relating to child sexual exploitative and abuse material, non-consensual intimate imagery, false documents and electronic records, information about explosives, arms and ammunition, and content depicting a natural person or real-world event in a manner likely to mislead. Intermediaries must also prohibit the modification, suppression or removal of the label or metadata attached to SGI; include identification information, such as a unique identifier or the information recorded in a log, register or file; and otherwise provide clear and public labelling and other means of establishing the

⁶⁶CMS, *supra* note 22.

⁶⁷Information Technology Act, 2000, No. 21 of 2000 (India).

provenance of SGI, other than that created for deceptive purposes. The key social media intermediaries also need to include a user declaration for whether or not content is SGI and, where it is, to technically confirm it is SGI and then to apply the tag 'SGI' to it before publishing. Failure to live up to these obligations can cost an intermediary the safe harbour that is usually provided to 'passive' intermediaries, leaving it vulnerable to liability for third party content.⁶⁸

Copyright Act 1957: It is the central legislation for copyright protection in India which also covers computer generated works. But it does not extend authorship or ownership of copyright to artificial entities, like AI agencies. While the Act does include a number of newer exemptions of fair use, they may pertain to training of AI systems.⁶⁹

Digital Personal Data Protection Act 2023: Imposes informed consent, security and breach notification obligations on 'data fiduciaries'. It also requires 'Significant Data Fiduciaries' to conduct algorithmic audits and data protection impact assessments for bias detection and mitigation.⁷⁰

Consumer Protection Act 2019: This Act sets out strategies for consumers to be protected from unfair trade practices, including dark patterns, with the help of the Guidelines of Prevention and Regulation of Dark Practices providing a list of misleading experience patterns that includes algorithmic designs and AI - driven ones, among others.⁷¹

Bharatiya Nyaya Sanhita 2023: Enacts provisions for criminal accountability for malicious AI usage.⁷²

5.5 Draft Regulations for Use of AI in Courts, 2026

Artificial Intelligence (AI) Committee, Supreme Court of India has issued Draft Regulations for Use of Artificial Intelligence (AI) in Courts, 2026 for setting up an enabling mechanism for using the technology.⁷³

⁶⁸Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026 (India).

⁶⁹Copyright Act, 1957, No. 14 of 1957 (India).

⁷⁰Digital Personal Data Protection Act, 2023, No. 22 of 2023 (India).

⁷¹Consumer Protection Act, 2019, No. 35 of 2019 (India).

⁷²Bharatiya Nyaya Sanhita, 2023, No. 45 of 2023 (India).

⁷³Artificial Intelligence Committee, *supra* note 16.

What AI Regulations Introduce

On the second day after the release of the Draft Regulations, CJI Surya Kant, speaking in London, pointed out that ‘technology is not benign by nature’ nor is it ‘malignant’. He made it a point to highlight the need to hold technology to account for constitutional values, democracy and dignity of the human person. The Draft Regulations reiterate that the use of AI has to be ethical and ‘in a responsible manner.’ Chapter II, General Principles to Govern Adoption, Deployment and use of AI Systems, values the primacy of people’s decision-making over AI systems, which must always serve human beings. Further, AI should be used as an assistive mechanism and not replace autonomous human decision making.

The same chapter also crystallises a connection between the usage of AI and natural justice principles, fairness, and equality before the law. Prevents AI systems that perpetuate, aggravate and cause discrimination based on race, religion, caste, sex, gender, disability, language, economic position, apart from any other ground prohibited under Constitution. The emphasis in this chapter is on accountability being measured all the way down so that it will be the judge alone who must account for decisions made with the assistance of AI. The decisions that are generated using AI have to be verified prior to their usage, but the judge may in writing waive off verification.

The aim of the Regulations is to govern the use of AI in courts on the principles of human primacy, transparency, accountability, data protection and judicial independence.

Chapter III lists the ‘permissive uses’ of AI, which are not exhaustive. Along with transcriptions and translations, the guidelines allow the use of AI for case management, cause list preparation, hearing scheduling, and docketing. ‘The aim of such technologies is to bring about delay reduction, efficiency, greater access to legal information and to enable judges and court administrators to focus on those aspects of judging that require a nuanced human understanding’, said the CJI in his speech in London.

Draft Regulations seem to streamline numerous formalities with regard to using AI in case filing, defect review, and record keeping. Any other use of AI by the Appropriate Authority with written prior permission is discretionary on its part. Drawing lessons from the way countries like Spain, Austria, France, and Greece have used AI, the regulation allows the use of AI for anonymization of judgements and court records. AI will be used to anonymise personal information, including all

party/parties names, dates and addresses etc. of all concerned. Regulation 20(1) provides clarity on the use of AI which is prohibited.

AI Use by the Litigant

In February 2026, CJI Surya Kant, Justice B.V. Nagarathna and Justice Joymalya Bagchi had pointed out that lawyers and litigants were using Artificial Intelligence to prepare petitions, which was ‘absolutely uncalled for’. Moreover, the Bench also noted that other sitting judges of the Supreme Court had come across petitions citing non-existent precedents. The Bombay High Court had imposed a fine on a petitioner after it found that there were incorrect citations in the petition that were drafted by AI.⁷⁴

This is acknowledged in the Draft Regulations. It calls them ‘AI hallucination’ and means that it creates make-believe or fake legal content that consists of fabricated judicial precedents, statutes, and quotations. Advocates and litigants have responsibilities and accountabilities similar to those of judicial officers. A new declaration will become part of the rules under regulation 43 that must be completed if an AI is used for any filing. Users of AI-generated contents should take reasonable measures to verify the accuracy of the generated contents. Where something is produced through technology—art, work, or product—and it is possible to have liability, it is only human liability.

This rule is to be complied with at the stage of filing. In some other countries, such as England and Wales, Australia, and even some provinces of Canada, it is mandatory for lawyers to check documents made by using AI. But, in general, a duty to disclose use on procedure does not exist.

The Regulations put forward, however, do not resolve this problem once such documents become records of the court. Meanwhile, it is not clear whether the requirement applies to specific types of software. It remains to be seen whether this policy reaches only to the generative AI technology used to create documents and research materials, or applies to other such services, such as translation services, transcription services, predictive text, and grammatical assistance with word processors.

These concerns may have much more direct implications in situations where issues are critical. Among requests for interim orders or habeas corpus petitions, some are written and filed within a

⁷⁴*Supreme Court Raises Alarm over AI-Drafted Pleas*, INDIA TODAY, *supra* note 47.

few hours. It will not be clear, either at the registry or during the implementation of the Regulations, whether the declaration will be a formality or yet another reason for disagreement.

Further, the Draft Regulations indicate that ‘reasonable care’ must be taken in checking the AI content with little guidance as to what this entails. The Regulations do not deal with these issues.⁷⁵

5.6 Need for Accountability and Safeguards

Artificial intelligence (AI) has the potential to reshape the legal landscape for India in many ways and is viewed here as not only an innovative but also a regulatory hurdle in the legal field. As AI systems expand their roles in governance, commerce, and the health and welfare of individuals, there is a need to be accountable and transparent as to how governance and AI systems interact, and to ensure human rights are being recognised. Although current Indian legal regime, which includes Information Technology Act 2000 and Digital Personal Data Protection Act 2023, provides a base, it fails to provide sufficient precision in resolving issues such as algorithmic bias, automated decision making and ethical accountability. So, without a uniform and statutory framework, there is a regulatory gap endangering the constitutional rights of equality, privacy and due process.⁷⁶

In cases such as *Justice KS Puttaswamy v Union of India* and *Shreya Singhal v Union of India*, the judiciary has played its role, which has led to the recognition of privacy and freedom of speech as important safeguards against the misuse of technology.⁷⁷ However, in today’s context of new tools and technologies used for monitoring, policing, and governing—such as surveillance and predictive policing—judicial regulation alone would be an inadequate measure. Hence, there is a need for a proper legal framework, which, among others, can include algorithmic auditing and human oversight.

Inclusivity and distributive justice, from a socio-legal perspective, are important for AI governance in India. The incorporation of AI in welfare, credit scoring systems, employment and other areas

⁷⁵Supreme Court Observer, *supra* note 22.

⁷⁶Joylin Jacob Y et al., *supra* note 21.

⁷⁷*Justice K.S. Puttaswamy v. Union of India*, (2017) 10 S.C.C. 1 (India); *Shreya Singhal v. Union of India*, (2015) 5 S.C.C. 1 (India).

should not further deepen the social inequalities or exclude groups of people. It is vital to have legal, capacity building programs, and citizen participation in the process of making AI policies.

Finally, India must move from its present approach of policy and ethical frameworks to a rights-based, risk-sensitive and open approach to governing AI. A ‘Bill on Artificial Intelligence Accountability and Governance’ along with an AI regulatory body and the harmonisation of sectoral regulations can help a great deal in ensuring that the AI revolution is shaped in accordance with the basic principles laid down in the Constitution – Justice, Liberty and Equality.



CHAPTER VI – CRITICAL ANALYSIS AND RECOMMENDATIONS

6.1 Critical Analysis

AI is proving to be a very helpful legal research tool, making legal information more readily accessible, providing summaries of cases, and determining precedents. One of the issues is the accuracy of the result; in fact, it can happen that the AI generates inaccurate results or even fictitious case laws (AI hallucination).

In the Indian legal system, the importance of judicial precedent is rather significant since it allows achieving consistency and certainty in interpretation of the law. The Constitution of India says that the Supreme Court pronounces law which is to be followed by all courts in India as per Article 141. It's a possibility that legal arguments contain misleading information about the judgment, potentially confusing the court.⁷⁸

In fact, it's not about the AI system's capacity to generate wrong information. The issue is that the information created using AI may go unverified. The advocates are still the author and guarantor of the correctness of the submissions despite the errors in the research and technology employed.

Professional responsibility system can be used as a basis for dealing with such threats. However, the rise of generative AI comes with some challenges, including validation, disclosure, accountability, and confidentiality. Even if it is potentially feasible to utilize existing professional duties for legal research using AI, there is a need for specific guidelines.

AI should thus be considered as a means and not as the source of law. This needs control and guidance by people to ensure legal research is carried out within the boundaries of the law.

6.2 Recommendations

1. **Compulsory Verification of Legal Authorities:** Properly verify all the case, legislative and quotation citations and legal propositions generated by AI using primary sources from the legal databases and courts official website.

⁷⁸INDIA CONST. art. 141.

2. **Professional Guidelines:** The Bar Council of India and other judicial authorities can provide specific guidelines on the proper usage of AI by lawyers in terms of accuracy, accountability, confidentiality, and professional ethics.
3. **Human Supervision:** AI-produced research should be considered as the first pass. Advocates need to make sure they cross-compare the original judgments; assess the relevance of the same and make sure that arguments are in alignment with the respective law.
4. **Training for Lawyers:** Bar Associations, Judicial Academies, Law colleges can offer training programs for lawyers on AI hallucinations, Verification process, Data protection and limitations of generative AI.
5. **Judicial Measures:** When dealing with fake or misleading citations or submissions of materially inaccurate AI-generated material, the courts may implement necessary measures to protect the integrity of proceedings.
6. **Confidentiality:** Lawyers should avoid inputting any kind of confidential material or privileged communications in AI platforms that do not have adequate security and privacy facilities.
7. **Accountability and Action:** Procedures should be outlined in regards to taking action on any erroneous submission or negligent and intentional use of artificial intelligence.
8. **Evaluation:** The guidelines should continue to be reviewed to ensure that they are not outdated due to the advances and risks of technology.

CONCLUSION

The introduction of the technology can bring radical changes to the legal research, and justice administration, because of the resulting higher efficiency, availability and analysis of legal information. However, with the emergence of so-called hallucinations where AI generates false cases, citations, or even ‘hallucinates’ a statement in a legal ruling, there also are a lot of questions about trustworthiness and accuracy in the legal research process supported by AI.

In this regard, the current study proves the importance of the concept of judicial precedent in maintaining the law consistency and certainty in India. The verdict of the Supreme Court of India, which set aside tribunal orders based on fabricated precedents and stressed that advocates must verify the authorities they cite, illustrates how the use of AI can lead to undesirable consequences and the need for checks and balances. The case of *Pooja Ramesh Singh v Jammu and Kashmir Bank Ltd* illustrates the potential pitfalls of relying on wrong legal authorities generated by AI and the need for lawyers to ‘double check’. Advocates must assume responsibility for making proper submissions, while judges’ independent reasoning remains vital in delivering justice.

However, the findings presented show that the problem cannot be addressed by existing practice alone; further action is required.

It’s not an opposition to technological advancements, it is about letting them run as per the law and professional ethics. Using AI should be a complement to, not a replacement for human logic. Therefore, the smart use of AI will lead to efficient and just legal practices in India.

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