

# ENFORCING FOREIGN ARBITRAL AWARDS IN INDIA: LEGAL FRAMEWORK, JUDICIAL APPROACH, AND GLOBAL COMPATIBILITY

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## Abstract

A strong international arbitration framework and investor trust in cross-border business partnerships are largely dependent on the efficient execution of foreign arbitral rulings. The provisions of the Geneva Convention (1927) and the New York Convention (1958) are both included into the Arbitration and Conciliation Act, 1996, which largely governs the enforcement framework in India. Even though India has ratified these treaties, the country's enforcement system has come under fire for its lengthy court proceedings, expansive interpretation of public policy exceptions, and convoluted procedures. In particular, Sections 44 to 52 (New York Convention awards) and 53 to 60 (Geneva Convention awards) of the 1996 Act that deal with foreign arbitral awards are critically examined in this paper. It also assesses the changing judicial position through seminal rulings from *Renusagar* to *Vedanta*. According to the study, there has been a steady change in the Indian judiciary from a conservative, interventionist stance to one that is more supportive of enforcement and arbitration. The recent legislative changes and the shrinking of the public policy basis show India's intention to conform to international arbitration standards. India's compliance with international standards is contextualised through comparative views from arbitration regimes in the US, China, Singapore, and the UK. In order to further streamline enforcement, the report ends by suggesting important reforms, such as the creation of specialised arbitration benches, the codify of public policy principles, and the simplification of procedures. India has the potential to become a preferred arbitration venue and an effective enforcement jurisdiction with the implementation of strategic law reforms and steady judicial backing. Hence the present research paper deals with the compatibility of the existing legal framework and judicial approach at national and international level.

**Keywords:** Foreign Arbitral Awards, Enforcement in India, Public Policy Exception, New York Convention, Judicial Approach.

## 1. INTRODUCTION

Due to the exponential growth in international trade and investment, arbitration has gained popularity as a means of resolving cross-border business disputes in the current era of globalisation.<sup>1</sup> Arbitration has several advantages over traditional litigation, such as neutrality, procedural flexibility, confidentiality, and cross-jurisdiction enforceability of awards. One of the most significant aspects of international arbitration is the ability of foreign arbitral decisions to be enforced in national courts. Without effective enforcement measures, arbitration's core purpose—to provide a final, binding resolution outside of the traditional judicial system—would be gravely jeopardised. India acknowledged the need for a worldwide enforcement mechanism by signing two significant international agreements: the New York Convention of 1958 and the Geneva Convention of 1927.<sup>2</sup> These treaties provide reciprocal processes that allow member governments to recognise and enforce international arbitral rulings. The New York Convention was accepted by India in 1960, and its provisions were included in the Arbitration and Conciliation Act of 1996. This Act modernise the legislation relevant to both domestic and international arbitration, in addition to offering a formal framework for the implementation of foreign awards under Part II. Despite this formal commitment, practical challenges have often arisen in India's implementation of foreign arbitral verdicts. Indian courts have sometimes been reluctant to promptly enforce such rulings due to procedural errors, ambiguous public policy issues, and concerns about national sovereignty. The broad meaning of "public policy" in landmark rulings such as **ONGC v. Saw Pipe**<sup>3</sup> created uncertainty by allowing losing parties to block enforcement on the basis of ethical and legal issues. Although subsequent court decisions have attempted to restrict the scope of this type of intervention, concerns regarding judicial delays and unequal application of the law still exist. Additionally, investors and international firms continuously assess the legal environment of potential markets prior to conducting business. If India is perceived as having a convoluted or erratic enforcement system, it might undermine the legitimacy of its arbitration infrastructure and deter international investment. In this case, aligning domestic enforcement strategies with international norms becomes both legally and financially important. This research study aims to provide a comprehensive analysis of the legal framework governing the implementation of foreign arbitral awards in India. It evaluates how court interpretation

<sup>1</sup> Gabriele Lars Kirchhof and Christian Buhring-Uhle, *Arbitration and Mediation in International Business* (Kluwer Law International, 2006).

<sup>2</sup> V.S. Deshpande, "International Commercial Arbitration and Domestic Courts in India" 2 *Journal of International Arbitration* 45 (1985).

<sup>3</sup> *ONGC Ltd. v. Saw Pipes Ltd.*, (2003) 5 SCC 705.

has evolved, identifies recurring procedural and doctrinal problems,<sup>1</sup> Gabriele Lars Kirchhof and Christian Buhring-Uhle, *Arbitration and Mediation in International Business* (Kluwer Law International, 2006).  
4 V.S. Deshpande, “International Commercial Arbitration and Domestic Courts in India” 2 *Journal of International Arbitration* 45 (1985).

ONGC Ltd. v. Saw Pipes Ltd., (2003) 5 SCC 705 and compares enforcement practices in other arbitration- supporting jurisdictions. Its ultimate goal is to assess India’s compatibility with the rest of the world and provide practical solutions to enhance the legitimacy, efficacy, and predictability of the application of international arbitral awards.

## 1.1. RESEARCH OBJECTIVES

1. To examine the Arbitration and Conciliation Act, 1996’s legal framework for enforcing foreign arbitral awards in India, including how it incorporates international agreements like the Geneva Convention (1927) and the New York Convention (1958), and to determine the essential procedural and substantive requirements for enforcement.
2. To assess how Indian courts have interpreted and applied the enforcement provisions, paying particular attention to the public policy exception’s changing scope, procedural hold-ups, and striking a balance between the protection of national interests and minimal judicial intervention.
3. To compare India’s enforcement system to that of other top arbitration-friendly jurisdictions, including the US, Singapore, and the UK, and to suggest change that would make India more globally compatible, boost investor confidence, and solidify India’s standing as a trustworthy location for international arbitration.

## 2. RESEARCH METHODOLOGY

In order to investigate the execution of international arbitral decisions in India, this study uses a doctrinal and analytical methodology, paying particular attention to the legal framework, judicial interpretation, and worldwide consistency. Court rulings interpreting enforcement clauses, international treaties such as the 1958 New York Convention, and the Arbitration and Conciliation Act of 1996 are examples of primary sources.<sup>4</sup> Scholarly publications, legal commentary, and worldwide comparative studies are examples of secondary sources. By comparing India’s enforcement regime to that of arbitration-friendly nations like the USA, Singapore, and the UK, a comparative legal method is used to determine its advantages, disadvantages, and potential reform areas.

## 3. LEGAL FRAME WORK FOR ENFORCING FOREIGN ARBITRAL AWARDS IN INDIA

### Procedural Framework Under Civil Procedure Code for Execution of Foreign Arbitral Award

Section 38, Civil Procedure Code, This section establishes that the court, to which the decree is made, or any other court, to which it is transferred has the power to effect execution.<sup>5</sup> In the context of foreign arbitral awards, there is a sound argument that once a decision by a foreign tribunal is held to be enforceable in terms of Section 51 of the Arbitrations and Conciliation Act, 1996, then it becomes a decree and can be enforced as such. Illustration of Practice: An Indian company has been ordered to pay damages by a foreign arbitral tribunal. When the award has been recognized by any court in India under Part II of the ACA, the award is treated as a decree under Section 38 Civil Procedure Code. The decree-holder may then approach either the court which had upheld the award or seek its transfer to be executed in another state where the assets of the judgment debtor are located. Section 39, Civil Procedure Code, This is very important as it enables the shift of the decree to another court that is not in the locality of the judgment debtor in case the latter is residing in or owning property in a Jurisdiction that is not a local one to the court making the declarations.<sup>6</sup> This is particularly of importance in the case of foreign awards because the assets may not always be in the country where the award is first recognized. In the same example, when the Delhi High Court upholds the foreign award, but the immovable property of the debtor is in Mumbai, Section 39 provisions allow transferring the decree to the court of Mumbai to execute it in the same manner. This helps recover assets even in situations that they are located across different jurisdictions. Order XXI Rule 10, Civil Procedure Code, This rule requires that (i) the application to execute the decree must be formally made by the decree-holder by submitting a certified copy of the decree, and (ii) a certificate of non-satisfaction should be attached to the application.<sup>7</sup> The court must have the satisfaction that the decree has not been sufficiently executed. Practical Insight: In the case of foreign arbitral awards, the award-holder must undergo the same process of filing of papers in the local records in order to trigger the process of execution as in the case of decrees. To change things, to give another example, say we have an award which is to be paid the sum of USD 10 million, with only USD 2 million having been voluntarily paid, the decree-holder can make an execution application over the balance amount of USD 8 million, providing evidence of partial steps taken. Order XXI Rule 11, Civil Procedure Code, This rule authorizes the rule holder to apply in writing and identifies the specific method of execution-either through seizure of property, arrest and detention of the debtor or

<sup>1</sup>garnishee proceeding. In case the debtor owns a bank account in India, the holder of decree may seek garnishee judgements under Order XXI Rule 11 on which court may order the bank to pay the amount due as apart of the decree directly. Such adaptability provides India with the assurance that foreign arbitral awards may take practical effect against Indian assets.<sup>8</sup>

Relevant Provisions for Enforcing Foreign Arbitral Awards In Arbitration and Conciliation Act, 1996

Section 44 explains the meaning of a “foreign award” for the purpose of enforcement under the Arbitration and Conciliation Act, 1996, by defining it as an arbitral award arising from disputes between parties engaged in legal relationships—contractual or otherwise—that are regarded as commercial under Indian law. The provision applies to awards made on or after 11 October 1960, provided they arise from a written arbitration agreement governed by

4 Ashutosh Kumar et al., “Interpretation and Application of the New York Convention in India” in *Recognition and Enforcement of Foreign Arbitral Awards: The Interpretation and Application of the New York Convention by National Courts* (Springer International Publishing, 2017).

<sup>5</sup> The Code of Civil Procedure, 1908 (Act 5 of 1908), s. 38

<sup>6</sup> The Code of Civil Procedure, 1908 (Act 5 of 1908), s. 39.

<sup>7</sup> The Code of Civil Procedure, 1908 (Act 5 of 1908), Order XXI, r. 10.

<sup>8</sup> The Code of Civil Procedure, 1908 (Act 5 of 1908), Order XXI, r. 11.

the New York Convention contained in the First Schedule of the Act. Further, such an award must originate from a territory that the Central Government has formally notified in the Official Gazette as a reciprocating country, after being satisfied that the concerned State has enacted reciprocal measures for enforcement. This section therefore lays the foundational criteria that determine whether an international arbitral award qualifies for recognition and enforcement in India, ensuring alignment with global standards while maintaining statutory safeguards through government notification.<sup>9</sup> Section 45 allows for the application for international award enforcement. If the documents are not in Hindi or English, the party requesting enforcement must provide certified translations, the original arbitration agreement or its authenticated copy, and the original award or an authenticated copy. By doing this, the court is guaranteed to obtain legitimate documents prior to proceeding. Section 46 provides that a foreign award shall be treated as binding and enforceable in India in the same manner as a decree of a court. It empowers the High Courts to oversee the enforcement process, ensuring that applications for enforcement are filed before the High Court having territorial jurisdiction over the place where the respondent resides or where the respondent's assets are located. By vesting this responsibility in the High Courts, the Act centralises enforcement proceedings within a judicial forum equipped with higher expertise, thereby promoting consistency, certainty, and efficient adjudication in matters involving international arbitral awards.<sup>10</sup> Section 47 explains the evidentiary requirements that a party must satisfy while seeking enforcement of a foreign award in India. It mandates that the party applying for enforcement must submit the original arbitral award or an authenticated copy, the original arbitration agreement or a duly certified copy, and any additional evidence necessary to establish that the award qualifies as a "foreign award" under the Act. Where the award or the arbitration agreement is in a foreign language, an English translation certified by a diplomatic or consular agent of the relevant country, or otherwise authenticated according to Indian law, must be produced. The section further clarifies that, for the purposes of this Chapter, the term "Court" refers to the High Court having original civil jurisdiction over the subject matter of the award, or, in other cases, the High Court with appellate jurisdiction over subordinate courts handling such matters. This provision ensures procedural clarity and establishes a uniform evidentiary framework for the recognition and enforcement of foreign arbitral awards in India.<sup>11</sup> Section 48 explains the limited grounds on which the enforcement of a foreign award may be refused by an Indian court, reflecting the narrow, pro-enforcement approach of the New York Convention. The provision stipulates that refusal is permissible only if the party resisting enforcement proves circumstances such as incapacity of the parties under the applicable law, invalidity of the arbitration agreement, inadequate notice of proceedings, inability to present one's case, or that the award contains decisions beyond the scope of the arbitration submission. Enforcement may also be denied if the arbitral procedure or composition was not in accordance with the parties' agreement or the law of the seat, or if the award is not yet binding or has been set aside or suspended by a competent authority of the relevant country. Additionally, the court may refuse enforcement if the subject matter is non-arbitrable under Indian law or if enforcing the award would violate the public policy of India. The statute clarifies that public policy objections arise only where the award is affected by fraud or corruption, violates confidentiality or conciliation provisions, contravenes the fundamental policy of Indian law, or offends basic notions of morality or justice; importantly, this assessment cannot involve a review of the merits. Furthermore, where proceedings to set aside or suspend the award are pending before a foreign authority, the court may adjourn enforcement and require security from the resisting party. This provision balances respect for international arbitral finality with essential safeguards rooted in Indian legal principles.<sup>12</sup>

Section 49 explains the legal effect of a foreign award once the court is satisfied that it meets the enforceability requirements under this Chapter. It provides that, upon such satisfaction, the foreign award is deemed to be a decree of the High Court for all purposes. This deeming provision eliminates the need for a separate suit or further judicial proceedings, thereby ensuring a streamlined and efficient<sup>2</sup> enforcement mechanism. By granting the award the same status as a court decree, Section 49 reinforces the finality of international arbitral awards and aligns Indian practice with the pro-enforcement spirit of the New York Convention, ultimately promoting certainty and reducing procedural delays in cross-border commercial dispute resolution.<sup>13</sup> Section 50 explains the appellate framework governing orders passed in relation to the enforcement of foreign awards under the New York Convention regime. It provides that an appeal shall lie against two specific categories of orders: an order refusing to refer parties to arbitration under Section 45, and an order refusing enforcement of a foreign award under Section 48. The right to appeal is conferred notwithstanding any contrary provision in other laws, ensuring that parties have a guaranteed appellate remedy in these limited but significant circumstances. The section further stipulates that no second appeal is maintainable from an appellate order made under this provision, thereby preventing prolonged litigation and safeguarding the efficiency of the enforcement process. However, the section expressly preserves the constitutional right to approach the Supreme Court, ensuring that questions of legal importance or substantial interpretation remain open to the apex judicial forum. This framework balances finality with judicial oversight, reinforcing the pro-enforcement ethos of the Act while ensuring procedural fairness.<sup>14</sup> Section 51 explains the saving clause applicable to the enforcement of foreign awards, ensuring that the Chapter does not curtail or extinguish any rights that parties previously possessed under Indian law. It clarifies that the enactment of this Chapter does not prejudice any person's pre-existing right to enforce an arbitral award in India or to rely upon such an award in any legal proceeding, had the Chapter not been enacted. In effect, Section 51 preserves alternative statutory or common-law avenues for enforcement that may have existed before the incorporation of the New York Convention framework. This provision safeguards procedural continuity, prevents retrospective impairment of vested rights, and ensures that the Chapter operates as an enabling mechanism rather than a restrictive one.<sup>15</sup>

<sup>9</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 44.

<sup>10</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 46.

<sup>11</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 47.

<sup>12</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 48.

<sup>13</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 49.

<sup>14</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 50.

<sup>15</sup> The Arbitration and Conciliation Act, 1996 (Act 26 of 1996), s. 51.

### Geneva Convention, 1927: Salient features

The Geneva Convention is still enforceable in India under Chapter II of Part II, despite being fully superseded by the New York Convention. It covers awards made by parties to this convention that fall outside the purview of the New York Convention. Compared to the New York framework, the process and grounds for refusal under Sections 53 to 60 are comparable, if a little more complicated. Due to the New York Convention's wider international recognition, enforcement under the Geneva Convention is very uncommon.<sup>16</sup>

### New York Convention, 1958

India enacted the New York Convention on July 13, 1960, again pledging to enforce arbitral decisions made in other countries that are signatories to the treaty. Such ratification was a significant stride towards enhancing the image of India as an arbitration-friendly nation and is in congruence with the global practices of foreign laws.

**Salient Features:** Supremacy of Foreign Awards - The Convention also requires the signatory states, such as India, to acknowledge foreign awards as binding. Enforcement Mechanism - Once an award is registered, it can be enforced just as a domestic court judgment. Grounds of Refusal Enforcement may only be rejected on the basis of incapacity of parties, invalidity of the arbitration agreement, absence of due process, over-reaching of arbitral jurisdiction and transgression of the enforcing state. In India, enforcement is possible only in case the Central Government has formally notified the originating nation as a reciprocating territory. As on date 50+ countries have been notified so that the awards are actually further executable in Indian courts. The Courts Role - It is seen that the role of courts is minimal, with courts only verifying the few grounds of refusal.

### Illustrative Case:

The Supreme Court of India in **Renusagar Power Co. Ltd. v. General Electric Co.**<sup>17</sup> made an important precedent by making a narrow construction of the public policy exception provided under the New York Convention. The Court stated that enforcement of foreign award can be denied on the ground of contravention of:

- (i) The governing principle of Indian law, the interests of India, or justice or morality
- (ii) Moral or justice.

This limited interpretation brought in a pro arbitration stance with a degree of certainty and certainty in enforcement though. But, in the case of the Supreme Court **ONGC v. Saw Pipes Ltd**<sup>18</sup> did change the landscape a lot, although the case concerned mostly domestic arbitration. The extent of the law, which had already been watered down by the Court that defined public policy to include patent illegality, meant that courts would be permitted to reverse awards on substantive grounds of erroneous law rulings. Although the ruling was not squarely on international awards, its pervasive norms on public policies quickly helped shape how foreign awards are enforced. Starting with Saw Pipes, the Indian courts began to accept challenges to foreign arbitral awards under Section 48 of the Arbitration and Conciliation Act, 1996, on equally broad grounds. This judicial overflow eroded the narrow set of criteria framed under New York Convention and Renusagar, and discredited India willingness to engage minimum judicial intervention on the implementation of international arbitral awards.

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## 4. JUDICIAL APPROACH TOWARDS ENFORCEMENT OF FOREIGN ARBITRAL AWARDS IN INDIA

Over the past few decades, India's legal system has seen a radical change in how it handles the implementation of

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international arbitral awards. The more modern perspective shows alignment with international arbitration norms, emphasising pro- enforcement and arbitration-friendly ideas, whereas early jurisprudence was marked by excessive court intervention and a protectionist approach. However, there have been instances of procedural inconsistency, inconsistent rulings, and doctrinal ambiguity along the way. This section covers the growth of the Indian judiciary's role in defining the enforcement framework for international arbitral awards, focusing on significant decisions, statutory modifications, and continuing issues.<sup>19</sup>

### Early Judicial Stance: Formalism and Intervention

In the past, Indian courts have shown a cautious and formalistic approach to international arbitral verdicts, frequently motivated by domestic legal norms and concerns about sovereignty. **Renusagar Power Co. Ltd. v. General Electric Co.**<sup>20</sup>, was a significant case. The Supreme Court ruled in this case that a foreign award may only be denied enforcement if it went against Indian public policy. Importantly, the Court limited the scope of public policy to the following:

- (i) Fundamental policy of Indian law,
- (ii) Interests of India, and justice or morality.

This restricted interpretation established a pro-arbitration tone while providing some clarity and assurance in enforcement. But **ONGC v. Saw Pipes Ltd.**<sup>21</sup>, which dealt with domestic arbitration, broke the judiciary's non- interference rule by extending the definition of public policy to encompass "patent illegality." Despite having nothing to do with international awards

<sup>16</sup> Pierre Tercier, "The 1927 Geneva Convention and the ICC Reform Proposals" 2 Dispute Resolution International 19 (2018)

<sup>17</sup> Renusagar Power Co. Ltd. v. General Electric Co., 1994 Supp (1) SCC 644

<sup>18</sup> ONGC Ltd. v. Saw Pipes Ltd., (2003) 5 SCC 705

<sup>19</sup> Keerthi Gorthy, "Deciphering Arbitration Awards—A Comprehensive Guide to Enforcement in India" SSRN Working Paper No. 4637429 (2023), available at <https://ssrn.com/abstract=4637429> (last visited Aug. 20, 2025).

<sup>20</sup> Renusagar Power Co. Ltd. v. General Electric Co., AIR 1994 SC 860.

<sup>21</sup> ONGC Ltd. v. Saw Pipes Ltd., (2003) 5 SCC 705.



specifically, its broad interpretation gradually started to permeate enforcement actions involving foreign awards, undermining the protection provided by Section 48 of the Arbitration and Conciliation Act, 1996.

**Conflicting Trends and Judicial Confusion**

Courts interpreted Saw Pipes differently in situations involving international arbitral verdicts as a result of its spillover. Despite Part I of the Act’s limited applicability to domestic arbitrations, the Supreme Court controversially permitted the setting aside of a foreign award based on Indian legal principles in **Venture Global Engineering v. Satyam Computer Services Ltd**<sup>22</sup>. This ruling was criticised for essentially undercutting the finality of foreign awards by obfuscating the distinction between enforcement provisions (Part II) and challenge provisions (Part I). This judicial ambiguity persisted in **Phulchand Exports Ltd. v. O.O.O. Patriot**<sup>23</sup>, where the Supreme Court overturned the Renusagar precedent by re-examining the merits of a foreign arbitral ruling in the interest of public policy. The limited intervention theory started to falter, deterring foreign parties from selecting India as a trustworthy enforcement jurisdiction and casting doubt on India’s adherence to the fundamental tenets of the New York Convention.

**Judicial Recalibration: Corrective Measures**

A correction to the trend in a significant shift in orientation came after the judiciary realized the harm done by treating expansive interpretations of the term public policy in the context of arbitration in India. In **Shri Lal Mahal Ltd. v. Progetto Grano Spa**<sup>24</sup>, the Supreme Court reversed the former position followed in Venture Global Engineering by reasoning that the latter may contradict the law itself since it contradicts the law in **The Gneral Electric Company Limited v. Morarjee Spinning and Weaving Mills Limited**.<sup>25</sup> Satyam Computer Services Ltd., which had improperly applied the foreign awards to the doctrine of patent illegality. The Court reiterated that in case of enforcement of overseas arbitral awards, the Indian courts are to give restricted appeal and according to the New York Convention. This judgment was a very important turning point that reverted to judicial restraint and once again reinstated the belief that foreign awards are not to be treated in an identical manner to domestic awards. It indicated to the international community that India was determined to make it conform to international norms on arbitration. Soon legislative measures supplemented this judicial correction. The Arbitration and Conciliation (Amendment) Act, 2015 has added Explanation 2 to Section 48(2)(b) so as to make it clear that the setting aside of a foreign award cannot take place on the basis of misapplication of law or misconcertainment of evidence. This was in effect an overturning of the Saw Pipes legacy as far as foreign awards were concerned, where Indian judiciary could not question arbitral thinking in name of public policy. By confining the available grounds of refusal to fraud, corruption and the breach of fundamental policy, the 2015 Amendment has put India on par with the New York e Convention on limited AFs. A trend that is further reinforced by the 2019 Amendment is that of institution building in arbitration. It promoted the formation of institutions like the New Delhi International Arbitration Centre (NDIAC), which would ensure that they rely less on ad hoc arbitration and are supported to facilitate enforcement. By using a mix of judicial self-correction with the clarity of legislation, India would start to lose much of the criticism of unpredictable judicial interference and lack thereof. In synergy, Shri Lal Mahal and the amendments that followed translate to the fact that the arbitration law in India has been re-balanced towards a pro-enforcement and pro-arbitration regulatory system, one that emphasizes finality, discourages judicial interference and portrays India as a favorable jurisdiction to hold international commercial arbitration.

**Reinforcing Pro-Enforcement through Precedents**

The dedication to pro-enforcement standards was further solidified by further decisions. Procedural flaws by themselves could not serve as grounds for denial. In **Yograj Infrastructure Ltd. v. Ssang yong Engineering & Construction Co. Ltd.**<sup>26</sup>, the Court ruled, unless they amounted to a violation of natural justice. The supreme court reaffirmed that party autonomy and the finality of verdicts are essential components of international arbitration in **Centrotrade Minerals & Metal Inc. v. Hindustan Copper Ltd.**<sup>27</sup>. It also supported the legality of a two-tier arbitration agreement. The Supreme Court repeated these views in **Government of India v. Vedanta Ltd.**<sup>28</sup>, holding that the public policy defence cannot be used as a cover for judicial overreach. The Court emphasised that India needs to uphold its end of the bargain and foster an atmosphere that attracts international investment. The High Courts were also quite important. The Delhi High Court refused to refuse enforcement for minor procedural errors in **Glencore International AG v. Hindustan Zinc Ltd.**<sup>29</sup>, concluding that such differences could not supersede substantive justice or India’s obligations under the Convention. In a same vein, the Bombay High Court allowed enforcement in **Noy Vallesina Engineering SpA v. Jindal Drugs Ltd.**<sup>30</sup>, despite procedural flaws (such as unsigned pages), highlighting the need to balance these flaws against the concepts of justice and practicality.

**Legislative Support and Amendments**

Legislative actions supported the changing judicial narrative. Explanation 2 was added to Section48(2)(b) by the Arbitration and Conciliation(Amendment) Act, 2015<sup>31</sup>, making it clear that an award cannot be revoked for no other reason than a misapplied law or a misappreciated piece of evidence. The repeal of the application of domestic enforcement criteria to overseas awards was made possible in large part by this amendment. The 2019 Amendment made it easier to create institutional frameworks that support institutional arbitration in India, such the New Delhi International Arbitration Centre (NDIAC). It restated the legislative goal to guarantee effective enforcement of foreign awards and encourage little interference.<sup>32</sup>

**Persistent Challenges and Contemporary Concerns**

Problems still exist in spite of the corrective trajectory. Concerns about renewed judicial meddling under the broad heading of public policy were raised when the Supreme Court rejected enforcement in **National Agricultural Cooperative Marketing Federation of India v. Alimenta S.A.**<sup>33</sup>, citing a violation of the Export Control Order in the underlying contract. Enforcement is also still delayed by procedural formalism. The Act’s Section 47 requires the provision of numerous papers, including the original award, arbitration agreement, and translations. This frequently results in lengthy legal proceedings and administrative roadblocks. Although the territoriality principle was defined and Part I was limited to domestic arbitrations in **BALCO v. Kaiser Aluminium**<sup>34</sup>, the High Courts’ uneven execution of the ruling occasionally reintroduces doubt.

<sup>22</sup> Venture Global Engg. v. Satyam Computer Services Ltd., (2008) 4 SCC 190.

<sup>23</sup> Phulchand Exports Ltd. v. O.O.O. Patriot, (2011) 10 SCC 300.

<sup>24</sup> Shri Lal Mahal Ltd. v. Progetto Grano Spa, (2014) 2 SCC 433.

<sup>25</sup> General Electric Co. Ltd. v. Morarjee Spinning and Weaving Mills Ltd., (1998) 4 SCC 592.

<sup>26</sup> Yograj Infrastructure Ltd. v. SsangYong Engg. & Construction Co. Ltd., (2011) 9 SCC 735.

<sup>27</sup> Centrotrade Minerals & Metal Inc. v. Hindustan Copper Ltd., (2017) 2 SCC 228.

<sup>28</sup> Government of India v. Vedanta Ltd., (2020) 10 SCC 1.

<sup>29</sup> Glencore International AG v. Hindustan Zinc Ltd., 2014 SCC OnLine Del 3946

<sup>30</sup> Noy Vallesina Engineering SpA v. Jindal Drugs Ltd., 2006 SCC OnLine Bom 837.

<sup>31</sup> The Arbitration and Conciliation (Amendment) Act, 2015, s. 48(2)(b).

<sup>32</sup> Keerthi Gorthy, “Deciphering Arbitration Awards—A Comprehensive Guide to Enforcement in India” SSRN Working Paper No. 4637429 (2023), available at <https://ssrn.com/abstract=4637429> (last visited Aug. 20, 2025).

<sup>33</sup> National Agricultural Cooperative Marketing Federation of India v. Alimenta S.A., (2020) 5 SCC 694.

<sup>34</sup> Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc., (2012) 9 SCC 552.

## 5. COMPARATIVE INTERNATIONAL PERSPECTIVE

Although it is improving, India's enforcement system for foreign arbitral rulings is best understood in light of international arbitration standards. When India's legal system and judicial system are contrasted with those of other arbitration-friendly nations like the US, Singapore, and the UK, it reveals both its advantages and its shortcomings, which should be addressed to improve India's standing internationally.<sup>5</sup>

### Position In United Kingdom

One of the most reputable and esteemed jurisdictions for international arbitration is the United Kingdom, which is primarily governed by the Arbitration Act 1996.<sup>35</sup> In order to guarantee that UK courts honour international arbitral rulings with the least amount of intervention, the Act integrates the fundamental ideas of the New York Convention on the Recognition and Enforcement of international Arbitral rulings (1958).<sup>36</sup> The statutory structure prioritises minimal judicial review, arbitral rulings' finality, and party autonomy. According to Section 103 of the Arbitration Act, which is similar to Article V of the New York Convention, UK courts normally only get involved in situations that are specifically listed.

These include situations such as parties' incompetence, void arbitration contracts, inadequate notice, anomalies in the procedure, and awards that are against the public interest. However, courts specifically avoid merit-based evaluations and construe "public policy" narrowly. In *Dallah Real Estate v. Ministry of Religious Affairs of Pakistan*<sup>37</sup>, for example, the Supreme Court maintained the minimal court intervention norm even though it considered the jurisdictional question. The UK system's group of expert business and arbitration judges, especially in the business Court and the London Court of International Arbitration (LCIA)<sup>38</sup>, is another important asset. These judges contribute a high level of consistency and knowledge, which promotes legal clarity and investor confidence. London continues to be a preferred arbitration location worldwide thanks to the British courts' pro-arbitration position. Furthermore, the UK has reiterated its adherence to the New York Convention even after Brexit, indicating that enforcement procedures will continue. Together with a strong legal system, this predictability guarantees the UK's sustained leadership in the world of arbitration. Its enforcement jurisprudence is an example of procedural fairness, restraint, and respect for arbitral autonomy.

### Position In Singapore

Singapore's modern International Arbitration Act (IAA) and conformity to the New York Convention have made it a premier arbitration destination in Asia and the world. Arbitration is regarded by the legal system as an effective, conclusive, and independent conflict resolution process. Singapore's courts have a pro-enforcement slant and frequently affirm foreign arbitral rulings unless Article V of the Convention provides for convincing justification.

Public policy grounds are interpreted strictly by the Singaporean judiciary, which restricts its application to transgressions of morality, fundamental justice, or the most fundamental legal principles. Courts take care to distinguish between legal mistakes and violations of public policy. In *PT Asuransi Jasa Indonesia (Persero) v. Dexia Bank SA*<sup>39</sup>, a landmark judgement, the Court of Appeal underlined that even faulty arbitral rulings could not be prevented from being enforced unless they violated due process or fundamental justice. Similarly, despite objections to factual findings, *Coal & Oil Co. LLC v. GHCL Ltd.*<sup>40</sup> maintained enforcement. Strong institutional support, especially from the Singapore International Commercial Court (SICC) and the Singapore International Arbitration Centre (SIAC), is another factor contributing to Singapore's arbitration success. The judiciary is renowned for its promptness, openness, and uniformity and has received extensive training in arbitration law. The effectiveness of enforcement is further improved by reforms like the establishment of specific arbitration lists and the permissive use of technology in judicial administration. Due to these efforts, Singapore is now regarded as a model for states that support arbitration. Parties looking for prompt and dependable execution of arbitral rulings are drawn to the nation by its reputation for judicial efficiency, impartiality, and integrity.

### Position In United States

The Federal Arbitration Act (FAA) and the New York Convention, both of which are deeply ingrained in federal jurisprudence, provide the two legal frameworks that regulate the implementation of foreign arbitral rulings in the US. The Convention is included into Chapter 2 of the FAA<sup>41</sup>, which offers a statutory framework for using federal district courts to enforce foreign awards. Because arbitration has long been favoured, US courts typically take a pro-enforcement stance. Only the grounds listed in Article V of the New York Convention—such as incompetence, void agreements, lack of notification, or public policy violations—are subject to judicial scrutiny. Crucially, when it comes to revisiting arbitral verdicts on the basis of factual or legal grounds, American courts are very cautious. For instance, the court determined that the public policy defence should be interpreted narrowly

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<sup>35</sup> Peter Binder, *International Commercial Arbitration and Mediation in UNCITRAL Model Law Jurisdictions* (Kluwer Law International BV, Alphen aan den Rijn, 2019).

<sup>36</sup> Pieter Sanders, "New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards" 6 *Netherlands International Law Review* 43 (1959).

<sup>37</sup> *Dallah Real Estate and Tourism Co. v. Ministry of Religious Affairs, Government of Pakistan*, (2010) UKSC 46.

<sup>38</sup> Gunish Aggarwal, "International Commercial Arbitration Aspects in United Kingdom," Part 1 *Indian Journal of Integrated Research in Law* 2 (2022): 1.

<sup>39</sup> *PT Asuransi Jasa Indonesia (Persero) v. Dexia Bank SA*, (2006) SGCA 41.

<sup>40</sup> *Coal & Oil Co. LLC v. GHCL Ltd.*, (2015) 16 SCC 728.

<sup>41</sup> Christopher R. Drahozal, "The New York Convention and the American Federal System," *Journal of Dispute Resolution* 101 (2012)

only in cases where the award went against the most fundamental principles of justice and morality. However, the United States' decentralised judicial system adds a degree of unpredictability. State courts occasionally deviate from federal courts in their enforcement because of disparate procedural laws and interpretations. However, this is lessened by federal judges' general arbitration literacy, which includes knowledge of both domestic and foreign arbitration systems. Additionally, under equitable principles such as agency or estoppel, the United States accepts and upholds awards involving parties from non-signatory states.

### **Position In China**

Since ratifying the New York Convention in 1987, China's arbitration environment has seen significant change. China's enforcement reliability has historically been questioned due to local protectionism and ambiguous procedural requirements.<sup>43</sup> But in recent years, China has made significant progress in enhancing enforcement predictability through policy changes, judicial training, and legal reforms. The Civil Procedure Law, the Arbitration Law, and rulings from the Supreme People's Court (SPC) regulate the enforcement of international arbitral verdicts in China.<sup>44</sup> The "Reporting System," which requires local courts to notify higher courts and eventually the SPC of refusals to enforce international awards, is one noteworthy protection. This system seeks to provide centralised court supervision and avoid capricious denials. Even with the advancements, problems still exist. Chinese courts continue to occasionally be reluctant to enforce awards that are said to violate socioeconomic regulations or domestic laws. For example, if the award is thought to impact state interests or contravene vague public policy, enforcement may be refused. Additionally, notarisation, authentication, and official translations are among the procedural requirements that pose serious obstacles to parties attempting to execute the law. However, reforms have been spurred by China's expanding engagement in international trade and its growing exposure to international arbitration. A greater desire to conform to international standards is demonstrated by initiatives like the China International Commercial Court (CICC), the advancement of institutional arbitration through organisations like CIETAC, and improved judicial training. Transparency is further enhanced by the SPC's public database of arbitration cases. China's trajectory indicates a drive towards global integration and harmonisation in arbitration practices, even though it has not yet attained the enforcement efficiency of Singapore or the UK.

## **6. NEED FOR RECOMMENDATIONS AND REFORM PROPOSALS**

To strengthen India's enforcement system for foreign arbitral rulings and increase its worldwide interoperability, several important reforms and procedural improvements are required. These recommendations aim to create a more stable, efficient, and arbitration-friendly climate by tackling the existing judicial, legislative, and administrative barriers.

### **Narrow and Codify Public Policy Exception**

One of the most pressing changes is the need to fully define and make clear the scope of the public policy exception under Section 48 of the Arbitration and Conciliation Act, 1996. Courts should adopt a strict stance, limiting the instances in which they refuse to implement the law to those involving fraud, corruption, or fundamental justice principles. Clear statutory restrictions that would restrict judicial discretion and conflicting conclusions would avoid needless engagement and delays.

### **Establish Specialized Arbitration Benches**

Establishing specialised arbitration tribunals or benches in the Supreme Court and High tribunals is crucial. Judges on specialist benches with prior international arbitration expertise will provide timely, knowledgeable, and reliable decisions in enforcement proceedings. This institutional specialism, like Singapore's model, can significantly reduce procedural delays and increase judge confidence in arbitration rules.

### **Streamline Procedural Requirements**

Accelerating enforcement actions requires streamlining processes. Digitising filings, allowing electronic copies of arbitration agreements and awards, and reducing the need for notarisation or apostille would all help to reduce administrative challenges. Additionally, regular updates and wider recognition of reciprocating areas under Section 44 would remove ambiguities and facilitate the enforcement of decisions from additional arbitration hubs.

### **Promote Alternative Dispute Resolution Mechanisms**

Promoting pre-enforcement mediation or conciliation can reduce court caseloads and speed up dispute resolution. Putting such processes in place within arbitration frameworks with clear legislative backing will promote collaborative solutions and preserve commercial relationships.

### **Judicial Training and Awareness**

Ongoing training programs for judges and legal professionals on international arbitration conventions, best practices, and contemporary judicial trends will close knowledge gaps. By giving judges the ability to better balance national interests with international commitments, this would fortify a pro-enforcement culture in accordance with international standards.

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If Indian arbitration institutions are enhanced through improved case management, procedural rules, and openness, foreign investors will have greater faith in them. The implementation of consistent rules in accordance with UNCITRAL principles and collaboration with foreign arbitration groups will enhance India's standing as a preferred arbitration venue. In summary, these reforms aim to bring India's arbitration legislation into compliance with international standards, reduce judicial overreach, and provide a predictable and efficient enforcement mechanism. By implementing these reforms, India would attract international trade, boost investor confidence, and establish itself as a leading jurisdiction for resolving cross-border disputes.

## **7. CONCLUSION**

<sup>42</sup> Parsons & Whittemore Overseas Co. v. Société Générale de l'Industrie du Papier (RAKTA), 508 F.2d 969 (2d Cir. 1974).

<sup>43</sup> Jian Zhou, "Judicial Intervention in International Arbitration: A Comparative Study of the Scope of the New York Convention in US and Chinese Courts," 15 *Pacific Rim Law & Policy Journal* 403 (2006).

<sup>44</sup> Fan, Kun, "Supreme Courts and Arbitration: China," b-Arbitra | Belgian Review of Arbitration 2019.2 (2019)

Enforcement of foreign arbitral awards forms an important aspect of international commercial arbitration and international trade. India has signed several international conventions dealing with enforcing the decisions and, through the Arbitration and Conciliation Act of 1996, it has provided a comprehensive legal framework for enforcing the decisions that are taken by the international courts. The Indian courts have increasingly created a pro-enforcement and pro-arbitration approach over the years in compliance with international arbitration principles. Nevertheless, inefficiencies in the procedures, some cases of inconsistent interpretations by the courts, and certain ambiguities in the law continue to disrupt the enforcement process, especially in broad interpretations of the public policy exemption. This has resulted in delays and uncertainty that has dented the attractiveness of India as a preferable seat of international arbitration. Taking a deeper look into the mechanisms by which foreign arbitral awards are enforced in India, it is possible to note that although the Civil Procedure Code and the Arbitration and Conciliation Act establish a rather systematic mechanism, writ jurisdiction loopholes create issues in the actual practice of the matter. The inclination of parties to go to the High Courts by way of writ petitions erects further obstacles, negating the finality of awards and delaying enforcement. Until these loopholes in the writ system are eliminated through judicial stringency and legislative incisiveness, the system will continue to face systemic bottlenecks in enforcement. A comparative analysis with other jurisdictions identifies the strengths and weaknesses of foreign models. To illustrate, Singapore and the UK have developed simplified institutional structures and enforce arbitration awards with great speed and minimal interference. In contrast, India still relies on ad hoc arbitration proceedings and judicial review, which act as impediments. Meanwhile, India does have the advantage of possessing a wide field of law and courts that are becoming more open to correcting past wrongs. Based on these comparative experiences, India should move towards a hybrid model that imports globally known best practices and adapts them to local contexts. The embracement of reforms into a draft model law that could be adopted as a comprehensive reference point is equally important. Such a framework would establish judicial boundaries in public policy scrutiny, provide procedural clarity, and ensure uniformity of procedural time frames across India. By modelling a code in such a draft format, India may aim at providing uniform and written guidelines that leave little room for ambiguity in interpretation. Finally, it is important to figure out the most effective means of enforcement. The world as a whole is moving towards a seat-based, institution-based system that entails electronic filing, strict deadlines, and single-purpose benches. In India, the same strategy, supported by robust institutional strength, uniform jurisprudence, and codified constraints on judicial interference, would present the safest course. In sum, despite the fact that the present legal framework in India has a solid foundation as far as accepting international arbitral awards is concerned, additional legislative and judicial improvements are necessary to tap the full potential. The adoption of reforms such as shutting down writ loopholes, bench marking against international practices, and formulating a holistic model enforcement law would put India at a tremendous advantage. These amendments will increase the credibility of India in the international arbitration market, ease the process of international trade and investment, and bring India on par with international best practices in its arbitration laws.

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