# THE ROLE OF ADR IN CROSS-BORDER COMMERCIAL DISPUTES: ANALYZING CASE LAWS AND CHALLENGES

Alekha Chowdhury, LLB, JGLS, O.P. Jindal Global University

#### **ABSTRACT**

This paper examines the role of Alternative Dispute Resolution (ADR) in resolving cross-border commercial disputes in an increasingly globalized economy. Traditional litigation is often ill-suited for international disputes due to high costs, lengthy procedures, and its adversarial nature. In contrast, ADR mechanisms—such as arbitration, mediation, and conciliation—offer flexible, efficient, and confidential alternatives that accommodate diverse legal systems and cultural contexts.

The paper explores the practical viability of ADR compared to litigation, focusing on cost, timeliness, and party satisfaction. It addresses jurisdictional complexities in cross-border ADR, particularly issues related to the seat of arbitration, governing law, and the role of national courts. A comparative approach is adopted to analyze how India and other jurisdictions manage these challenges.

A key area of focus is the enforcement of arbitral awards. The paper critically examines enforcement barriers in India, particularly the broad application of the public policy exception, and compares them with other New York Convention signatories. It also evaluates how international legal frameworks can aid dispute resolution.

The study includes a comparative analysis of India's ADR legislation—especially the Arbitration and Conciliation Act, 1996—and the UNCITRAL Model Law. It further analyzes landmark case laws and evaluates the role of institutions like the MCIA, ICA, ICC, and LCIA in shaping effective ADR practices.

Finally, the paper considers emerging developments such as Online Dispute Resolution (ODR) and the technological advancements shaping the future of ADR, aiming to contribute to ongoing discussions on improving global dispute resolution mechanisms.

**Keywords:** ADR, Cross-Border Disputes, Arbitration, Enforcement, India, New York Convention, UNCITRAL, ODR.

#### Introduction

In this increasingly interconnected world, doing cross-border business deals is more common than ever. Globalization carries on promoting international investment and commerce and at the same time dictates, increases and accelerates the need for effective and efficient dispute-resolution procedures. Alternative dispute resolution (ADR), for example, offers a legal tool for resolving disputes in the context of international trade that offers the advantages of secrecy, speed and flexibility around traditional litigation. Several procedures in ADR permit parties to resolve their difference without the sense of fun of litigation and include mediation and arbitration. The complexity of multinational problems makes Alternative Dispute Resolution (ADR) so important in promoting collaboration and maintaining business links that it is impossible to overstate.

While ADR has advantages, its use in cross-border conflicts has its quirks too. Jurisdictional concerns, dissimilar legal systems, and various enforcement issues may make it less successful in using ADR procedures. Between parties, agreements are often made in the maze of a confusing web of local and international conventions, so much so that more than a little will be lost between the negotiations. In addition, it may be difficult to enforce arbitral rulings, and in some cases, there may be a large number of such barriers to the enforcement of arbitral rulings, given that national courts are not inclined to accept and enforce the verdicts of international tribunals because of public policy reasons. In this circumstance, there is a need for a thorough examination of the role and practicality of alternative dispute resolution (ADR) in international business conflict.

The present study analyzes the complicated aspects of ADR in this situation in an attempt to answer several important research issues. Second, unlike traditional litigation, how good are alternative dispute resolution (ADR) processes in settling international conflict? Second, what jurisdictional difficulties do cross-border ADR encounter and how do different jurisdictions, including India, deal with jurisdictional issues related to arbitration and enforcement of arbitration? Third, what are the principal legal impediments to the enforcement of international arbitral awards in India and how do background enforcement problems differ in India from elsewhere under the New York Convention? The study would also examine how India's ADR legal system conforms to or fails to conform with global frameworks such as the UNCITRAL Model Law, drawing lessons from experiences in other nations.

This study also includes a comparison review between India and other jurisdictions like the USA, UK or other meaningful international viewpoints. The objective of the article is to provide an overview of the possibilities and problems in intra and international ADR by examining the role of institutions, case laws and laws in different countries. The research will also look at these major case laws in cross-border conflicts to shed light on how dispute resolution is changing, and how alternative dispute resolution (ADR) is growing in cross-border conflicts.

The objective of the study that we present in this study is to provide a clear understanding of the function of alternative dispute resolution (ADR) in resolving cross-border conflicts and to offer suggestions for the improvement of its effectiveness particularly in the context of the Indian scenario. The book tries to enlighten practitioners, policymakers and scholars about the way forward of alternative dispute resolution (ADR) in a world economy and contributes to the existing discussion on ADR.

## Methodology

The doctrinal research methodology employed for the study draws on an assortment of these primary sources, which include the Arbitration and Conciliation Act of 1996, and the precedents set by case laws from Indian and foreign courts. In addition to the primary sources, secondary sources such as scholarly articles, policy papers, and commentary from reliable sources, such as JSTOR and HeinOnline, are employed. The analysis of ADR in India, as compared to other countries, would be done using a comparative legal methodology where a thorough approach is adopted towards the jurisdictions selected in fulfilling these criteria: to compare the various approaches adopted in other countries about cross-border conflicts, globally accepted impact, and well-established ADR systems. Key cases such as Venture Global v. Satyam in India, BG Group v. Argentina in the United States, and Dallah v. Pakistan in the UK are the focus of the case study approach. These examples have been strategically selected because they bore on the existing body of knowledge on cross-border ADR and enforcement matters. Quantitative data summarizes the state of the global ADR landscape through cross-border dispute figures settled through ADR in marked states, while qualitative data related to results such as case outcomes, timelines, and court interpretations accompanies it.

# **Legal Framework for ADR in Cross-Border Commercial Disputes**

# India's legal framework

#### Arbitration and Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 (the "Act") shall make arbitration prevalent in most of the matters so far as India is concerned. The Act was passed to bring India's arbitration and conciliation laws into line with international norms. A key provision of the Act is its provision for cross-border arbitration, allowing for parties to resolve disputes with international components.

Important Provisions: Along with those found in sections 2(1)(f) and 7, there are broad definitions of arbitration agreements in both written and implied forms of conduct. Section 9 allows a party in cross-border disputes to seek temporary relief from the courts, be it during or before any arbitration.

In 2019 substantial changes were made to improve the operation of arbitration procedures. Thus, it enabled prompt settlement of cross-border conflicts and empowered the Supreme Court as well as High Courts to apprise the business cases to arbitration. The modification enhances the prediction of arbitration proceedings in India by addressing the need for a precise schedule for arbitrator appointments and the termination of proceedings.<sup>1</sup>

## Judicial Interpretations

Judicial interpretations of the Act have had a major impact on the state of cross-border arbitration in India. In the landmark ruling in Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc. (BALCO)<sup>2</sup>. Indian courts have limited jurisdiction if the seat of arbitration is outside India. Supreme Court's decision that the Act does not apply to arbitrations with foreign seats highlighted the importance of party liberty in choosing the location of the arbitration.

Cairn Energy v. There is another novel case of the implementation of a foreign arbitral ruling, viz., Government of India. This court's ruling upheld the basics of the New York Convention

<sup>&</sup>lt;sup>1</sup> Arbitration and Conciliation Act, 1996, No. 26 of 1996, § 9 (India)

<sup>&</sup>lt;sup>2</sup> Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc., (2012) 9 SCC 552 (India)

by acknowledging the need to enforce foreign awards, absent strong countervailing arguments, and doing so following the terms and conditions encoded within those instruments of international obligation. This case also illustrates how to find a way to reconcile international obligations with national sovereignty when implementing arbitral rulings.<sup>3</sup>

# **Enforcement Issues**

India's position on enforcing foreign arbitral awards under the New York Convention highlights a recurring challenge: the reliance on **public policy exceptions**. Historically, courts have interpreted "public policy" broadly, as seen in **ONGC v. Saw Pipes Ltd.**<sup>4</sup>, where "patent illegality" was included under public policy grounds. This approach introduced ambiguity and encouraged challenges against awards, significantly undermining the finality of arbitration. However, subsequent judgments, like **Shri Lal Mahal Ltd. v. Progetto Grano SPA**<sup>5</sup>, have attempted to narrow the scope of public policy exceptions in line with international standards, but inconsistent application persists.

A more practical solution would involve statutory clarification of what constitutes public policy in the context of foreign awards, limiting it to fundamental principles of justice and morality, as observed in jurisdictions like Singapore. Such clarity would discourage frivolous challenges, reducing delays and enhancing India's reputation as an ADR-friendly jurisdiction. This reform would align India with global practices, fostering investor confidence and facilitating cross-border trade.<sup>6</sup>

#### International Legal Framework

#### New York Convention

International arbitration law would not be what it is without the New York Convention, or - at least - a framework for the acceptance and enforcement of foreign arbitral decisions. It is now a reality of more than 160 countries that have ratified it, facing the international effect and enforcement of arbitral rulings. The Convention reduces transactions' risks across borders and

<sup>&</sup>lt;sup>3</sup> Cairn Energy v. Government of India, [2020] 4 SCC 108 (India)

<sup>&</sup>lt;sup>4</sup> ONGC v. Saw Pipes Ltd., (2003) 5 SCC 705

<sup>&</sup>lt;sup>5</sup> Shri Lal Mahal Ltd. v. Progetto Grano SPA, (2014) 2 SCC 433

<sup>&</sup>lt;sup>6</sup> Singapore Arbitration Act (Cap 10, 2002 Rev Ed)

provides the parties confidence that their arbitration agreements will be respected, hence facilitating international trade.<sup>7</sup>

The Convention's concepts have been incorporated in domestic legislation on the making of national arbitration law in, for example, the United States and the United Kingdom. For example, the Federal Arbitration Act (FAA) in the US expressly includes the rules of the Convention in a simplified procedure regarding the execution of foreign verdicts.

#### UNCITRAL Model Law on International Commercial Arbitration

UNCITRAL Model Law on International Commercial Arbitration is a model law for nations wishing to revise their arbitration regulations. It promotes worldwide standardization of arbitration procedures. With this, nations like Singapore and the UK have placed a check on making the arbitration procedures effective and compatible with international norms.<sup>8</sup>

## Comparative Analysis

India is similar to several countries like the US and the UK in parallel and divergent ways. The three jurisdictions each have procedures for giving effect to arbitral rulings and accept the importance of party autonomy. But India is a laggard when it comes to reliance on public policy exceptions, while the US and UK are catching up on efficient enforcement procedures.

Moreover, there are diverse opinions mandated by the various courts on international arbitration. Indian courts, though, have often been more wary, prising open national interests; in comparison, US courts are often more open to supporting the enforcement of arbitral awards with minimal interference. The disparity of enforcement methods highlights how India must align its legal system with the universal quality of ADR, with concertedly international conflicts.

## **Challenges in Cross-Border ADR**

Cross-border conflicts in Alternative Dispute Resolution can be difficult. They involve jurisdictional concerns, arbitral judgment enforcement, linguistic and cultural disparities, and

<sup>&</sup>lt;sup>7</sup> United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958, UNGA Res 2205 (XXI) (1958)

<sup>&</sup>lt;sup>8</sup> UNCITRAL Model Law on International Commercial Arbitration, 1985, UN Doc A/40/17 (1985).

increased costs and time-related to them. To overcome these obstacles, the person required to meet will understand the legal systems in different jurisdictions, how appropriate an international agreement like the New York Convention is, and how the local courts will maintain or invalidate an arbitral ruling.

#### Jurisdictional Issues

#### India's Position on Jurisdiction

The trickiest problem in cross-border arbitration is determining jurisdiction. The choice of arbitral location is the most impediment to the resolution of Indian parties' cross-border disputes. The arbitration's seat is crucial as it defines what procedural legislation governs the arbitration and to what extent the court will be involved. This topic is controversial in India, especially after the Supreme Court in the BALCO case held around the arbitrations held outside of India are exempted from Part I of the Arbitration and Conciliation Act 1996. This decision represented a big break away from the earlier decisions as, for example, in Bhatia International v. Overseas arbitration, but in the absence of a contrary agreement, Indian courts have jurisdiction over such arbitrations, ruled Bulk Trading S.A.9

However, the BALCO case aside, the BALCO ruling also has its pitfalls, also restricts Indian courts from being intervened in arbitrations that have foreign seats, but at the same time raises questions of jurisdiction when Indian parties are engaged in international conflicts. However, as it turns out in real-world terms, arbitration when it occurs in another country can be expensive and difficult for Indian parties to enter into a system of other laws. As shown in Enercon (India) Ltd. v. Enercon GMBH, when the Supreme Court had to decide what constitutes the 'seat' of arbitration as against the 'venue' of arbitration, where the 'seat' is not linked with any place and thus, a clarity present about which of the two defines the location of the arbitration, is not present, the result can suffer from uncertainty.<sup>10</sup>

## Jurisdictional Challenges in Other Countries

Cross-border ADR has become increasingly efficient since several countries have come up with better ways of dealing with the issue of jurisdiction. The US and UK have very good systems

<sup>&</sup>lt;sup>9</sup> Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc. (2012) 9 SCC 552.

<sup>&</sup>lt;sup>10</sup> Enercon (India) Ltd. v. Enercon GMBH (2014) 5 SCC 1

to fight cross-border conflicts. The Federal Arbitration Act (FAA) allows contracting parties to choose where an arbitration will occur and normally courts allow this location to be fair and choose not to intervene, under very narrow circumstances such as fraud or undue influence. Similarly, the UK Arbitration Act 1996 anchors an emphasis on party autonomy and guarantees that arbitrations abroad will not be interfered with too much by courts.

Through the European Union's (EU's) unified regulations on jurisdiction and decision recognition under the Brussels I Regulation, smoother cross-border ADR within the same member states has been realized. Where parties to disputes come from outside the EU, however, jurisdictional questions may arise, and therefore such matters must be handled with care in applying the rules of international private law.<sup>13</sup>

## Enforcement of Arbitral Awards

## India's Position on Enforcement

It has been historically difficult to enforce arbitral rulings in India and even more so when they are from abroad. Since 1996, the Arbitration and Conciliation Act also stipulates that India must confer, accept and uphold international arbitral rulings made according to the New York Convention unless such arbitral rulings fall under one of the exclusions including if, for instance, there is a public policy breach. Yet there has been disagreement about how far this public policy exemption goes. ONGC v: The Meaning of Public Policy, Supreme Court of India It now includes awards that are 'patently illegal.' It had the effect of making the scope of arbitrability expansive and thereby inducing ambiguity and a greater possibility of parties contending arbitral awards.

However, more subsequent decisions have headed to limit the range of public policy. Shri Lal Mahal Ltd. v. Progetto Grano SPA made it abundantly clear that public policy exceptions to foreign awards must be read strictly as per the norms of international law particularly when engaging foreign awards.<sup>15</sup> The capacity to contest based on public policy in arbitral rulings,

<sup>&</sup>lt;sup>11</sup> Federal Arbitration Act, 9 USC §§ 1-14 (1925).

<sup>&</sup>lt;sup>12</sup> Arbitration Act 1996, c.23 (UK).

<sup>&</sup>lt;sup>13</sup> Council Regulation (EC) No 44/2001 of 22 December 2000 on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters (Brussels I).

<sup>&</sup>lt;sup>14</sup> ONGC v. Saw Pipes Ltd. (2003) 5 SCC 705.

<sup>&</sup>lt;sup>15</sup> Shri Lal Mahal Ltd. v. Progetto Grano SPA (2014) 2 SCC 433.

though, is still an impediment in India and therefore leads to insufficient enforcement of cross-

border conflicts.

International Perspective on Enforcement

Several nations under the New York Convention have set up more effective procedures for

enforcing arbitral rulings. Singapore's courts give very little room for judicial action, but

support arbitration. The Singapore International Arbitration Centre (SIAC) and a strong legal

framework in place under the International Arbitration Act have made arbitration awards

enforceable but, until recently, only in Singapore. Generally speaking, challenges to

enforcement are not considered except in unusual circumstances, such as fraud or corruption.<sup>16</sup>

The United States has a similar pro-enforcement stance as the FAA. Usually, courts consider

the enforcement procedure only and rarely consider the merits of arbitral awards. In BG Group

v, the US Supreme Court upheld the finality of verdicts in cross-border disputes. That deference

should be granted to the arbitrators' rulings, a ruling which has been through the system and is

now binding on the Republic of Argentina.<sup>17</sup>

Cultural and Language Barriers

Cross-border ADR is often troubled with language and cultural difficulties such that the process

is not as impartial and as effective as it should be. Cultural differences can affect the negotiation

strategy, the view of justice and a conflict resolution technique. For example, in India and many

other Asian nations, parties may value preserving the relationship more, and will therefore opt

for mediation instead of arbitration, while formal arbitration procedures are little used in some

Western countries.

Additionally, miscommunications or misinterpretations may be provoked by linguistic

problems even during proceedings. Thus, although English is the lingua franca utilized by

international arbitration, non-native speakers may be at a disadvantage. The translation of court

papers in ADR complicates and adds cost to the procedure and it is essential to ensure that

<sup>16</sup> International Arbitration Act (Cap 143A, 1995 Rev Ed) (Singapore).

<sup>17</sup> BG Group v. Republic of Argentina, 572 US 25 (2014).

communication is clear during sessions.<sup>18</sup>

#### Cost and Time

However, cross-border ADR can be expensive for Indian parties. Arbitration in India, however, has been particularly criticized for being both costly and time-consuming, particularly in the more intricate cross-border matters. In 2019, the Arbitration Amendment Act says the deadlines relating to completion of the arbitration process are meant to expedite the procedure.<sup>19</sup> Meanwhile, still behind nationals of nations such as Singapore and the UK when it comes to arbitration institutional backing is stronger.

All of this is because in cross-border procedures parties have to keep using foreign arbitrators, are forced to negotiate many legal systems and will often have hearings in several jurisdictions—making cross-border ADR cost-intensive. Whilst institutionally based centres like LCIA and ICC in the US and UK offer a great deal of services shortening delays but at a great expense, ad hoc arbitration is cheaper. It's still difficult to make ADR affordable and accessible for parties from developing nations like India.

#### **Case Law Analysis**

The legal environment for cross-border Alternative Dispute Resolution (ADR) is greatly influenced by important case law from India and other countries. Yet these are instances where efforts to enforce international arbitral rulings have been unfruitful, the element of public policy, and the reconciliation of the imperative of sovereign immunity with party autonomy. This section studies significant Indian and foreign 'cases of enforcement concerns and judicial interventions in various countries to show demonstration.

## **Key Indian Cases**

# Venture Global Engineering v. Satyam Computer Services Ltd.

Venture Global Engineering vs. the Supreme Court of India examined the enforceability of foreign arbitral rulings concerning shareholder disputes. In Indian courts, Satyam Computer

<sup>&</sup>lt;sup>18</sup> Klaus Peter Berger, "The Culture of International Arbitration and the Evolution of Contract Law," Arbitration International, Vol. 28, No. 1, 2012.

<sup>&</sup>lt;sup>19</sup> Arbitration and Conciliation (Amendment) Act, 2019 (India).

Services Ltd. Venture Global contested an award from a London-based international arbitration, that it violated public policy. The Indian courts, however, first grossly interfered with the otherwise intrinsic function and jurisdiction of international arbitration before and after the enactment of Part I of the Arbitration and Conciliation Act, 1996, even in cases where the arbitration was held without India. This interventionist strategy went under re-examination after the BALCO verdict which made it clear that Indian courts should not interfere in arbitrations held outside. However, the BALCO ruling comes before Indian courts would routinely interfere in cross-border business disputes to a Venture Global extent, where international verdicts were difficult to enforce internationally, often being hamstrung by international awards.<sup>20</sup>

## Cairn Energy v. Government of India

The Cairn Energy v. Government of India case is an important test of India's policy on enforcement of foreign arbitral verdicts especially in respect of cases involving sovereign immunity. The Permanent Court of Arbitration in The Hague has sided with Cairn Energy in its backing of India's retroactive taxation policies, awarding it damages from the move. However, India used sovereign immunity to defeat the implementation of this award in domestic courts. It is easy to see how the idea of sovereign immunity typically prevents governments from carrying out international awards lest they are judged to be 'arbitrary' by other nations, and therefore this case illustrates the problems of enforcing arbitral rulings on states. However, India resolved the conflict in the case but did not ease the problems of balancing sovereign immunity with the requirements of international arbitration demanded by the New York Convention.<sup>21</sup>

## **Key International Cases**

## BG Group Plc v. Argentina (US)

The BG Group Plc v Republic of Argentina case informed how US courts dealt with international arbitral judgments. The lawsuit sprang from a dispute over Argentina's economic policies that led to the country's 2001 financial crisis. BG Group also won its case in Washington, D.C., an arbitration panel there ruling that local remedies had not been tried in

<sup>&</sup>lt;sup>20</sup> Venture Global Engineering v. Satyam Computer Services Ltd. (2008) 4 SCC 190.

<sup>&</sup>lt;sup>21</sup> Cairn Energy v. Government of India, (2021) Permanent Court of Arbitration, PCA Case No. 2016-07.

Argentina's contest. The US Supreme Court upheld the arbitral award and said courts were bound by the arbitral process and that the arbitral tribunal had the power to settle the issue. In so doing, the ruling, while limiting judicial interference, further reinforced US courts' proenforcement position under the Federal Arbitration Act, given the enforceability of foreign arbitration rulings is emphasised as final.<sup>22</sup>

## Dallah Real Estate v. Pakistan (UK)

In Dallah Real Estate and Tourism Holding Co. v. Ministry of Religious Affairs, Government of Pakistan, the UK Supreme Court refused to execute a foreign arbitral ruling against Pakistan, as it would lack an appropriate arbitration agreement. Dallah had secured an arbitral ruling in France which Pakistan contested the enforcement in the UK, saying that it was not bound by the arbitration agreement. Pakistan won in the UK Supreme Court and rightly so, because that confirms that international decisions should only be carried out after confirming the existence of a legitimate arbitration agreement. This case shows how cautious UK courts are concerning overseas awards, particularly if jurisdictional or public policy issues are so involved.<sup>23</sup>

## Comparative Analysis

Indian and foreign governments face similar difficulties when executing arbitral rulings, but they have opposite strategies to deal with them. In Indian courts, on the other hand, public policy exceptions have been employed fairly liberally to challenge foreign arbitral verdicts and have played an active role (e.g. Venture Global and Cairn Energy). However, as in BG Group v. Argentina, the US courts may take less judicial action to implement foreign verdicts and be more respectful to arbitral tribunals. The UK takes a middle-ground approach to foreign arbitral rulings and such an approach places jurisdictional concerns and public policy concerns first as in Dallah Real Estate v. Pakistan.

#### The Role of ADR Institutions in Cross-Border Disputes

#### Indian ADR Institutions

As has been the case with the involvement of Indian organizations like the Mumbai Centre for

<sup>&</sup>lt;sup>22</sup> BG Group Plc v. Republic of Argentina, 572 US 25 (2014).

<sup>&</sup>lt;sup>23</sup> Dallah Real Estate and Tourism Holding Co. v. Ministry of Religious Affairs, Government of Pakistan [2010] UKSC 46.

International Arbitration (MCIA)<sup>24</sup> and the Indian Council of Arbitration (ICA)<sup>25</sup>, cross-border conflicts have increased. In particular, since its inception in 1965, the ICA has geared itself to managing commercial arbitrations involving foreign parties. It is a meeting ground for resolving disputes under Section 4A of the 1996 Arbitration and Conciliation Act<sup>26</sup>. However, since its creation in 2016 provided modern facilities and to handle cases expertly, it has turned into a dynamic substitute for a contemporary arbitration venue in international arbitration of India. Especially, the MCIA is interested in luring international investors and is especially interested in providing effective and reliable dispute-resolution procedures.

#### International ADR Institutions

The International Chamber of Commerce (ICC)<sup>27</sup> is an important international organisation best known for its mediation and arbitration services. The ICC International Court of Arbitration administers international arbitrations that are widely known for their adeptness in dealing with complex cross-border conflicts. The London Court of International Arbitration (LCIA)<sup>28</sup> is another important player in international ADR, offering effective, cheap, and well-assorted dispute resolution services that hardly involve the court.

## Comparative Effectiveness

Indian ADR institutions, like the MCIA and ICA, have made strides in offering efficient dispute-resolution mechanisms. However, their impact remains limited compared to global institutions like the ICC and LCIA, which benefit from decades of established credibility and institutional expertise. For instance, while the MCIA provides modern infrastructure and case management, its case volume and international recognition are relatively low, limiting its appeal for high-stakes cross-border disputes.

To improve efficiency and accessibility for Indian parties, ADR institutions must adopt internationally benchmarked practices, including expedited processes, better arbitrator panels, and integration of technology like Online Dispute Resolution (ODR). Furthermore,

<sup>&</sup>lt;sup>24</sup> Mumbai Centre for International Arbitration | MCIA https://mcia.org.in/

<sup>&</sup>lt;sup>25</sup> Indian Council of Arbitration, http://www.icaindia.co.in/

<sup>&</sup>lt;sup>26</sup> Arbitration and Conciliation Act, 1996, No. 26 of 1996, § 4A (India)

<sup>&</sup>lt;sup>27</sup> International Chamber of Commerce, https://iccwbo.org/dispute-resolution-services/

<sup>&</sup>lt;sup>28</sup> LCIA, https://www.lcia.org/

partnerships with global institutions for training and knowledge-sharing could enhance credibility, making Indian institutions viable alternatives for cross-border ADR.

# **Future of ADR in Cross-Border Commercial Disputes**

## **Emerging Trends**

The International Chamber of Commerce (ICC) is an important international organization that is familiar with mediation and arbitration services. The ICC International Court of Arbitration administers international arbitrations that are widely known for their adeptness in dealing with complex cross-border conflicts. The London Court of International Arbitration (LCIA) is another important player in international ADR, offering effective, cheap and well-assorted dispute resolution services, which hardly involve the court.<sup>29</sup>

## **Policy Reforms**

Several legislative and policy changes are required to make the ADR regime more successful; not so easy, I am afraid! As a way forward, if India institutionalizes arbitration with much more robust provisions in the Arbitration and Conciliation Act 1996 for cross-border enforcement; sets up world-class institutions; propagates pro-ADR jurisprudence etc. it could lead to international arbitrations being located here! Additionally, there is a need to have a government-sanctioned drive-in-the-trade sector and tax incentives for the use of ADR.<sup>30</sup>

# **Global Impact**

Some standardization appears in international cooperation, for example through treaties such as the New York Convention and UNCITRAL Model Law which may contribute to harmonizing arbitration laws internationally. A convergence of these uniform laws and greater participation in international arbitration frameworks by more countries will also help to minimise enforcement complexity as well as create a consistent legal background for cross-border commercial disputes.<sup>31</sup>

<sup>&</sup>lt;sup>29</sup> UNCITRAL Technical Notes on Online Dispute Resolution (2016), available at: https://uncitral.un.org/

<sup>&</sup>lt;sup>30</sup> NITI Aayog, "A Report on the Future of Dispute Resolution in India" (2022)

<sup>&</sup>lt;sup>31</sup> United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958 (New York Convention).

#### Conclusion

## Summary of Findings

Through this study work, several key issues in cross-border ADR — especially the Indian backdrop have been highlighted. Enforcement concerns remain a key issue, especially when international arbitral rulings are being set aside for public policy grounds like in cases such as Venture Global. This would cover, for example, problems in Cairn Energy v. Government of India concerning the seat of arbitration and other disputes over enforcement against governments). Linguistic and cultural barriers make ADR processes even more complex, cluttering the scenarios of conflict resolution in diverse legal systems.

## Final Thoughts

India's ADR framework demonstrates potential but requires targeted reforms to compete with jurisdictions like the US, UK, and Singapore. The continued reliance on public policy exceptions undermines the enforceability of foreign arbitral awards, deterring international parties from choosing India as a seat for arbitration. Statutory reforms to narrow the scope of public policy and judicial consistency in enforcement would strengthen the framework. Additionally, empowering Indian ADR institutions like the MCIA and ICA with better resources, global collaboration, and outreach efforts can enhance their role in cross-border disputes, making ADR processes more efficient and accessible for Indian parties. India's proactive adoption of reforms, aligned with the UNCITRAL Model Law and global best practices, can position it as a hub for cross-border arbitration, ensuring effective and equitable resolutions for international parties while fostering economic growth.