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# Enforcement of foreign arbitral awards in India: *LEX FORI* grounds

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**Abstract**
The true success of the arbitration procedure is determined by the ease with which a jurisdiction enforces a foreign arbitral award. This paper analyses the ground on which the forum where recognition and enforcement of the foreign arbitral award is sought may refuse to enforce the award. Article V of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) recognises two grounds as *lex fori* grounds to refuse to enforce a foreign arbitral award. If the subject matter of the dispute is not capable of being settled by arbitration, the forum may refuse to enforce the foreign arbitral award. Secondly, enforcement is 'opposed to the public policy' of the country where recognition and enforcement is sought is the ground which is raised when everything else fails. However subject matter which is capable of arbitration varies from jurisdiction to jurisdiction. Similarly, some forums have recognised public policy at two levels; domestic and international. Hence what may be considered as against public policy in the domestic context may be considered amenable to settlement by arbitration in the international context. Due to the varying interpretations by forums regarding the *lex fori* grounds, parties to an arbitration run the risk of the award being rejected by the forum under Article V (2) of the New York Convention.

**Keywords:** Enforcement, subject matter arbitrability, public policy

## Introduction

Arbitration may broadly be described as a private process that commences with agreement of the parties to an existing or potential dispute to submit that dispute for the decision by one or more arbitrators. The tribunal is chosen by the parties who may establish the procedures to be adopted by the tribunal. The decision of the tribunal (award) is final and binding on the parties. The objective of any arbitral proceeding to ensure quick redressal of disputes without the intervention of court. According to the UNCITRAL Model Law on International Commercial Arbitration, arbitration is defined [1] as under:

"arbitration" means any arbitration whether or not administered by a permanent arbitral institution;

India's Arbitration and Conciliation Act, 1996 as adopted the identical definition under section 2(1)(a)

"arbitration" means any arbitration whether or not administered by permanent arbitral institution

Further the Act under section 2(1)(f) defines the term international commercial arbitration as: international commercial arbitration means an arbitration relating to disputes arising out of legal relationships considered as commercial under the law in force in India and where at least one of the parties is—

1. an individual who is a national of, or habitually resident in, any country other than India; or
2. a body corporate which is incorporated in any country other than India; or
3. an association or a body of individuals whose central management and control is exercised in any country other than India; or
4. the Government of a foreign country;

**The UNCITRAL model law on international commercial arbitration has explained [2] the term commercial as follows**

The term commercial should be given a wide interpretation so as to cover matters arising from all relationships of a commercial nature. Relationships of a commercial nature include but are not limited to the following transactions; any transaction for the exchange of goods or services, construction agreements, licensing, investment, finance, banking, insurance, carriage of goods by air, sea, rail or road.

In the case of *R. M. Investment Trading Co. Pvt. Ltd. v. Boeing Co* [3] the term "commercial relationship" came under consideration. The Supreme Court of India observed:

L While construing the expression 'commercial' in Section 2 of the Act it has to be borne in mind that the Act is calculated and designed to subserve the cause of facilitating international trade and promotion thereof by providing speedy settlement of disputes arising in such trade through arbitration and any expression or phrase occurring therein should receive, consistent with its literal and grammatical sense, a liberal construction.

Arbitration in India

Until 1996, the law governing arbitration in India was contained in mainly of three statutes: the Arbitration (Protocol and Convention) Act 1937, the Indian Arbitration Act 1940, and the Foreign Awards (Recognition and Enforcement) Act 1961.

The 1940 Act was the general law governing arbitration in India along the lines of the English Arbitration Act of 1934.

In order to modernize the outdated 1940 Act, the government enacted the Arbitration and Conciliation Act, 1996. The Act is modelled on the lines of the UNCITRAL Model Law on International Commercial Arbitration. It repealed all the three previous statutes (the 1937 Act, the

1961 Act and the 1940 Act). Its primary purpose was to encourage arbitration as a cost effective and quick mechanism for the settlement of commercial disputes [4].

The success of any arbitral procedure depends on the effective enforcement of the award. Without timely and efficacious enforcement of the arbitral award, the award will remain just a piece of paper. There are two fundamental differences between enforcement of a foreign award and a domestic award.

1. A domestic award does not require any application for enforcement. Once objections (if any) are rejected, the award is by itself capable of execution as a decree.
2. A foreign award, however, is required to go through an enforcement procedure. The party seeking enforcement has to make an application for the said purpose. Once the court is satisfied that the foreign award is enforceable, the award becomes a decree of the court and executable as such.

The United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Award (New York Convention), 1958 requires Member States to recognise and enforce arbitral awards made in another Member State provided the award is in writing and does not fall within the exceptions to enforcement as provided in Article V of the Convention. The Convention's principal aim is that foreign and domestic arbitral awards will not be discriminated against and it obliges Parties to ensure such awards are recognized and generally capable of enforcement in their jurisdiction in the same way as domestic awards.

In India, first, Part I of the Arbitration and Conciliation Act, 1996 applies to arbitration conducted in India and the awards thereunder; whereas Part II provides for enforcement of foreign awards. Section 44 of the Act defines foreign award as:

In this Chapter, unless the context otherwise requires, "foreign award" means an arbitral award on differences between persons arising out of legal relationships, whether contractual or not, considered as commercial under the law in force in India.

a. in pursuance of an agreement in writing for arbitration to which the Convention set forth in the First Schedule applies, and
b. in one of such territories as the Central Government, being satisfied that reciprocal provisions have been made may, by notification in the Official Gazette, declare to be territories to which the said Convention applies.

In order to be considered as a foreign award the same must meet two requirements.

First it must deal with differences arising out of a legal relationship considered as commercial under the laws in force in India.

The second requirement is more significant and that is that the country where the award has been made must be a country notified by the Indian government to be a country to which the United Nations Convention on The Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958)

Article I of the United Nations Convention on The Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958) provides the applicability and reciprocity provisions

1. This Convention shall apply to the recognition and enforcement of arbitral awards made in the territory of a State other than the State where the recognition and enforcement of such awards are sought, and arising out of differences between persons, whether physical or legal.
2. The term "arbitral awards" shall include not only awards made by arbitrators appointed for each case but also those made by permanent arbitral bodies to which the parties have submitted.
3. When signing or ratifying this Convention, any State may on the basis of reciprocity declare that it will apply the Convention to the recognition and enforcement of awards made only in the territory of another Contracting State.

**The english court in Hiscox v. Outhwaite [5] for purposes of applicability of the New York convention interpreted the requirement of 'award made' under article 1(1) as**

An award, whilst it is no doubt the final culmination of a continuing process, is not in itself a continuing process. It is simply a written instrument and I can see no context for departing from what I apprehend to be the ordinary, common and natural construction of the word "made." A document is made when and where it is perfected. An award is perfected when it is signed.

The above interpretation defeats the entire purpose of arbitration which allows parties to choose the place of arbitration. As per the interpretation of the Court in Hiscox v. Outhwaite there would be no certainty as to where an arbitrator may sign a foreign arbitral award therefore giving rise to confusion as to the applicability of the New York Convention. Eventually the Arbitration Act, 1996 was amended to bring about clarity as to the seat of arbitration.

Section 53 of the Act reads as under:

Unless otherwise agreed by the parties, where the seat of the arbitration is in England and Wales or Northern Ireland, any award in the proceedings shall be treated as made there, regardless of where it was signed, dispatched or delivered to any of the parties.

Article V of the New York Convention lays down the grounds to refuse to enforce a foreign arbitral award. The article is divided into two parts. Part one provides the ground which may be raised by the party challenging the enforcement of the award and part two lays down the *lex fori* ground to refuse to enforce the foreign arbitral ward i.e the grounds that may be raised by the forum where recognition and enforcement is sought.

1. **Recognition and enforcement of the award may be refused, at the request of the party against whom it is invoked, only if that party furnishes to the competent authority where the recognition and enforcement is sought, proof that**

a. The parties to the agreement referred to in article II were, under the law applicable to them, under some incapacity, or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made; or
b. The party against whom the award is invoked was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings or was otherwise unable to present his case;

c. The award deals with a difference not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decision on matters submitted to arbitration may be recognized and enforced; or
d. The composition of the arbitral authority or the arbitral procedure was not in accordance with the agreement of the parties, or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or
e. The award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the country in which, or under the law of which, that award was made.

**2. Recognition and enforcement of an arbitral award may also be refused if the competent authority in the country where recognition and enforcement is sought finds that**

a. The subject matter of the difference is not capable of settlement by arbitration under the law of that country; or
b. The recognition or enforcement of the award would be contrary to the public policy of that country.

The first ground under para 2 of Article V deals with subject matter arbitrability. Since arbitration is a private process that commences with agreement between parties, some disputes which affect rights *in rem* are held not capable of being settled by way of arbitration.

The Supreme Court in *Booz-Allen & Hamilton Inc v. SBI Home Finance Ltd. & Ors* [6] observed as under:

Arbitral tribunals are private fora chosen voluntarily by the parties to the dispute, to adjudicate their disputes in place of courts and tribunals which are public fora constituted under the laws of the country. Every civil or commercial dispute, either contractual or non-contractual, which can be decided by a court, is in principle capable of being adjudicated and resolved by arbitration unless the jurisdiction of arbitral tribunals is excluded either expressly or by necessary implication. Adjudication of certain categories of proceedings are reserved exclusively for public fora as a matter of public policy. The well recognized examples of non-arbitrable disputes are:

1. disputes relating to rights and liabilities which give rise to or arise out of criminal offences;
2. matrimonial disputes relating to divorce, judicial separation, restitution of conjugal rights, child custody;
3. guardianship matters;
4. insolvency and winding up matters;

Arbitrability of Disputes Alleging Fraud

The Indian Courts have discussed the arbitrabilty of disputes alleging fraud in a number of decisions.

In *Abdul Kadir Shamsuddin v. Madhav Prabhakar Oak* [7] the Supreme Court held:

A dispute containing fraud of any nature cannot be decided upon by an arbitral tribunal since questions of fraud involve complicated factual questions that should be decided in an open court. In such a situation, the jurisdiction of an arbitrator would have to be presumed to be ousted.

Later under the 1996 Act, the Supreme Court reiterated its position in *N Radhakrishnan v. Maestro Engineers* [8] holding that disputes involving allegations of fraud would be not arbitrable.

**In the Swiss Timing Ltd. v. Organising Committee, Commonwealth Games [9] the Supreme Court observed**

The concept of separability of the arbitration clause/agreement from the underlying contract has been statutorily recognised under Section 16 of the Arbitration Act, 1996. Having provided for resolution of disputes through arbitration, parties can not be permitted to avoid arbitration, without satisfying the Court that it will be just and in the interest of all the parties not to proceed with the arbitration. Section 5 of the Arbitration Act provides that the Court shall not intervene in the arbitration process except in accordance with the provisions contained in Part I of the Arbitration Act. This policy of least interference in arbitration proceedings recognises the general principle that the function of Courts in matters relating to arbitration is to support arbitration process. A conjoint reading of Section 5 and Section 16 would make it clear that all matters including the issue as to whether the main contract was void/voidable can be referred to arbitration. Otherwise, it would be a handy tool available to the unscrupulous parties to avoid arbitration, by raising the issue of the underlying contract being void.

Further, overruling N. Radhakrishnan the Court observed:

The Supreme Court observed that in *N. Radhakrishnan* it had failed to refer to the *Hindustan Petroleum* case, where it was held that: "If in an agreement between the parties before the civil court, there is a clause for arbitration, it is mandatory for the civil court to refer the dispute to an arbitrator. In the instant case, the existence of an arbitral clause in the agreement is accepted by both parties as also by the courts below. Therefore, in view of the mandatory language of Section 8 of the Act, the courts below ought to have referred the dispute to arbitration."

**Referring to P. Anand Gajapathi [10] the Supreme Court observed**:

Another decision of the Supreme Court, *P. Anand Gajapathi Raju* while considering the scope of the provisions contained in Section 8 observed that it is obligatory for the courts to refer to the parties to arbitration in terms of their arbitration agreement. There cannot be a stay on the arbitration proceedings until they conclude and the award becomes final under the provisions of the Act. All the rights, obligations and remedies of the parties would now be governed under the 1996 Act including the right to challenge the award.

**Finally, in swiss timing the supreme court observed held that N. Radhakrishnan is per incuriam, does not lay the correct law and cannot be relied upon as**

1. the judgment in Hindustan Petroleum has not been distinguished by the bench, even though it has been referred to,
2. the judgment of P. Anand Gajapathi Raju was not even brought to the notice of the court, and
3. the provisions contained in Section 16 of the Arbitration Act, 1996 which provides that the arbitral

tribunal would be competent to rule on its own jurisdiction including ruling on any objection with regard to existence or validity of the arbitration agreement, which were not even brought to the notice of the court.

**In Ayyaswamy *v. A. Paramsivan* [11] the Supreme Court held disputes involving fraud partially arbitrable**

The Court held that a judge must distinguish between 'fraud simpliciter' (simple allegations of fraud) and 'complex fraud' (serious/complex allegations of fraud). It held that disputes involving fraud *simpliciter* would be arbitrable, while the disputes that involve complex fraud are non-arbitrable.

The Court held that the serious allegations of fraud must be such that

1. it makes a virtual case of a criminal offense; or
2. they are complex in nature and the decision on these issues can be decided only by the civil court on appreciation of voluminous evidence; or
3. the serious allegations of forgery/fabrication of documents in support of the plea of fraud are being made; or
4. the fraud is alleged against the arbitration agreement itself; or
5. the fraud permeates the entire contract, including an agreement to arbitrate.

**In case of foreign seated arbitration involving fraud the Supreme Court in World Sports Group v. MSM Satellite (Singapore) [12] held**

The arbitration agreement does not become "inoperative or incapable of being performed" where allegations of fraud have to be inquired into and the court cannot refuse to refer the parties to arbitration on the ground that allegations of fraud have been made by the party which can only be inquired into by the court and not by the arbitrator. *N. Radhakrishnan v. Maestro Engineers & Ors*. and *Abdul Kadir Shamsuddin v. Madhav Prabhakar Oak* were decisions rendered in the context of domestic arbitration and not in the context of arbitrations under the New York Convention to which Section 45 of the Act applies. In the case of such arbitrations covered by the New York Convention, the Court can decline to make a reference of a dispute covered by the arbitration agreement only if it comes to the conclusion that the arbitration agreement is null and void, inoperative or incapable of being performed, and not on the ground that allegations of fraud have to be inquired into while deciding the disputes between the parties.

**More recently in Vidya Drolia v. Durga Trading Corporation [13] the Supreme Court held**

A prohibition on the reference of a dispute to arbitration, based on an allegation of fraud essentially questioned the fairness and effectiveness of the arbitral process. Any prohibition on a reference to arbitration, based on an allegation of fraud, is based on the assumption that courts of law are better equipped to adjudicate such matters than an arbitral tribunal. However, such an understanding fails to acknowledge arbitration as a fair, just and impartial dispute resolution mechanism, which is tailored to provide parties with the best opportunity to present their case.

Arbitration, as a party-driven process, also relies on the skill and expertise of arbitrators to decide a dispute in a fair and impartial manner. The arbitral process aims to ensure a just outcome to the parties, and the Act also provides adequate safeguards against any abuse in the arbitral process which the parties can rely on. Therefore, a determination of non-arbitrability, based on the subject matter of the dispute, is flawed as it presumes that the arbitral process is not capable of providing the parties with a just and fair outcome.

In light of the same, the Court held that matters pertaining to fraud can be the subject matter of arbitration proceedings, provided the fraud does not "*invalidate the arbitration clause*", or raise questions which affect rights *in rem* and therefore necessitate adjudication in the public domain.

Public Policy as a Ground to Refuse to Enforce a Foreign Arbitral Award

Article V of the New York Convention identifies grounds on which a competent authority may refuse to enforce a foreign arbitral award. Public Policy as a ground to refuse to enforce a foreign arbitral award is found in para 2 of Article V of the New York Convention.

**"Recognition and enforcement of an arbitral award may also be refused if the competent authority in the country where recognition and enforcement is sought finds that**

a. The subject matter of the difference is not capable of settlement by arbitration under the law of that country; or
b. The recognition or enforcement of the award would be contrary to the public policy of that country.

Public policy, because of its fluid interpretation is the most widely used ground to refuse to enforce a foreign arbitral awad.

In Richardson v. Mellish [14] the following observation was made with respect to public policy

public policy is a very unruly horse, and when once you get astride it you never know where it will carry you. It may lead you from the sound law. It is never argued at all but when other points fail.

The absence of any clarity on the term "public policy" under the New York Convention coupled with its broad interpretation has opened the door for parties in various jurisdictions to invoke this ground for refusal and setting aside of a foreign award. Further while the Convention does not make a distinction between international and domestic public policy, most authors are of the opinion that the Convention refers to international public policy which is narrower in scope, thereby making enfocement of foreign arbital award easier.

Public Policy as Interpreted by the Supreme Court of India

The foremost judgment of the Supreme Court for enforcement of foreign arbitral award is *Renusagar Power Co. v. General Electric Ltd* [15]. Here the Supreme Court under section 7(1)(b)(ii) of the Foreign Awards (Recognition and Enforcement) Act, 1961 held that: enforcement of a foreign award would be refused on the ground that it is contrary to public policy if such enforcement would be contrary to

1. fundamental policy of Indian law or
2. the interest of India or
3. justice and morality

The Foreign Awards (Recognition and Enforcement) Act, 1961 was repealed by the Arbitration and Conciliation Act, 1996 which implemented the principles of the UNCITRAL Model Law on International Commercial Arbitration (1985). In *ONGC v. Saw Pipes* [16] the scope of 'public policy in India' was debated by the Supreme Court under section 34 (Part I) of the Arbitration and Conciliation Act, 1996. The Court held that:

An award could be set aside if it was contrary to

1. fundamental policy of Indian law or
2. the interest of India or
3. justice and morality or
4. the award was patently illegal

In Saw Pipes the Supreme Court added one more ground of patent illegality to set aside a domestic award.

The Supreme Court *Phulchand Exports Ltd. v. OOO Patriot* [17] applied the additional ground 'patent illegality' as laid down in Saw Pipes to refuse to enforce a foreign arbitral award. It held that

"*patent illegality*" under the term "*public policy of India*" needs to be looked into even while examining the enforcement of a foreign award under Section 48 (2) (b) of the Arbitration and Conciliation Act, 1996.

Court thereby applying the test of public policy in India for purposes of Part I of the Act to Part II of the Act erased the distinction of enforceability between domestic and foreign awards in India.

The Supreme Court in 2014 in the matter of *Shri Lal Mahal Ltd. V. Progeto Grano Spa* [18] overruled the Phulchand decision, thereby creating an arbitration friendly environment.

It is true that in *Phulchand Exports*, a two-Judge Bench of this Court speaking through one of us (R.M. Lodha, J.) accepted the submission made on behalf of the appellant therein that the meaning given to the expression "public policy of India" in Section 34 in *Saw Pipes* must be applied to the same expression occurring in Section 48(2)(b) of the 1996 Act. However, in what we have discussed above it must be held that the expression "public policy of India" used in Section 48(2)(b) has to be given a wider meaning and the award could be set aside, if it is patently illegal" does not lay down correct law and is overruled."

In *Venture Global Engineering v. Satyam Computer Services* [19] the Supreme Court relied upon Bhatia International v. Bulk Trading [20] and held that the legislature has not provided that Part I is not to apply to arbitration which takes place outside India. Foreign award may be refused enforcement in India on the grounds of public policy if the award was patently illegal.

In Venture Global, the Supreme Court, relying on Bhatia found that it is up to the parties to exclude the application of the provisions of Part I of the Act either expressly or by implication, failing which Part I of the Act would entirely be applicable. Further, it held that the application of Section 34 (found in Part I) to a foreign award would not be inconsistent with Section 48 (found in Part II) of the 1996 Act, and that the judgment-debtor cannot be deprived of his right under Section 34 to evoke the public policy of India, to set aside the award. Thus, the extended definition of public policy cannot be bypassed by taking the award to foreign country for enforcement.

**In *Bhatia International v. Bulk Trading* [21] dealing with the applicability of Part I and Part II of the Arbitration and Conciliation Act, 1996 the apex court held**

Part I would apply to all arbitrations irrespective of the place of arbitration. Where such arbitration is held in India, the provisions of Part I would mandatorily apply. In case of international commercial arbitration held out of India, provisions of Part I would apply unless the parties by agreement, express or implied exclude all or any of its provisions.

**Finally in Bharat Aluminium Co. v. Kaiser Aluminium Technical Services [22], the Supreme Court overruling Bhatia held**

Section 2(2) makes a declaration that Part I of the Arbitration Act, 1996 shall apply to all arbitrations which take place within India. We are of the considered opinion that Part I of the Arbitration Act, 1996 would have no application to International Commercial Arbitration held outside India. Therefore, such awards would only be subject to the jurisdiction of the Indian courts when the same are sought to be enforced in India in accordance with the provisions contained in Part II of the Arbitration Act, 1996. In our opinion, the provisions contained in Arbitration Act, 1996 make it crystal clear that there can be no overlapping or intermingling of the provisions contained in Part I with the provisions contained in Part II of the Arbitration Act, 1996.

More recently in *Vijay Karia & Ors v. Prysmian Cavie Sestemi* [23] the Supreme Court upheld the Delhi High Court judgment in *Cruz City Mauritius Holdings* v. *Unitech Limited* wherein the Delhi High Court held that a contravention of a provision of law is insufficient to invoke the defence of public policy when it comes to enforcement of a foreign award. Contravention of any provision of an enactment is not synonymous to contravention of fundamental policy of Indian Law. The expression fundamental policy of Indian Law refers to the principles and the legislative policy on which Indian statutes and laws are founded. The objections to enforcement on the ground of public policy must be such that they offend the core values of a member State's national policy and which it cannot be expected to compromise. The expression "fundamental policy of law" must be interpreted in that perspective and must mean only the fundamental and substantial legislative policy, not a provision of any enactment.

**In National Agricultural Cooperative Marketing Federation of India (*NAFED) v. Alimentia SA* [24] interpreting fundamental policy of India the Supreme Court held**

The matter pertains to the fundamental policy of India and parties were aware of it, and contracted that in such an exigency as provided in clause 14, the Agreement shall be cancelled for the supply which could not be made. It became void under section 32 of the Contract Act on happening of contingency. Thus, it was not open because of the clear terms of the Arbitration Agreement to saddle the liability upon the NAFED to pay damages as the contract became void. …Thus, it would be against the fundamental public policy of India to enforce such an award, any supply made then would contravene the public policy of India relating to

export for which permission of the Government of India was necessary.

**In Government of India v. Vedanta [25] reiterating the grounds laid down in Renusagar, to refuse to enforce a foreign arbitral award the Supreme Court observed**

While considering the enforceability of foreign awards, the court does not exercise appellate jurisdiction over the foreign award nor does it enquire as to whether, while rendering foreign award, some error has been committed. Under Section 48(2)(b) the enforcement of a foreign award can be refused only if such enforcement is found to be contrary to (1) fundamental policy of Indian law; or (2) the interests of India; or (3) justice or morality.

The objections raised by the appellant do not fall in any of these categories and, therefore, the foreign awards cannot be held to be contrary to public policy of India as contemplated under Section 48(2)(b)." This view is further fortified by Explanation 2 of Section 48(2) of the Act which clarifies that "the test as to whether there is a contravention with the fundamental policy of Indian law, shall not entail a review on the merits of the dispute".

## Conclusion

*Lex fori* grounds to refuse to recognise and enforce a foreign arbitral award in India remain a major concern for foreign traders and investors. However, the cases analysed above do not indicate that Indian courts have an anti – foreign bias so far as enforcement is concerned. Easing out the process for enforcement of a foreign arbitral award is considered to be the most important factor for ensuring the success of international commercial arbitration. If the award is not recognised by the competent authority where enforcement is sought, the entire process of having conducted arbitration will be futile. Although the New York Convention has made recognition and enforcement of foreign arbitral awards much easier the differing views of national courts with respect to Article V(2) of the Convention has made it difficult for traders to be certain as to the enforceability of a foreign award in India. Particularly the ground of public policy is very vast and the Arbitration and Conciliation Act, 1996 ought to incorporate a provision to draw a distinction between public policy at the domestic level and at the international level.

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