

INTERNATIONAL JOURNAL OF LEGAL AFFAIRS AND EXPLORATION

Volume 3 | Issue 1

2025

Website: www.ijlae.com

Email: editor@ijlae.com

LEGAL FRAMEWORK GOVERNING INDIAN EXPORTERS

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India's export regime is backed and controlled by a complicated set of laws that combines Indian trade laws with obligations to other countries. This set of laws not only controls how goods and services are exported, but it also decides how easy or hard it is for Indian exports to do business across borders. In the past few years, big events like the Goods and Services Tax (GST) going into effect, free trade agreements (FTAs) being signed, and changes to laws about foreign trade and foreign exchange have made the legal environment around exports very different¹. Even though the goal of these changes was to make trade more modern and increase compliance, they have also created new law problems that exporters must carefully deal with.

THE GST AND EXPORT INCENTIVES

The Goods and Services Tax (GST), which started in July 2017, has been one of the most important changes to the law for exports. When GST came into effect, it merged several secondary taxes into one. Taxes like duty, VAT, and service tax were some of these. Under GST, exporters can get back the input taxes they paid on goods and services that were used to make exports. This is because exports are considered zero-rated products. This clause should make Indian exports more competitive on foreign markets by getting rid of internal tax barriers. But there have been big problems that have made it hard to use this zero-rated system. Many exporters, especially small and medium-sized businesses, have grumbled about delays in getting their GST refunds. This could be because of human error in classification, inconsistent data in invoices, or technical problems with the systems that handle refunds. When export things are wrongly labelled with different HSN (Harmonised System of Nomenclature) codes,

¹ Yadav US, Tripathi R, Tripathi MA. Digital analysis of the transformation of institutions in the knowledge and innovation system of the handmade carpet industry. SEDME (Small Enterprises Development, Management & Extension Journal). 2022 Mar;49(1):107-24.

it can lead to wrong tax calculations, unnecessary delays in refunds, and even audit processes. More problems happen because GST affects exports in the same way as other laws, mainly the Customs Act and the FEMA. Uncertainty and problems with compliance happen for exporters because of legal ambiguities that happen when people disagree on how to understand the words of these laws. The complexity is raised even more by the fact that GST officials regularly issue circulars, notices, and clarifications. Exporters may find it hard to keep up with rules that change quickly, especially if the changes affect their ability to claim input tax credits or if the rules for filing change. Digital platforms like the GST Network (GSTN) were meant to make compliance easier by letting users file returns and get refunds. However, ongoing technical issues have made this process harder than it should be. In order to get around these problems and get the most out of GST, tax officials and exporters need to talk to each other more and learn more about the law.

EMERGING LEGAL ISSUES WITH NEW FTAS AND GEOPOLITICAL CONFLICTS

India's export rules now include more legal details because the country is an involved member of both bilateral and international free trade agreements. The Economic Cooperation and Trade Agreement (ECTA) between India and Australia and the Comprehensive Economic Partnership Agreement (CEPA) between India and the United Arab Emirates are two new agreements that show how trade policy is changing². There are chapters in these modern FTAs that talk about labour standards, digital trade, environmental pledges, protecting investments, and how to settle disagreements. These rules make the law even more complicated while trying to protect capital and bring trade practices up to date. Trade lawyers and export advisors are very worried that Indian exporters, especially small and medium-sized businesses, don't know enough about the legal effects of these free trade deals. Exporters often don't understand the rules of origin, procedural protections, and regulatory tasks. A country could get in trouble with the law if its trade policies don't follow the rules of its FTA, especially when it comes to rules about workers' rights and the environment. If workers don't follow the rules, for example, they could lose the right to special treatment or even have their benefits cut off under a trade deal.

² Keegan WJ. Global marketing management. Pearson Education India; 2011.

Another effect of global trends is the rise of new legal risks. Because of problems with countries like Russia and China, trade with these areas has been more closely watched, especially in touchy areas like technology, medicines, and Defense goods. Exporters of dual-use goods, which are things that could be used for both domestic and military purposes, must get strict licenses. If you don't follow the rules, foreign governments could put you on a "blacklist," cancel your export licence, or give you harsh punishments. Indian exporters should carefully look at their supply chains and customer profiles because sanctions from other governments, especially Western ones, could have effects outside of India. Because of these legal and political worries, shippers need to be able to get legal help and education right away. Exporters should be able to get the most up-to-date information on sanctions, compliance requirements, and foreign trade laws. Legal counsel stresses how important it is to have internal compliance systems, complete paperwork, and good care to avoid breaking local and foreign trade rules by mistake.

RECENT AMENDMENTS TO TRADE LAWS AND THEIR IMPACT

The Indian government has also made a number of changes to its trade rules to bring them up to date and in line with international standards. The Foreign Trade Policy (FTP), the Foreign Trade (Development and Regulation) Act (FTDR Act), and the Foreign Exchange Management (Export of Goods and Services) Regulations have all been changed in an effort to make exporting easier and improve India's ranking in the world's easiest places to do business. Because of the FTP, all applications for licenses, registrations, and export incentives must now be sent online through the DGFT portal. This is a big change. The goals of this push for technology are fewer delays caused by bureaucracy, more openness, and higher efficiency. Not all exporters have found the change easy³. This is especially true for those who work in rural or sparsely populated places and are still getting used to digital tools. Technical problems, not getting enough training, and not being comfortable with new formats are common reasons why submissions go wrong or take too long to process.

New licensing systems have also been put in place for secret goods, especially those that could be used by the military. India's commitment to global non-proliferation rules is clear from the fact that it is closely monitoring more dual-use goods. However, importers now have to follow more laws and rules. The updated FTDR Act gives officials more power to punish people who

³ Ratna RS, Dobhal A, Kumar R, Sharma SK. Indian Agriculture Under the Shadows of WTO and FTAs. Springer; 2021.

don't follow the rules, so it's important for exporters to keep accurate records and follow all the laws. In the new FEMA export guidelines, realising foreign exchange and reporting it are also given more weight. Now, exporters have to keep very accurate financial records and promise to return all gains quickly. FEMA fines people who don't follow the rules, even if they weren't trying to break the rules. This can make it harder for smaller exporters who don't have access to legal or financial advice teams. In conclusion, these changes are a good step towards greater openness and unity between countries, but exporters need to know more about the law and be ready to follow it. The export sector, especially small and medium-sized businesses (SMEs), needs to get legal training, technology help, and building their skills right away so they can confidently and competently deal with the constantly changing legal landscape. To become a global export powerhouse, India needs to strengthen the laws that govern its trading environment. This is important for the country's long-term growth and stability.

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992

A law from 1992 called the International Trade (Development and Regulation) Act sets the rules for India's trade with other countries. Giving the federal government more power to make and enforce consistent foreign trade policies is what this law is meant to do. It will make it easier to bring goods into the country and better to sell them. The Act makes it possible for foreign trade to grow and be promoted⁴. The DGFT's job is to give out export permits, set up procedures, and make sure that trade rules are followed. The Imports and Exports (Control) Act of 1947 was replaced by that law. It was a big step towards a more open and global trade system from a conservative one. This Act lets the government limit the sale or import of certain things to safeguard public health, national security, or natural resources. The Foreign Trade Policy, which is changed often, sets these limits. Along with normal border control, one of the goals of the current strategy is to make trade easier by using digital tools like the DGFT site. The Act says that no one can bring goods or services into or out of the country without first getting an Importer-Exporter Code (IEC). With the IEC's help, the government can keep an eye on and track exports through its licence and tracking system. If a business doesn't follow the rules, the Act lets the federal government fine them and change or remove

⁴ Luthra S, Mangla SK. Evaluating challenges to Industry 4.0 initiatives for supply chain sustainability in emerging economies. Process safety and environmental protection. 2018 Jul 1;117:168-79.

their export licenses. The goal of these strict rules on international trade is to keep things in order and make sure people follow the law.

How the Act works with foreign trade duties is another important law part of it. Trade should be free, as the World Trade Organisation says. But the Act lets India charge anti-dumping or safeguard fees on goods that hurt its own businesses. In turn, this means that the Act gives the government the power and tools to deal with situations at home and abroad. The goal is to move forward, but problems can happen when policies are read in different ways, when the government takes too long to do things, or when exporters don't know how to follow the new rules. Some people think it's not clear enough how the DGFT's power to grant or revoke permissions affects small and medium-sized exports.

CUSTOMS ACT, 1962

This law, the Customs Act of 1962, is another important part of India's method for keeping an eye on trade with other countries. The main goal of the Act is to open up international trade. It is also very important for keeping customs taxes in check, speeding up the clearance process, and making sure that rules for trade classification are followed. The Central Board of Indirect Taxes and Customs (CBIC) oversees and manages all customs operations at the country's airports and ports. "Export" in this case includes both the movement of goods out of India and certain business deals that are called exports⁵. The Customs Tariff tells exporters how to classify and value goods in a way that is consistent with the worldwide Harmonised System of Nomenclature (HSN). Classification that isn't consistent can lead to disagreements over export subsidies or taxes. In these situations, the Act sets up a way to get help through courts and Customs Appellate Tribunals.

You need to show shipping bills, paperwork listing the goods and how much of them you are sending, certificates of origin, and statements made under any relevant export incentive programs in order to get through customs. The act says that all papers must be sent electronically through the ICEGATE site. This is to cut down on paperwork and corruption. It has rules for searching and seizing people without a warrant, as well as ways to handle cases of smuggling or false statement. Legal problems often happen when goods are wrongfully held, when there are delays because of too much scrutiny, or when declared goods don't match

⁵ Chandan K, Nalin B. Indo-EU Agricultural Trade: Trade Restrictions and SPS Measures.

up with real goods. Because of these delays, which raise compliance costs, Indian products are less competitive. New rules, such as the Authorised Economic Operator (AEO) plan and the Risk Management System (RMS), are meant to lower the costs of regulations, but how they are used varies from port to port.

There are systems in the Act, such as EPCG and Duty Drawback, that can help you get your duties back. Exporters may have trouble getting these refunds for a number of reasons, such as audit delays, limited interpretations by customs officials, and mistakes in the process. Litigation that comes from these kinds of decisions hurts both the exporters' cash flow and the court system's ability to do its job. The Customs Act is also very important for enforcing embargoes and other trade restrictions outside of the United States. Exports to or through countries that the UN has sanctioned are subject to stricter rules and more checks than normal. This feature makes the law more complicated for exporters who deal with secret or dual-use goods, so they have to be more careful to follow the rules.

FOREIGN EXCHANGE MANAGEMENT ACT (FEMA), 1999

The FEMA, 1999 controls the flow of foreign currency into and out of India. This is important for keeping the financial side of export trade under control. Before it, the Foreign Exchange Regulation Act (FERA) was stricter. Its goal was to make foreign trade easier while stopping India's foreign exchange market from getting out of hand⁶. The RBI, which is part of FEMA, is in charge of Indian currency operations and reserves. It is the rule for exporters to give back the money they made from exports to India within a certain amount of time, usually nine months from the date of shipment. If you break the rules on foreign exchange, you could get fined or even go to jail.

There are rules about payments to and from non-residents, investments made by Indian companies abroad, and accounts in foreign currencies. And when it comes to billing, invoicing, and payment records, exporters must strictly follow FEMA rules and RBI circulars. It doesn't take long for FEMA to look into any "current account" transactions that don't seem right. This includes advance payments over the limit or trading. Most FEMA legal conflicts happen when there are problems with the overseas transfer, mistakes with the paperwork, or

⁶ Negi R, Muthusamy A, Nomani A, Thangam Geeta SD. Export impediments and its impact on the performance of motor and pump exports from the Coimbatore region. IIMS Journal of Management Science. 2023 Apr 18:1-29.

illegal activities involving foreign currency. Even though the RBI has loosened rules and set compliance windows for legal producers, laws are often broken by accident because of slow procedures or a lack of knowledge about the laws.

Also, FEMA rules apply when export promotion plans use gains made in a foreign currency to figure out incentives or duty credits. In these situations, false claims or taking advantage of plans can get you in trouble with the law. The Directorate of Enforcement (ED) is now keeping a closer eye on business that goes across foreign borders. It has the power to investigate and punish FEMA violations. A few examples of industries that have their own FEMA rules that exporters need to be aware of are software, consulting, and e-commerce. Even though FEMA's rules are less strict for service exporters, they still need to fill out a lot of paperwork and report problems right away to approved dealers and the government. Fears about funding terrorists and money laundering have shaped the laws that FEMA has put in place. The global financial system is always changing. Some financial institutions have stricter rules for companies that export valuable or possibly dangerous goods. These rules include Know Your Customer (KYC) standards, Anti-Money Laundering (AML) laws, and FEMA guidelines.

EXPORT CONTROL ORDERS

Export control orders are an important part of India's method for controlling exports. The Foreign Trade (Development and Regulation) Act, 1992 allows the government to share these documents, which explain how they control the export of sensitive or strategically important goods, services, and technology. These orders are mostly meant to protect the country's safety, keep its limited natural resources safe, and stop the spread of WMD. Besides that, they want to make sure that India's products don't go against its international obligations and foreign policy goals. These rules are put out by the DGFT on a regular basis as part of the International Trade Classification System (HS) Schedule 2. Things that are clearly marked as not allowed, limited, or needing special permission to send are not allowed⁷. If something is on the Special Chemicals, Organisms, Materials, Equipment, and Technologies (SCOMET) list, it means that it needs to be inspected more carefully because it can be used for more than one thing. Companies that want to ship these goods need to get a special licence and show proof that they follow the rules. They also need to show end-user certificates.

⁷ Wild JJ, Wild KL. International business: The challenges of globalization. Pearson; 2019.

Export Control Orders have become more important in recent years because of fears about cyberwarfare, nuclear proliferation, and terrorism, as well as the fact that geopolitics are always changing. Indian export controls are now in line with international standards, even though the country is not a party to the Nuclear Non-Proliferation Treaty (NPT). It is a part of the Missile Technology Control Regime (MTCR), the Wassenaar Arrangement, and the Australia Group. Because of these connections, there needs to be a strong judicial system in the country to stop strategic exports from being misused or diverted. Exporters in the aerospace, defence, and high-end electronics businesses are often affected by these rules. The strict procedures are necessary to protect the country, but they can make it hard for legal shippers. In real life, problems happen because of things like long wait times for SCOMET licenses, unclear classification, and licensing bodies in different regions not having enough expert knowledge. Also, small and medium-sized businesses often have trouble following these new control measures because they don't have the right information or management tools.

When a lot of government agencies, like the Department of Atomic Energy or the Ministry of Defence, keep an eye on the same business, it makes rules for exporters more difficult to understand. The rules set by the DGFT and the extra duties put on businesses by these groups don't always work well together. Exporters also have a hard time because there isn't a standard digital clearance system or a standard license platform. Still, things have changed to make things easier and less uncertain⁸. For example, the pre-licensing talks and the online SCOMET platform are two examples of these changes. Also, legal problems often arise when end-use deals and diversion risks are interpreted in different ways. Exporters must still take steps to make sure their goods don't get into the wrong hands, even after the goods have arrived at their intended recipient. Some of the harsh punishments that could happen if you re-export or otherwise go against the stated use are being put on a blacklist and losing your IEC codes. Because of these risks, shippers need to do their research and keep accurate records of their compliance. To sum up, export control orders try to find a middle ground between two opposing objectives: facilitating legal trade and safeguarding important national and international security interests. Indian producers need to be aware of and up-to-date on changes in global standards to protect their trade rights and stay ahead of the law.

⁸ Ratna RS, Dobhal A, Kumar R, Sharma SK. Indian Agriculture Under the Shadows of WTO and FTAs. Springer; 2021.

ROLE OF WTO AND INTERNATIONAL TRADE AGREEMENTS (FTAS, PTAS, RTAS)

India's export environment is shaped by the WTO and international trade deals, both one-way and multilateral. All member countries of the WTO have to follow their uniform trade rules. These rules are what international trade law is based on. Its functions in trade facilitation, tariff regulation, and dispute resolution have a direct effect on the rules that Indian exporters have to follow. As one of the founding members of the WTO, India is required to support the WTO's basic agreements. These include the GATT, the AoA, TRIPS, and TBT, which all deal with IP rights and trade. According to these accords, India has to keep trade barriers as low as possible, accept goods from other countries as its own, and keep things open. They also give Indian exporters a formal way to get away from unfair or discriminatory treatment in other places.

India can use the WTO's dispute settlement system to get fair anti-dumping tariffs or technical limits on its imports if other countries do this. India has used this platform more than once to speak out against other countries' protectionist policies. Individual producers often can't afford the process because it takes too long, is too complicated, and costs too much. This is why these issues are brought up at the WTO level by the Indian government through the Ministry of Commerce and Industry⁹. India is an involved member of multilateralism as well as bilateral and regional trade agreements, which further define the legal limits of export trade. There are FTAs between India and the Association of Southeast Asian Nations (ASEAN), Japan and South Korea, and the United Arab Emirates (UAE). The goal of these agreements is to lower or get rid of taxes on Indian goods so they can be sold in other countries more easily. These agreements go into great depth about how to settle disagreements, technical standards, sanitary and phytosanitary measures, and rules of origin.

PTAs, on the other hand, are often used as a way to move towards greater integration, and they offer limited tariff discounts. Take the PTA between India and MERCOSUR as an example. It only targets certain tariff lines and doesn't include services or investment. While South Asian Free Trade Area (SAFTA) and other regional trade agreements aim to ease trade within South Asia, geopolitical issues and overlapping trade regulations hinder their

⁹ Babu RR. On the Legality of the United States Action of Terminating India's GSP Status. Foreign Trade Review. 2020 Feb;55(1):119-29.

effectiveness. With these agreements, there are new ways to export goods, but there are also law requirements. Laws of origin can be hard for exporters because they have to show that their goods are useful enough in the country where they are sold to get duty discounts. If you don't meet these standards, you could lose benefits, get fined, or get into a court battle. Not having consistent paperwork, not knowing what the FTA requirements are, and the fact that customs rules are always changing make things even more difficult.

India's exporters also have to deal with non-tariff barriers (NTBs) from trade partners, such as strict rules on labelling, certification, and quality of goods. The TBT and SPS Agreements of the WTO control these, but getting rid of them generally takes a long time and a lot of talking. Because of this, trade missions, bilateral trade forums, and export development boards are very important for easing compliance and resolving the complaints of exporters. International trade deals also have an effect on how policies are made in other countries. India has to walk a fine line when it comes to trade liberalisation and protecting sensitive businesses like agriculture and small-scale manufacturing¹⁰. A planned FTA between India and the European Union or joining the Regional Comprehensive Economic Partnership (RCEP) are two examples of new agreements that are being negotiated. There are often political and legal arguments about how these agreements will affect sovereignty, public health, and IP rights.

More and more people are shopping online, sending data across borders, and trading digitally. This has made it more important for trade deals to standardise laws. Laws are changing, but India has been slow to agree to digital trade standards that are legally binding at the WTO or in FTAs. Exporters of software, IT services, or online platforms need to know about changes to digital trade agreements and how these changes affect their ability to follow the rules. Also, FTAs and RTAs have different ways of settling disagreements than the WTO. If investors and states have a disagreement, it may be settled by arbitration panels or diplomatic talks, based on the agreement. It is important for both exporters and lawyers to fully understand the legal framework of each deal. In other words, India's export strategy is legal because it is in line with its obligations under the WTO and other international trade agreements. They each have pros and cons, so producers need to know a lot about the law and have the support of institutions as they navigate the complicated world of international trade.

¹⁰ Alex AT. Global Food Trade in a Rule Based System: An Indian Perspective. Christ ULJ. 2021;10:33.

CONTRACT LAW AND INCOTERMS IN INTERNATIONAL TRADE

When doing business with other countries, the most important thing is to have a professionally written business contract. Contract law is in charge of regulating how these deals are made, carried out, and enforced. Additionally, contract law is very important for figuring out what each party's legal rights and duties are. In order to avoid disagreements and make sure that the law is followed, it is important for people involved in foreign trade, especially Indian exporters, to have a basic understanding of contract law. In contrast to the laws that govern local international business transactions, the rules that govern international business contracts are a mess. When the parties' different legal systems, like civil law or common law, are at odds with each other, it can be hard to understand what their obligations are under the contract. Indian exporters often use standardized trade practices to make contracts with clients outside of India. However, these practices don't always follow or know about Indian law¹¹. As a safety measure, it is definitely important to explain the law that applies and the area of jurisdiction that covers it.

Publishing the foreign Commercial Terms (INCOTERMS), which are an important part of foreign contracts, is the job of the International Chamber of Commerce (ICC). When doing business across foreign borders, these terms make it clear what each party's roles and responsibilities are when it comes to paperwork, sharing costs, passing on risks, and delivering goods. INCOTERMS such as FOB, CIF, and DDP are widely used in trade agreements as a standard practice in order to clarify and reduce the amount of uncertainty of the situation. By effectively utilizing INCOTERMS, which specify the circumstances under which the buyer bears responsibility for the risk rather than the seller, Indian exporters can lessen the likelihood that they will be subject to legal complications. In the event that the parties do not have a complete understanding of the consequences that are imposed by the applicable law, however, legal challenges may develop as a result of the misuse or incorrect interpretation of these expressions. Imagine the scenario of an Indian exporter who use the CIF phrase in their business. It is possible that this exporter could be held liable for the loss of products even though there are no express insurance provisions or documentation requirements in place.

The provisions of the contract that deal with payment procedures, remedies, and breach of contract are not included in the INCOTERMS and should be addressed in a different section of the contract. During the process of draughting their contracts, exporters should give careful

¹¹ Bhattacharya S. Relevance of License of Intellectual Property Rights with Special Reference to Indian Competition Perspectives. Available at SSRN 2012199. 2012 Feb 28.

consideration to certain aspects, including but not limited to the following: pricing, delivery dates, fines for late deliveries, quality requirements, termination conditions, and instances involving force majeure¹². To successfully navigate complicated supply lines, many countries, and regulatory landscapes that are always changing, you need to know the law. Standard form contracts from trade groups like the Federation of Indian Export Organisations (FIEO) or export promotion councils for certain businesses are a good place to start. That being said, since each deal is unique, these need to be changed correctly. If one or both of the parties don't do what they're supposed to, they could face legal action, financial damages, or damage to their image. This means that Indian exporters who do business with other countries need to know a lot about contract law and know how to use INCOTERMS terms strategically. A lot of the risks that come with trading with other countries can be cut down by using legal advice, having contracts drafted by pros, and doing regular reviews.

IP AND CROSS-BORDER TRADE

These days, the most important things to sell are digital goods, new ideas, and brands. Intellectual property rights (IPRs) make this hard to do. It can be hard for Indian exporters to deal with IP safety and regulation. It can help them keep their own things and technologies safe and make sure they don't break anyone else's rights. This is because protecting IP isn't always simple. It's become more important for IPR like patents, trademarks, copyrights, geographical markings, and industrial designs as trade with other countries has grown. When Indian companies try to sell things like medicines, software, textiles, and farming goods, they often get in trouble with the law. Some of these problems are trademark conflicts, copyright violations, and selling fake goods. India has very strong IP rules, but they need to be enforced across international borders. To do this, you need to know about international treaties and processes.

India has signed a number of important international deals about intellectual property rights (IPR). Some of these are the Berne Convention for the Protection of Literary and Artistic Works, the Paris Convention on the Protection of Industrial Property, and the TRIPS Agreement of the World Trade Organization. These tools are meant to avoid disagreements at the World Trade Organization level and make sure that all countries follow the same basic safety rules. These Indian rules have been changed to better fit with the Trade Related

¹² Singh JP, Gupta S. Agriculture and its discontents: Coalitional politics at the WTO with special reference to India's food security interests. *International Negotiation*. 2016 Jun 2;21(2):295-326.

Intellectual Property Rights (TRIPS) deal. They are the Copyright Act, the Patents Act, and the Trademarks Act. Even with this alignment, Indian makers still need to fix some issues¹³. Getting trademarks and patents registered in the country where the IPR will be used can take a long time and cost a lot of money. It is possible for importers to lose their intellectual property (IP) if they don't get the right foreign forms. This can happen if they don't, and it can cost them a lot of money. A foreign distributor could use the label without permission if an Indian clothes brand wants to sell its goods in Europe but hasn't yet registered its trademark with the European Union Intellectual Property Office (EUIPO).

MSMEs in India don't always know how to protect their intellectual property (IP) on a global level, and some of them don't have the money or knowledge to do so. The government has tried to make up for this shortage by putting in place a number of policies and programs, such as the National Intellectual Property Policy and programs that help small and medium-sized businesses register trademarks and file patents. But not everyone knows the rules or can afford a lawyer. This is especially true for business groups that meet in suburban or rural places. Indian companies that sell goods outside of India, on the other hand, need to know about any IPRs that other companies may have. Businesses that use a lot of technology, like those that work with biotechnology, electronics, and software, need to pay attention to this problem. If they are accused of infringement, they could face injunctions, customs seizures, or big fines. Some of the most important things that can be done to avoid problems are to learn about licensing rules, look for relevant prior art, and set up compliance methods. IP isn't just a chore when it comes to international trade; it's a way to get ahead. Indian businesses that sell things outside of India need to protect their IPR if they want to stay competitive and safe in the global market.

DISPUTE RESOLUTION MECHANISMS IN INTERNATIONAL TRADE

Disputes can be hard to settle in foreign trade because business relationships can go across borders. Indian producers who do business internationally should expect to deal with disputes over late payments, claims about product quality, failed deliveries, and infringements of intellectual property (IP). How these differences are settled has a big effect on how well the final decision works, how much it costs, and what happens. For a long time, domestic courts

¹³ Jain RA, Sharma S. A study on the awareness of artisan on various government schemes and policies for handicrafts with special reference to Madhya Pradesh. ZENITH International Journal of Business Economics & Management Research. 2015;5(11):20-8.

have been the main way to settle legal issues. But because of problems with language, foreign legal systems, high legal fees, and shifting jurisdictions, litigation is often not a good idea in international trade. Also, if there aren't any bilateral treaties or the principle of comity, it's possible for Indian courts' decisions to not be recognized by foreign courts and for foreign courts to not acknowledge Indian courts' decisions. Alternative conflict resolution (ADR) methods, especially international arbitration, are suggested as ways to solve these issues¹⁴. Organisations like the International Chamber of Commerce (ICC), the London Court of International Arbitration (LCIA), and the Singapore International Arbitration Centre (SIAC) offer Specialised arbitration services for global business. India is a part of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, which says that these venues must be fair, have flexible procedures, and make awards that can be enforced. Arbitration clauses let Indian exporters choose where the arbitration will take place, what rules will be used (like ICC Rules or UNCITRAL Rules), and what language will be used during the procedures. This makes it clearer which jurisdictions apply and makes it easier to settle a disagreement if one does happen. Arbitration decisions are much more powerful than local court orders because they are legally binding and can be used in more than 160 countries. Mediation, which is different from arbitration, is becoming more popular as a cheap and peaceful way to settle business disputes. Instead of going to court or arbitration, international business mediation helps people who are in disagreement talk things out and try to find a solution that works for everyone. Mediation can help businesses keep relationships and keep their names from getting hurt, but it's not legally binding. But exporters should be careful when writing ADR terms. Clauses that don't make sense or are poorly written can lead to legal battles and delays in the process. Before the arbitration, it is very important to decide if it will be ad hoc (under UNCITRAL Rules) or institutional (e.g., ICC), which state's laws will apply, and where and how the arbitration will be held. If there is a dispute over a financial instrument like an LC, foreign banking ombudsman schemes or the foreign Centre for Settlement of Investment Disputes (ICSID) might be good places to go¹⁵. The WTO Dispute Settlement Body (DSB) is a method for settling disputes between states that are governed by WTO rules. It is not open to individual exporters. The Arbitration and Conciliation Act was changed twice, in 2015 and 2019. The goals were to make the process more efficient and limit the role of the

¹⁴ Monti A. International trade disputes on renewable energy. In Handbook on trade policy and climate change 2022 Mar 15 (pp. 220-237). Edward Elgar Publishing.

¹⁵ Hibbs M. Eyes on the prize: India's pursuit of membership in the Nuclear Suppliers Group. The Nonproliferation Review. 2017 May 4;24(3-4):275-96.

courts. Because of this, Indian law has also changed to support foreign arbitration. The new laws have made it easier to use fast-track arbitration, get short-term help, and have foreign decisions recognized. To sum up, resolving disagreements well is an important part of making sure that foreign trade is safe. For Indian exporters, the best ways to reduce risks and make sure results that can be enforced are to use the right channel, write detailed ADR clauses, and get help from a good lawyer.