

U.P.S.C.

प्रश्न संख्या
(Question No.)

इस भाग में कुछ
न लिखें
(Don't write anything
in this part)

Q: Boosting arbitration process is one of the most important ways to revive the economy in the country. Discuss (200 words)

Arbitration is the dispute resolution mechanism of choice domestically and internationally. The Permanent Court of Arbitration arbitrates disputes between states. Numerous international centres of arbitration such as Dubai, Paris, Singapore have come into existence.

The importance of strong arbitration mechanism and environment represents support to foreign and domestic investors, furthers ease of doing business in India and provides the option of a speedy, cost effective alternative dispute resolution mechanism to court litigation. Opting for ordinary litigation to resolve disputes serves as a major impediment to attracting foreign investment to India.

For boosting the arbitration process
- Delhi / Mumbai must be established as international centres for

arbitration

- Centres for arbitration must be provided financial, administrative and infrastructural support,
- Wider awareness campaigns to boost the knowledge about arbitration as an effective ADR mechanism in India for disputes between domestic entities
- Govt encouraging adoption of arbitration mechanisms for disputes between companies and government
- Courts should refer parties to arbitration where possible.

Arbitration as an ADR mechanism will enhance the vision for making India an attractive investment destination. This will translate into greater employment in the manufacturing and service sectors, thereby increasing employment as well as decreasing India's trade deficit.