

## **The Economic Times**

**Title : City to Get India's 1st Int'l Arbitration Centre**

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Mumbai is set to open the country's first international arbitration centre in August, posing a direct challenge to Singapore, which is the favoured location currently for Indian businesses and wealthy families to settle disputes out of court.

The arbitration centre would also be a step towards India's aim to establish Mumbai as an international finance centre, along with the GIFT in Gujarat. According to the people involved with the Mumbai project, every finance centre, be it in Singapore, Dubai, Hong Kong or London, has the support of an international arbitration centre.

It is estimated that an Indian company or promoter is involved in more than a fifth of the arbitration cases filed each year in Singapore. Most of the arbitration cases from India are over dispute between private equity firms and investee companies, and in some instances, the dispute is between family members, industry trackers said. They would spar it out in a private room with an arbitrator rather than wash dirty linen in public. The proposed Mumbai facility - Mumbai Centre for International Arbitration (MCIA) - seeks to primarily tap this opportunity, as well as offer an alternative location to arbitrate disputes for those in other emerging countries.

MCIA has been registered as a not-for-profit. People in the know said it has rented around 9,000 sq ft in South Mumbai's Express Towers to operate the arbitration centre.

Confirming the plan to commence operations by August, MCIA chief executive officer Madhukeshwar Desai said the centre would compete internationally. "We have incorporated a competitive fee structure in our rules and by administering the rules and assisting the tribunal, we will efficiently resolve disputes within stricter deadlines," said Desai, who is also the national vice-president of the BJP youth wing and great grandson of former Prime Minister Morarji Desai.

It is expected that the central government would make an announcement on the arbitration centre in April.

Earlier this year, it amended the law so that an international arbitration centre can operate from India.

MCIA is targeting annual revenue of around ₹ 200 crore, mainly by attracting Indians who otherwise go to Singapore, said people in the know.

Some top names in the legal fraternity have been roped in to work on the setting up of the arbitration centre to give it credibility. The drafting committee is co-chaired by Nish Shetty, partner at Clifford Chance, Singapore; and Vyapak Desai, partner at Nishith Desai & Associates.