JUDICIAL REVIEW OF ARBITRAL AWARDS AND PRINCIPLES OF NATURAL JUSTICE : A COMPARATIVE ANALYSIS

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ABSTRACT

Arbitration is essentially a contractual system of dispute resolution, which is widely regarded as an alternative dispute resolution mechanism to litigation, conducted in a less formal atmosphere than that of a Court House, conducted by a neutral tribunal appointed by the disputing parties or at their request by an appointing entity. Though arbitration is an alternative dispute resolution method, it is not completely free from judicial review. In this dissertation, the researcher evaluate the scope of judicial review of arbitral awards when principles of natural justice have been breached by considering selected jurisdictions, namely, Sri Lanka, India, United Kingdom and Singapore.

Party autonomy is a very important concept in arbitration when discussing the topic above mentioned. Basically, the golden thread which is running under the concept of party autonomy is the finality of the arbitral award without having judicial review on the merits. The principle of finality of the Arbitral award without subjecting it to judicial review is recognized in all most every jurisdiction which has passed arbitration statutes modeled on the UNCITRAL Model Law on Arbitration. Judicial review has been permitted only on specific and limited grounds. Sri Lankan Arbitration Act, No.11 of 1995 too subscribed for the principles of finality by its direct provisions.

The key purpose of this review is to check whether the arbitral process is consistent with the fundamental principles of natural justice which typically ensures a fair trial. The principles of natural Justice evaluate the moral standards of the law and upholds the right to a fair trial of individuals and it is considered as the counterpart of the "due process of law". Thus, it is important to examine whether in circumstances where such principles have been breached, judicial review is available over arbitral awards. In contrast the theory of "final and binding" plays a vital role within the phenomenon by directly affecting its core values. This dissertation seeks to argue that a good balance between the two important aspects of finality and fair play in arbitration, could be achieved through a proper degree of judicial scrutinization of arbitral awards. Researcher evaluates and analyse the proportion by comparing Jurisdictions of the United Kingdom, India, Singapore and Sri Lanka as well.

KEYWORDS

Judicial Review, Natural Justice Principles, Party Autonomy