

ABSTRACT

In recent years there has been a growing trend in corporate bodies and individuals opting to include an arbitration clause in their corporate contracts. The choice of arbitration as a mode of dispute resolution, the parties are free to decide the forum, procedure and the governing rules which ensure a tailored dispute resolution mechanism. Party autonomy in arbitration has thus led the business community to opt for arbitration, considering it to be the most effective and efficient model of dispute resolution for commercial disputes. With the modern-day development in cross border trade, commerce and economics and the rapidly changing international arena through globalization, arbitration quite rightly should be promoted as an effective tool for dispute resolution. Arbitration would thus become a vital tool to address the problem of laws delay which are generally attributed to the traditional Court system.

On the one hand, there is an increasing trend towards the incorporation of an Arbitration Clause in commercial agreements, while on the other hand the Arbitration process is increasingly criticized on the basis that it has failed to yield the expected result by reason of it being too costly, and delays in the proceedings. In this background and in order to fulfill the growing demands of local and international commercial litigants, the Arbitration Act No.11 of 1995 was enacted to provide the necessary infrastructure to resolve commercial disputes through Arbitration. The objective of this research is to investigate the time consumed for each stage of arbitration and to investigate whether there are any timelines, and then to find whether the Sri Lankan Arbitration Law provides an appropriate legal framework to avoid any undue delay in the proceedings, and to suggest improvements to the process. This research is a qualitative one and is based on both primary and secondary resources, which consists of a comparative analysis of international Arbitration laws of established jurisdictions; namely, India, Singapore and the United Kingdom. This research specifically refers to the practical application of the Sri Lankan Arbitration Act and focuses on the impact over commercial dispute resolution by using the Sri Lankan Arbitration Act. Has the intention of the Arbitration Act No. 11 of 1995, for giving speedier justice with very little intervention of the courts been fulfilled? Or are there any loopholes which require to be dealt with?