



JUSTICE ON FAST FORWARD: FAST TRACK ARBITRATION IN INDIA AND THE RACE AGAINST DELAY

WEDNESDAY WISDOM
28.01.2026

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A Situation We All Know Too Well...

It is 10:45 a.m. Your commercial dispute is listed for hearing. By 11:15 a.m., the matter is adjourned and a date is granted after a month. Again. Six months later, the files are thicker, the patience thinner, and the business relationship, irreparably damaged. In a country where time is often the most expensive commodity in litigation, speed is not a luxury; it is a necessity [1].

Enter Fast Track Arbitration, India's attempt to put dispute resolution on an express highway instead of the familiar judicial traffic jam.

This article explores fast track arbitration in India, its statutory framework, procedure, judicial interpretation, advantages, challenges, and the road ahead.

I. Arbitration in India: The Backdrop

Arbitration in India is governed by the Arbitration and Conciliation Act, 1996 ("the Act"), which is based on the UNCITRAL Model Law. While arbitration[2] was envisaged as a speedy alternative to court litigation, delays soon crept in, lengthy pleadings, repeated adjournments, and excessive judicial intervention.

Recognising this irony, the legislature introduced reforms, culminating in the Arbitration and Conciliation (Amendment) Act, 2015, which formally incorporated Fast Track Arbitration under Section 29B.

II. What Is Fast Track Arbitration?

Fast track arbitration is a time-bound, streamlined arbitral process where disputes are resolved primarily based on written pleadings, documents, and limited oral hearings.

Statutory Provision: Section 29B [3]

III. Key Features of Fast Track Arbitration

Party Autonomy

Fast track arbitration is entirely consensual in nature and is not imposed by default. It operates only when the parties expressly agree to adopt this procedure, reflecting the foundational principle of party autonomy in arbitration law.

[1]The article reflects the general work of the authors and the views expressed are personal. No reader should act on any statement contained herein without seeking detailed professional advice.

[2] To know more about arbitration, visit <https://www.ynzgroup.co.in/articles/Litigation->

[3] Section 29B of the Arbitration & Conciliation Act, 1996

Sole Arbitrator

In the absence of any contrary agreement between the parties, disputes under the fast-track mechanism are adjudicated by a single arbitrator. This approach minimizes coordination issues, expedites the process, and significantly reduces costs.

Primacy of Written Pleading

The arbitral tribunal primarily decides the dispute based on written statements, documentary evidence, and written submissions filed by the parties. Oral hearings are not the norm and are conducted only when specifically requested by the parties or when the tribunal considers them necessary in the interests of justice.

Six-Month Time Limit

A defining feature of fast-track arbitration is the strict timeline for completion. The arbitral tribunal is required to deliver its award within six months, failing which the arbitrator's mandate may terminate, unless the time is extended by a competent court.

Across the industry, dispute resolution timelines tend to vary sharply by mechanism. Litigation is generally perceived as the most time-consuming route, often stretching close to eight years. Arbitration, by contrast, is seen as a faster alternative, typically resolving disputes in roughly three years. Fast-track arbitration is increasingly viewed as the most time-efficient option, with disputes being resolved, in many cases, within approximately one and a half years.

IV. Fast Track vs Regular Arbitration

Fast track arbitration differs from regular arbitration primarily in its emphasis on speed, efficiency, and procedural economy. While regular arbitration follows a more elaborate process resembling court proceedings, with longer timelines, multiple hearings, and often a panel of arbitrators, fast track arbitration is designed as a streamlined alternative. It reduces procedural layers, limits oral hearings, and compresses timelines, making it particularly suitable for disputes where parties seek a swift and cost-effective resolution without compromising the binding nature of the arbitral award and all remaining powers of the Arbitrator under the Arbitration Act remain intact.

Aspect	Arbitration Proceedings	Fast Track Arbitration (Section 29B)
Tribunal	Sole Arbitrator or Arbitral Panel	Sole Arbitrator (by default)
Timeline	12 Months (extendable by a further six months by mutual consent of the parties, after which any additional extension must be sought from the court of competent jurisdiction.)	Six months (with no further extension permissible by the parties; any extension may be granted only by the court of competent jurisdiction upon sufficient cause being shown)
Procedure	Oral Hearings and Oral Evidence are common	Largely document based
Cost	Higher due to prolonged proceedings	Relatively lower due to lesser number of hearings
Flexibility	Moderate procedural flexibility	High, though within structured framework.

V. Judicial Approach and Case Law

Indian courts have generally adopted a pro-arbitration and pro-speed approach toward fast-track arbitration.

In **Cricket Club of India v. Kochi Cricket Pvt. Ltd**[4], the Court analysed the object and legislative intent behind the amendments to the Arbitration and Conciliation Act, particularly the introduction of Section 29B, which institutionalises the fast-track arbitration mechanism. The judgment recognises that the amended statutory framework empowers parties to mutually agree, at any stage of the arbitral process, to resolve their disputes through a fast-track procedure by recording such consent in writing. This statutory recognition of party autonomy reflects the legislature's commitment to speed, efficiency, and procedural flexibility in arbitral proceedings.

At the same time, the judgment reinforces the principle of minimal judicial intervention, consistent with the pro-arbitration philosophy of the Act. Courts are expected to respect party autonomy and the integrity of the fast-track process, intervening only where strictly necessary. This approach strengthens arbitration as a credible alternative to traditional litigation and aligns with India's broader aspiration to emerge as an arbitration-friendly jurisdiction.

VI. Fast Track Arbitration Clauses: Drafting Matters

A poorly drafted arbitration clause can defeat the purpose of speed. An effective fast track clause should clearly specify:

- Consent to Section 29B
- Number and appointment of arbitrator
- Time frame

Example: "All disputes arising out of or in connection with this Agreement shall be resolved by fast-track arbitration under Section 29B of the Arbitration and Conciliation Act, 1996. The parties agree to the appointment of a sole arbitrator, and the award shall be rendered within six months from the date the arbitrator enters upon the reference as provided under the Arbitration and Conciliation Act, 1996."

Drafting Tip: Agree fast, draft early: fast-track arbitration works best when built into the contract and may be difficult to negotiate after the dispute begins.

[4] AIR 2018 SUPREME COURT 1549

VII. Sectoral Adoption and Practical Use

1. Construction Contracts

In large infrastructure and EPC projects, fast-track arbitration is increasingly used to address disputes between contractors and government authorities. Such proceedings allow payment-related issues, including delays in certification of running bills, to be resolved swiftly through a streamlined process, enabling timely awards while allowing project execution to continue without disruption.

Banking Sector- Banks are increasingly turning to fast-track arbitration clauses in loan and guarantee agreements to address disputes arising from repayment defaults. In many recovery-related cases, banks prefer expedited arbitration to secure enforceable awards quickly, reducing reliance on lengthy litigation and improving the efficiency of creditor recovery.

2. NBFC Sector

Fast-track arbitration is increasingly used in the financial sector to resolve disputes in lending and structured finance transactions, particularly in cases of repayment defaults. Expedited proceedings help secure timely awards, support faster recovery of assets, and reduce exposure to non-performing loans, making it a preferred mechanism in high-volume lending environments.

3. Start-up and Investment Ecosystem

In the start-up and corporate landscape, fast-track arbitration is emerging as a go-to tool for resolving disputes. By leveraging this accelerated process, parties can swiftly tackle issues like missed share transfers or buy-back obligations, ensuring quick clarity and safeguarding the value of the deal without getting bogged down in prolonged uncertainty.

According to PwC's article "Corporate Attitudes & Practices towards Arbitration in India", these statistics reflect prevailing corporate preferences and practices in choosing arbitration as a dispute resolution mechanism.[5]

[5] [corporate-attributes-and-practices-towards-arbitration-in-india.pdf](#)

- 91% of Indian companies with a dispute resolution policy prefer arbitration over litigation.
- 61% have a formal dispute resolution policy and include arbitration clauses in contracts.
- 47% of companies prefer ad-hoc arbitration, while 40% opt for institutional arbitration; 12% remain neutral.
- Institutional fast-track arbitration is offered by bodies such as DIAC, Indian Institute of Arbitration (IIA), MCIA, NPAC, and IAMC Hyderabad, supporting quicker, rule-based dispute resolution.

VIII. Advantages of Fast Track Arbitration

✓ Speed and Certainty

A six-month deadline offers predictability—critical for commercial entities.

✓ Cost Efficiency

Reduced hearings and a sole arbitrator significantly lower legal and tribunal costs.

✓ Business-Friendly Dispute Resolution

Fast resolution preserves commercial relationships and business continuity.

✓ Reduced Court Intervention



Conclusion: Justice, But Make It Faster

Fast track arbitration is not a compromise on justice; it is a correction to excess. By balancing procedural fairness with commercial reality, it offers what Indian dispute resolution has long needed decisiveness without delay.

In a system where justice delayed is justice denied, fast track arbitration ensures that justice, at the very least, catches the train on time.

“Speed may not always be everything, but in arbitration, delay is often fatal.”

Author’s Note: Fast track arbitration works best when embraced proactively, drafted carefully, and conducted conscientiously. The law provides the express lane, but parties must choose to drive on it.

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