

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**THURSDAY, THE THIRD DAY OF SEPTEMBER
TWO THOUSAND AND TWENTY SIX**

PRESENT

**THE HONOURABLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HONOURABLE SMT JUSTICE RENUKA YARA**

CIVIL REVISION PETITION NO: 2684 OF 2026

Petition under Article 227 of Constitution of India aggrieved by the order dated 16-07-2026 passed in I.A.No.802 of 2026 in COP.No.65 of 2026 on the file of the Court of the Principal Special Court in the Cadre of District Judge for Trial and Disposal of Commercial Disputes at Hyderabad.

Between:

1. M/s. MODEL IMPEX, 3rd Floor, Independent Floor No. 44/3, Plot No. 44, Emerald Gulistan, Scheme No. 39, Jajmau, Kanpur - 208 010,
Represented by its Partner Mr. Zeeshan Alam, Age: 42 years, Also at Flat No. 104, Swan Tower, 1st Floor, Defence Colony, Jajmau, Kanpur - 208 010-
Uttar Pradesh, India.
2. Mr. Zeeshan Alam, Partner, Age: 42 years, M/s. MODEL IMPEX, 3rd Floor,
Independent Floor No. 44/3, Plot No. 44, Emerald Gulistan, Scheme No. 39,
Jajmau, Kanpur - 208 010.
3. Mr. Tabrez Alam, Age:43 years, Partner, M/s. MODEL IMPEX, 3rd Floor,
Independent Floor No. 44/3, Plot No. 44, Emerald Gulistan, Scheme No. 39,
Jajmau, Kanpur - 208 010.
4. Mr. Zain Alam, Age:40 years, Partner, M/s. MODEL IMPEX, 3rd Floor,
Independent Floor No. 44/3, Plot No. 44, Emerald Gulistan, Scheme No. 39,
Jajmau, Kanpur - 208 010.

...Petitioners/Applicants

AND

1. TFL Quinn India Private Limited, TFL Estate, Bachpally Village, Near Miyapur,
Hyderabad - 500 090
Represented by its Authorized Signatory R. Kumaran
2. Sri B. Sathaiah, Hon'ble Sole Arbitrator, R/o. Flat No. 202, NMSK SADAN,
Road No. 5, Sainagar, Nagole, Hyderabad.

...Respondents/Respondents

(Respondent No. 2 is only a Formal Party and no relief is sought against him personally)

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the operation of the Learned Sole Arbitrator B. Sathaiah (Former Principal District and Sessions Judge), Dated 31-01-2025 in the matter of Arbitration case No. 131 of 2023 pending the disposal of main Civil Revision Petition.

**Counsel for the Petitioners: Mr. Sripada Prabhakar, Senior Counsel
representing Mr. Setty Ravi Teja**

**Counsel for the Respondent No.1: Mr. Abhijeet Talwar, counsel representing
M/s.TLH Advocates And Solicitors**

The Court made the following: ORDER

HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HONOURABLE SMT JUSTICE RENUKA YARA

CIVIL REVISION PETITION No.2684 OF 2026

(CNR No.HBHC010581572026)

DATE: 03.09.2026

Between:

M/s. Model Impex and three others.

... Petitioners

And

TFL Quinn India Private Limited and another.

...Respondents

Mr. Sripada Prabhakar, learned Senior Counsel representing Mr. Setty Ravi Teja, learned counsel appearing for the petitioners.

Mr. Abhijeet Talwar, learned counsel representing M/s. TLH Advocates and Solicitors appearing for the respondent No.1.

ORDER: (Per Hon'ble Justice Moushumi Bhattacharya)

1. The present Civil Revision Petition has been filed against an order dated 16.07.2026 passed by the learned Commercial Court at Hyderabad in I.A.No.802 of 2026 in COP No.65 of 2026, whereby the Commercial Court allowed the said I.A and granted a stay of the enforcement of the Arbitral Award dated 31.01.2025, subject to the condition that the petitioners deposit 75% of the awarded amount together with interest accrued

thereon till the date of the impugned order, within a period of three weeks from the date of the impugned order. The respondent was granted liberty to withdraw the amount so deposited, subject to furnishing the security equivalent to the amount deposited by the petitioners and an Undertaking.

2. The petitioners are the Award Debtors and the respondent No.1 is the Award Holder in respect of the Arbitral Award dated 31.01.2025.

3. The revision petitioners filed the I.A. under section 36 of The Arbitration and Conciliation Act, 1996 seeking suspension of the operation of the Award dated 31.01.2025 passed by the learned Arbitrator in Arbitration Case No.131 of 2023. As stated above, the Commercial Court allowed the I.A and granted interim stay of enforcement of the Award, subject to the condition that the petitioners deposit 75% of the awarded amount.

4. It is clear from the impugned order that the petitioners sought for an unconditional stay of the Arbitral Award dated 31.01.2025 under the second proviso to section 36(3) of the 1996 Act, which permits the grant of such unconditional stay only where the Court is satisfied that a *prima facie* case is made

out that either the arbitration agreement or contract which forms the basis of the award, or the making of the award was induced or effected by fraud or corruption. The Commercial Court was not satisfied with the petitioners' plea for an unconditional stay and accordingly allowed the petitioners' I.A by granting stay of the enforcement of the Arbitral Award dated 31.01.2025 subject to condition that the petitioners deposit 75% of the awarded amount together with interest accrued thereon till the date of the impugned order i.e., 16.07.2026.

5. Although learned Senior Counsel appearing for the petitioners/Award Debtors contends that the petitioners are ready and willing to furnish security equivalent to the awarded amount, we are unable to accept the said contention since the Award dated 31.01.2025 is akin to a money decree. The petitioners/Award Debtors have suffered the Award for a sum of Rs.91,10,502/- along with interest @ 12% per annum on the principal sum of Rs.57,12,426/- from the date of the petition till the date of the Award and further interest @ 6% per annum on the principal sum of Rs.57,12,426/- from the date of the Award till the date of realization of the awarded amount.

6. It is well settled that an Award Debtor must deposit 100% of the awarded amount as a condition for the grant of stay of an Award under section 36(2) and (3) of the 1996 Act

7. In the present case, the Commercial Court directed the petitioners to deposit 75% of the awarded amount as opposed to 100%. The respondent No.1/Award Holder was permitted to withdraw the said amount subject to furnishing security equivalent to the amount so withdrawn and an undertaking. Hence, we do not find any reason to interfere with the impugned order.

8. Since the settled position of law requires 100% deposit, we are of the view that the Trial Court has shown sufficient leeway to the petitioners/Award Debtors by directing them to deposit only 75% of the awarded amount. The respondent No.1/Award Holder was permitted to withdraw the amount subject to furnishing security equivalent to the said amount.

9. The judgment of the Supreme Court in *Lifestyle Equities C.V and another Vs. Amazon Technologies Inc.*¹ does not come to the assistance of the petitioners since the Supreme Court, in that case, was not called upon to decide issue of stay of an Arbitral Award under section 36(2 and (3) of the 1996 Act. The

¹(2026) 3 SCC 64.

Supreme Court issued directions on the general principles governing the grant of stay under Order XLI Rule 5 of The Code of Civil Procedure, 1908.

10. C.R.P.No.2684 of 2026, along with all connected applications, is accordingly dismissed.

11. Senior Counsel appearing for the petitioners submits that the time granted by the Commercial Court for depositing 75% of the awarded the amount expired on 06.08.2026 and seeks an extension of time to deposit the amount. We, hence, extend the time granted for depositing the amount, as directed by the Commercial Court, till 15.09.2026.

12. There shall be no order as to costs

SD/- S. MALLIKARJUNA RAO
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Judge Principal Special Court in the Cadre of District Judge for Trial and Disposal of Commercial Disputes at Hyderabad.
2. One CC to Mr. Setty Ravi Teja Advocate [OPUC]
3. One CC to M/s.TLH Advocates And Solicitors [OPUC]
4. Two CD Copies
KAM/Sa

(SP)

HIGH COURT

DATED: 03/09/2026

ORDER

CRP.No.2684 of 2026



DISMISSING THE CRP.

(6) (107)
2/09/26