10.5.2022

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL CIVIL APPELLATE JURISDICTION
ASR 6. **(COMMERCIAL DIVISION)**

FMAT ARBAWARD/23/2022
With
CAN 1 of 2022

(Via Video Conference)

M/s. Abhijit Enterprise
Vs.
IOCL & Anr.

Mr. Tanmoy Mukherjee
Mr. Amal Kumar Saha
..........for the appellant

Mr. Manwendra Singh
.........for the respondents

This is an appeal from a judgement and order dated 25th April, 2022 passed by the learned court below refusing an interim order in favour of the appellant/ petitioner in a contested proceeding under Section 9 of the Arbitration and Conciliation Act, 1996.

As the issue involved is very short, we proposed to hear out the appeal itself dispensing with all formalities.

The question before us is very short whether the respondent/Corporation had any power to impose liquidated damages and then proceed to take steps for non-payment thereof in spite of the dispute between the parties arising out of the subject agreement being referred to an Arbitral Tribunal?

The amount involved is Rs. 4,00,000/- (rupees four lakhs).

After hearing learned counsel for the parties, we direct the appellant to create a short term deposit of Rs. 4,00,000/- (rupees four lakhs) earning the highest rate of interest in their own name in Standard Chartered Bank, 6 Church Lane, Kolkata upon intimation to the respondents and keep it renewed. Copies of the term deposit receipt shall be handed over to the respondents as well as to be filed before the Arbitral Tribunal.

This term deposit will abide by any order to be passed by the Arbitral Tribunal or by any court of law.

The appeal (FMAT (ARBAWARD)/23/2022) and the connected application (CAN 1 of 2022) are disposed of.

(I. P. Mukerji,J.)

(Aniruddha Roy,J)