ORDER OCD-7

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/949/2025
M/S SPS STEEL ROLLINGS MILLS LIMITED
VS
SANKAR SANTRA

BEFORE
HON'BLE JUSTICE GAURANG KANTH
Date: December 12, 2025.

Appearance:-
Mr. Debraj Sahu, Adv.
Mr. Bhaskar Dwivedi, Adv.
Ms. L. Sinha, Adv.
...for petitioner.

Mr. Piyush Sharma, Adv.
Mr. Aditya Sinha, Adv.
Mr. Sartak Singh, Adv.
...for rerspondent.

The Court:- The petitioner has preferred the present petition under Section 9 of the Arbitration and Conciliation Act, 1996, seeking interim measures for securing the awarded amount of Rs.31,75,440/- as granted by the arbitral tribunal vide award dated 27th October, 2025, either by attachment of the respondent's bank account as detailed in paragraph 21 of the petition or, in the alternative, by attachment of Schedule-B property at page 18 of the petition.

Learned counsel for the petitioner submits that disputes arose between the parties on account of the respondent's failure to pay the value of the TMT Bars sold, supplied and delivered by the petitioner. Thus, the petitioner constrained to initiate arbitration proceedings against the respondent and therefore, filed an application under Section 11 of the Arbitration and Conciliation Act, 1996 for the appointment of arbitrator before this Hon'ble Court, which was registered as AP-COM/404/2024, wherein this Court was pleased to pass an order dated 07.04.2025 appointing Mr. Sayak Mitra, learned Advocate as sole arbitrator to adjudicate the dispute amongst the parties. Thus, the arbitral tribunal was constituted. The respondent failed to enter appearance in the arbitral proceedings and the arbitral tribunal proceeded ex-parte and passed the award dated 27.10.2025, allowing the petitioner's claim along with an interest at the rate of 18% per annum. The petitioner submits that the total awarded amount, as on date, stands at Rs.31,75,440/- and seeks interim protection for the same.

Learned counsel for the respondent states that the award has not been challenged till date. He further states that the respondent is in the process of challenging the award. He submits that the respondent is a person of limited financial means and that the bank account which is mentioned does not contain the adequate amount of money to secure the petitioner. He further states that the property described in Schedule-B is a jointly owned property and that the respondent earns only a paltry amount of Rs.12,000/- per month as monthly rental income from the said property. The respondent is however, willing to furnish an undertaking that he shall not create any third party rights by alienating or encumbering the said property.

This Court notes that the award dated 27.10.2025 has neither been challenged nor stayed till date. It is further noted that under Section 36 of the

Arbitration and Conciliation Act, 1996, an arbitral award becomes enforceable as a decree upon expiry of the statutory period for filling objections, unless stayed by the competent court. As this matter arises at the post award, pre-enforcement stage, the petitioner, being the award-holder, is entitled to seek protective measures to ensure that the award is not made illusionary. The power of the Court under Section 9 of the Arbitration and Conciliation Act, 1996 extends to granting interim measures even after passing of the award but prior to its enforcement, where such measures are necessary to secure the awarded amount or to prevent frustration of the award.

The Supreme Court has affirmed that a post award application seeking relief under Section 9 of the Arbitration and Conciliation Act, 1996 is maintainable where the award-holder demonstrates a reasonable apprehension that the award may be defeated or rendered illusionary. In the present case, there is prima facie material on record indicating that unless secured, the awarded amount may not be recoverable at the stage of the execution. The petitioner has established a strong prima facie case. The balance of convenience lies in favour of securing the award and irreparable prejudice would be caused if the respondent is permitted to deal with his assets in a manner that will frustrate the execution.

In view of the above, this Court is satisfied that interim protection under Section 9 of the Arbitration and Conciliation Act, 1996 is warranted. Accordingly, the respondent is restrained from selling, alienating, encumbering or creating any third party right in respect of the property mentioned in

Schedule-B and paragraph 22 of the petition. During this period, the petitioner shall be at liberty to initiate appropriate steps for enforcement of the award dated 27.10.2025 in accordance with law.

With the aforesaid directions, the present petition stands disposed of.

(GAURANG KANTH, J.)

R. D. Barua