



DATED THIS THE 20th DAY OF JUNE 2026

A.P. No.127/2024

Shri Hiranyakeshi Sahakari Sakkare
Karkhane Niyamit, Sankeshwar,
Registered & Incorporated under the
Multi-State Co-op. Societies Act,
Having its registered office at
Sankeshwar, Tq: Hukkeri,
Dist: Belagavi,
Represented by its Managing Director,
Satappa Rayappa Karkinaik,
Age: 59 years.

(By Sri P.S. Kudadevar, Advocate)

Vs.

MEIR Commodities Pvt. Ltd.
Incorporated under Companies Act 1956
Through its authorized representative,
Sri Sushant Shankar Mungare
Age: 35 years, Occ: Service,
R/o: 1108, Corporate Parks CHS,
Vashi, Navi Mumbai-400708.

(By Sri S.P. Kulkarni, Advocate)

PARTIES TO THE IA No.I**PETITIONER/
APPLICANT :**Shri Hiranyakeshi Sahakari Sakkare
Karkhane Niyamit, Sankeshwar.**Vs.****RESPONDENT/
OPPONENT :**

MEIR Commodities Pvt. Ltd.

<i>i.</i>	Provision under which the application is filed	U/Section 36(2) of Arbitration & Conciliation Act, 1996
<i>ii.</i>	Relief sought for	To stay the operation and execution of impugned award dated 19.01.2024
<i>iii.</i>	The date on which the application is filed	02.04.2025
<i>iv.</i>	Number of the application	I.A. No.I
<i>v.</i>	The date on which the objections are filed by different opponent/ respondent	08.04.2025
<i>vi.</i>	The date on which the orders was passed on the said application	20.06.2026

ORDERS ON IA NO.I

This application is filed by the petitioner under Section 36(2) of Arbitration and Conciliation Act, 1996 to stay the operation and execution of the impugned award dated 19.01.2024 passed in Arbitration case in reference to CMP No.100008/2023.

2. In the supporting affidavit, petitioner contended that they have filed this petition challenging the legality of the impugned award.

The petitioner was unable to supply the materials to the respondent in view of incapacity due to change of Central Government Policy. The impugned award is prima facie illegal and without jurisdiction. The respondent has filed execution petition to execute the impugned award. Hence, it is just and necessary to stay the operation and execution of the impugned award. If the award is not stayed, purpose of filing this petition will be frustrated and the petitioner will be put to irreparable loss and hardship. On these grounds, petitioner prayed for an order to stay the operation and execution of the impugned award.

3. The respondent filed objections to this application and contended that the application is not maintainable in law or on facts. According to the respondent, without depositing the award amount, petitioner is not entitled to claim the interim order of stay. As per the decisions of the Hon'ble Supreme Court, 100% of the award amount is required to be deposited. On these grounds, respondent prayed for dismissal of the application with costs.

4. I have heard the arguments.

5. The point that arises for my consideration is:

“Whether the petitioner has made out grounds to stay the operation and execution of the impugned award dated 19.01.2024?”

6. My answer for the above point is **in the Affirmative**, because of my below discussed reasons:

REASONS

7. The petitioner has filed this petition under Section 34 of the Arbitration and Conciliation Act, 1996 challenging the award dated 19.01.2024 passed by the learned Sole Arbitrator in Arbitration case in reference to CMP No.100008/2023. As per the said award, petitioner herein was directed to pay a sum of Rs.12,00,00,000/- to the respondent with interest at the rate of 12%. The respondent appeared before this Court through their counsel and filed the objections to this petition. This Court secured the entire file relating to the arbitration proceedings from the learned Sole Arbitrator. In the meanwhile, the respondent filed the execution petition before this Court in Execution No.2230/2024 to execute the impugned award. Thereafter, the petitioner filed the present application with a prayer to stay the operation and execution of the impugned award.

8. As this petition is filed under Section 34 of the Arbitration and Conciliation Act, 1996, while adjudicating this petition, this Court has to consider the legality and correctness of the impugned award. In the meanwhile, if the respondent attempt to execute the award, petitioner will be put to irreparable loss and hardship and purpose of filing this petition will be frustrated. Therefore, in the interest of justice and equity, it is just and proper to stay the operation and execution of the impugned award till disposal of this petition and adjudication of the dispute between the parties regarding the legality of the impugned award.

9. In fact, the respondent has no such serious objections for staying the impugned award. However, according to them, a conditional stay order may be passed by directing the petitioner to deposit either 100% or 75% of the award amount. In this regard, learned counsel for the respondent has drawn the attention of this Court to the order dated **02.08.2021** passed by the Hon'ble Supreme Court in **Civil Appeal No.4549/2021**, wherein the stay was granted subject to depositing of 100% award amount and the decision of Hon'ble High Court of Karnataka in **W.P. No.21987/2022** dated **16.03.2023**, wherein, the impugned award was stayed subject to depositing 75% of the award amount.

10. The grant of stay and imposing condition while granting the stay depends on the facts and circumstances of each case. In this case, petitioner has made out a case of granting the stay, as the respondent has already filed execution petition and attempting to execute the impugned award. As per the impugned award, petitioner was directed to pay a huge sum of Rs.12,00,00,000/- with interest at the rate of 12% p.a. Considering the amount awarded as per the impugned award, facts and circumstances of the present case and nature of dispute involved in the present case, I feel that the interest of justice will be met by granting stay subject to deposit of 50% of the award amount within two months from the date of this order. Hence, by answering the above point **in the affirmative**, I proceed to pass the following:

ORDER

**IA No.I filed by the petitioner under
Section 36(2) of Arbitration and
Conciliation Act, 1996 is allowed.**

**The operation and execution of the
impugned award dated 19.01.2024
passed in Arbitration case, with
reference to CMP No.100008/2023, is
stayed subject to petitioner depositing**

**50% of the award amount within two
months from the date of this order.**

(Dictated to the Stenographer Grade-III, after transcription, computerized and print out taken by her, corrected, signed and then pronounced by me in the Open Court, on this **20th day of June 2026**)

**(Manjunath Nayak),
Prl. District & Sessions Judge,
BELAGAVI.**