

HIGH COURT OF SIKKIM : GANGTOK
Record of Proceedings

Arb.A. No.01 of 2026

M/S SIGN SIKKIM PRIVATE LIMITED

APPELLANT(S)

VERSUS

COMMERCE AND INDUSTRY DEPARTMENT

RESPONDENT(S)

For Appellant(s) : Mr. Yam Kumar Subba, Advocate.

For Respondent(s) : Mr. Aarohi Bhalla, Additional Advocate General with
Mr. Thinlay Dorjee Bhutia, Government Advocate
and Ms. Tanushree Thapa, Legal Consultant.**Date : 29/07/2026****CORAM:**

HON'BLE MR. JUSTICE A. MUHAMED MUSTAQUE, CHIEF JUSTICE
HON'BLE MR. JUSTICE BHASKAR RAJ PRADHAN, JUDGE

...

ORDER : (per the Hon'ble Chief Justice)

This Arbitration Appeal arises out of the Order dated 16th April, 2026, passed by the Learned Commercial Court, Pakyong, Sikkim, in Commercial (Arbitration) Case No.01 of 2026 (*M/s. Sign Sikkim Pvt. Ltd. vs. Commerce and Industries Department*), dismissing the application filed by the Appellant herein, under Section 9 of the Arbitration and Conciliation Act, 1996.

This application was filed seeking interim protection against dispossession from the leased premises. It is admitted now, after dismissal of the application, leased premises have been taken over by the State-Respondent. It is to be noted that the Appellant had to initiate the proceedings to appoint an Arbitrator.

Learned Counsel appearing for the Appellant submits that he had improved the leased premises by investing more than ₹ 3,00,00,000/- (Rupees three crores only). That aspect cannot be considered at this stage. It is for the Appellant to raise such a claim for the value of improvement in the arbitration proceedings. It is for the Arbitrator to decide whether the Petitioner is entitled for such claim or not.

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If the Appellant is advised, they are free to move before the Commercial Court to appoint an Advocate Commissioner to assess the value of improved leased property, if any.

With the liberty as above, the Arbitration Appeal No. 01 of 2026 stands dismissed.

(Bhaskar Raj Pradhan)
Judge

(A. Muhamed Mustaque)
Chief Justice

ds/bp/ami/arc