IN THE HIGH COURT AT CALCUTTA
[CIRCUIT BENCH AT PORT BLAIR]
***

CO/33/2026

Sudhir Kumar Kanungo

Vs

Union of India

Mr.S.N. Das
(through virtual mode)
Mr. Saurav Kanungo ... for the petitioner

Mr. V. D. Sivabalan
Mr. Arun S. Kumar ... for the respondents

June 09, 2026
[AKB]
Item No.3

The parties herein were involved in a dispute emanating from a contract for extension of Airport Runway at Port Blair, for which an arbitral reference was initiated. The reference culminated in an award of approximately Rs. 6.72 Crores.

The award also specified interest to be paid @ 18% per annum. The present amount is somewhere in the range of Rs. 41 Crores.

The award was passed on May 31, 2007, and after the lapse of a period of 19 years has not yet been executed. The respondent challenged the award by way of an application under Section 34 of the Arbitration and Conciliation Act, 1996 as amended in 2015 and 2019 which failed. An appeal there from under Section 37 of the aforestated Act is pending consideration.

Citing the pendency of the appeal, the respondent has not deposited any money nor permitted the petitioner herein to proceed with the execution case which is pending before the Learned Additional District Judge, Port Blair.

The respondent cannot be permitted to take advantage of pending litigations and deny and deprive the petitioner of a right which has accrued in his favour by virtue of an award, in which they have participated.

The petitioner has been suffering the travesty of the proceedings since 2007 and cannot be subjected to further sufferance at the will of the respondent.

The respondent is directed to secure a sum of Rs. 25 Crores, assessed at 10% interest per annum from 2007, being the date of the award, till date, with the Registrar, Circuit Bench at Port Blair by way of a bank guarantee, which will be kept renewed at all times till disposal of the appeal.

At this stage, Mr. Sivabalan, Learned Advocate appearing for the authorities prays for a reduced rate of interest to enable his client to secure the award.

Let a sum of Rs. 20 Crores be secured considering the rate of interest at about 8%.

The Bank Guarantee as aforestated, however, for a sum of Rs. 20 Crores will be furnished by July 31, 2026.

With the aforesaid directions, the Civil Revisional Application is disposed of.

It is made clear that I have not gone into the merits of the claim or the rate of interest as specified in the award and the present rate has been fixed at the request of Mr. Sivabalan, Learned Advocate appearing for the respondents.

There shall be no order as to costs.

Urgent photostat certified copy of this order, if applied for, is to be given to the parties on priority basis on compliance of all legal formalities.

(Reetobroto Kumar Mitra, J.)