

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP No. 16084 of 2016 (O&M)
Date of decision: 17.8.2016

Ashok Sharma & Associates Pvt. Ltd.

.. Appellant

v.

Airports Authority of India and another

.. Respondents

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL
HON'BLE MR. JUSTICE HARINDER SINGH SIDHU

Present: Mr. Arun Jain, Senior Advocate with
Ms. Jyoti Taneja, Advocate for the appellant.

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Rajesh Bindal J.

The petitioner has approached this court impugning the show cause notice 1.6.2016 (Annexure P-14) issued by Eviction Officer, Airports Authority of India, Civil Air Terminal, Chandigarh for recovery of licence fee for the period from 1.7.2013 to 24.2.2015 and consequently the orders passed in pursuance to the aforesaid order.

Learned counsel for the petitioner submitted that the petitioner was granted advertisement rights contract by Airports Authority of India for Chandigarh Civil Air Terminal, Chandigarh Airport, Chandigarh vide letter dated 15.10.2007. Initially, the entire area on which the advertisement could be placed by the petitioner was not handed over to him, as a result of which the petitioner could not generate revenue. There is an arbitration clause in the terms of contract. As despite demand raised by the petitioner, the

arbitrator was not appointed, the petitioner filed Arbitration Case No. 42 of 2015 in this court, which was disposed of on 11.9.2015 finding that the contractee, namely, Airports Authority of India had appointed the arbitrator. The matter is pending before the arbitrator, but still Airports Authority of India had initiated proceedings under Section 28G of the Airports Authority of India Act, 1994 (for short, 'the Act') and sought to recover huge amount of licence fee from the petitioner. The action is totally arbitrary considering the fact that the matter is pending consideration before the arbitrator. Before passing the impugned order, effective opportunity of hearing was not afforded to the petitioner. On the date, when the order was passed against the petitioner, the matter was pending in Delhi High Court. It was further submitted that in view of Section 5 of the Arbitration and Conciliation Act, 1996, respondent No. 2 did not have any authority to initiate proceedings under Section 28G of the Act.

After hearing learned counsel for the petitioner, we do not find any merit in the present petition. Undisputedly, in the advertisement rights contract, there is an arbitration clause and the matter has already been referred to the arbitrator. The dispute therein is as to whether the petitioner is to pay licence fee amount to the Airports Authority of India or as claimed by the petitioner, he is to recover any amount which, according to him, has been excess paid. The demand raised by respondent No. 2 from the petitioner is on account of licence fee in terms of the contract awarded to the petitioner, the dispute of which is subject-matter before the arbitrator.

In the aforesaid factual circumstances, the writ petition is not the appropriate remedy, rather, the provisions of the Arbitration and Conciliation Act, 1996 provide for various effective remedies to a party to

an arbitration agreement, especially when the matter is pending consideration before the arbitrator. Hence, we do not find any reason to interfere in the present petition.

Accordingly, the writ petition is dismissed.

(Rajesh Bindal)
Judge

(Harinder Singh Sidhu)
Judge

17.8.2016
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Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No