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Arb.O.P.(Comm.Div.) No.519 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03.11.2022

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THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

Arb.O.P.(Comm.Div.) No.519 of 2022

Skyrams Outdoor Advertisings India Pvt Ltd
represented by its Authorised Signatory N.Balaji
S.F.No.339/2A, 3A, Nava India Road,
Krishnarajapuram Village, Peelamedu,
Coimbatore 641 004.

... Petitioner

VS.

Coimbatore City Municipal Corporation,
represented by its Commissioner,
Coimbatore 641 001.

... Respondent

PRAYER: Arbitration Original Petition filed under Section 11(6) (a) of the Arbitration and Conciliation Act, 1996 to appoint an Arbitrator to adjudicate the disputes between the Petitioner and the Respondent Corporation in terms of the Agreement dated 15.02.2018 with reference to (1) collection of Licence Fee for the periods when there was no existence Licence issued by the Corporation; (2) waiver/remission of Licence Fees for the years 2020-2021 and 2021-22 when the Government of India and the



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Government of Tamil Nadu imposed lock downs in view of the pandemic COVID-18; (3) any other disputes in the contract between the Respondent Corporation and the Petitioner arising out of the Agreement dated 15.02.2018.

For Petitioner : Mr.Kandhan Duraisami

For Respondent : Mr.K.Magesh, SC

ORDER

The petitioner seeks constitution of an arbitral tribunal to resolve the dispute between the parties. Such dispute arises out of a contract for providing electronic display boards.

2. Learned standing counsel for the respondent opposed the request on the ground that there is no arbitration clause. In response, learned counsel for the petitioner referred to the Agreement dated 15.02.2018 which enumerates the contract documents. The contract documents listed therein includes the General Conditions of Contract (the GCC). By drawing reference to clause 19 of the GCC, learned counsel for the petitioner submitted that the contract provides for resolution of disputes by arbitration.

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The said clause reads as under:

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*“19.0 Any disputes that may arise during the tenure of agreement should be got settled mutually by both parties within the jurisdiction of Coimbatore City. If the dispute is not settled mutually then the matter will be referred to the **Arbitration Committee** formed by the District Collector for this purpose.”*

3. Upon examining clause 4 of the Agreement and clause 19 of the GCC, it is evident that the Agreement provides for resolution of disputes by arbitration. The petitioner invoked the arbitration clause by communication dated 06.01.2022. By reply dated 26.07.2022, the respondent did not agree to the proposal of the petitioner in relation to the constitution of the arbitral tribunal. In these circumstances, this petition is liable to be allowed.

4. Accordingly, this petition is allowed by appointing Mr.J.V.Raj, retired District Judge, E-10, Sangamithra Garden, next to Krishna Park, Nehru Nagar West, Coimbatore-641 048 (Mobile No.9445436345) as the sole arbitrator. The sole arbitrator is called upon to enter upon reference and



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adjudicate the dispute. The fees and expenses in relation to the arbitral proceedings shall be fixed in consultation with the parties.

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Index : Yes/No

Internet: Yes/No

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