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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.04.2022

CORAM:

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

W.P.No.28742 of 2018

and

W.M.P.Nos.33571 & 33572 of 2018

M/s. AD VISTAA,
rep. by its Partner K.Nela Murali
No.1, Triplicane High Road,
Triplicane, Chennai - 600 005. ...Petitioner

Vs.

Metropolitan Transport Corporation
(Chennai) Ltd.,
rep. by its Managing Director,
Pallavan House,
Anna Salai, Chennai-600 002. ...Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records from the file of the respondent in Letter No.24503/A1/Advt.Rev/MTC/17 dated 01.10.2018 and quash the same and further direct the respondent to deduct the amount due to the petitioner and demand only the balance amount.

For Petitioner : Mr.K.K.Senthilvelan

For Respondent : Mr. M.Chidambaram

O R D E R

This Writ Petition has been filed challenging the notice issued by the respondent Transport Corporation raising some dispute regarding violation of agreement entered between the parties and directed the petitioner to pay a sum of Rs.1,75,16,168/-, in absence, to initiate arbitration proceedings against the petitioner.

2. The grievance of petitioner is that, he was awarded tender to display advertisement inside and outside the buses belong to respondent Transport Corporation and they have also entered into agreement to that effect. However, alleging that, the petitioner has violated certain terms and conditions in the contract, thereby causing loss to the respondent to the tune of Rs.1,75,16,168/-, and, invoking clause 17 of the



agreement, directed the petitioner to pay the amount, in absence, they will take appropriate steps to initiate arbitration proceedings. Challenging the same, the present Writ Petition has been filed.

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3. Heard and considered rival submissions made by learned counsel appearing for both sides and perused the records carefully.

4. On perusal of agreement entered between the parties, it could be seen that, clause 24 of the agreement provides that all the disputes and differences between the petitioner and the respondent shall be referred to a Sole Arbitrator viz., Managing Director of respondent. The respondent had issued the present notice only to invoke arbitration in accordance with the provisions contained in Arbitration and Conciliation Act, 1996, and hence, the petitioner cannot have any grievance over the notice.

5. In the above circumstances, the petitioner cannot maintain a Writ Petition. However, if at all, the respondent Transport Corporation has any grievance, it is always open to them to invoke Clause 24 of the agreement. Further, in view of amendment in the Arbitration and Conciliation Act, 1996, the Managing Director of Metropolitan Transport Corporation cannot act as an Arbitrator. In the said circumstances, it is open to the parties to appoint an Arbitrator to resolve the dispute between them in accordance with law. Accordingly, this Writ Petition stands disposed of. No costs. Consequently, connected Writ Miscellaneous Petitions are closed.

Sd/-

Assistant Registrar (CO)

//True Copy//

Sub Assistant Registrar

rpp

To

The Managing Director,
Metropolitan Transport Corporation
(Chennai) Ltd.,
Pallavan House,
Anna Salai, Chennai-600 002.

+1cc to Mr.M.Chidambaram, Advocate SR. No. 23966

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AK (CO)

PR (19/05/2022)

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