



W.P.(MD).No.3829 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

WEB COPY

DATED: 17.02.2025

CORAM

THE HON'BLE MR.JUSTICE V.LAKSHMINARAYANAN

W.P.(MD).No.3829 of 2025
and
W.M.P.(MD).Nos.2763 to 2765 of 2025

Muthupandeeswari,
Proprietor,
M/s.Muthupandeeswari Modern Rice Mill,
Door No.43/5, Karisalkulam Road,
Samanatham,
Madurai District.

.. Petitioner

Vs.

1.The Managing Director,
Tamil Nadu Civil Supplies Corporation,
Head Office,
Chennai Metro Rail Office Complex,
Poonthamalee Highway, Koyambedu,
Chennai - 600 107.

2.The Sub Collector / Regional Manager,
Tamil Nadu Civil Supplies Corporation,
Madurai Region,
Madurai.

.. Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India to issue a writ of Certiorarified Mandamus, to call for the records relating to the order passed by the 2nd respondent in Se.Mu.No.B1/13168/2023 dated 10.01.2025 and quash the same as it is arbitrary and illegal and in consequence



W.P.(MD).No.3829 of 2025

to direct him to allot monthly paddy as per contract dated 29.07.2020 to the petitioner's rice mill.

WEB COPY

For Petitioner : Mr.R.Suriya Narayanan

For Respondents : Mr.R.Satheesh
Standing Counsel

ORDER

This Writ Petition challenges the order blacklisting the petitioner by the second respondent dated 10.01.2025. When the Writ Petition came up for admission, Mr.R.Satheesh took notice for the respondents.

2. The petitioner is running a hulling rice mill. She was appointed as an agent by the Tamil Nadu Civil Supplies Corporation. As per the agreement entered between the parties, certain amount of rice is allotted to the petitioner's mill for hulling. For the purpose of disposal of this Writ Petition, I did not delve deep into the facts of the case. Suffice it to state that by the impugned order, the petitioner was blacklisted.

3. Mr.Satheesh brought to my notice, Clause Nos.(37) and (44) of the agreement entered into between the petitioner and the Tamil Nadu Civil Supplies Corporation. According to him, any order passed by the Regional



W.P.(MD).No.3829 of 2025

Manager is appealable to the Chairman and Managing Director of Tamil Nadu

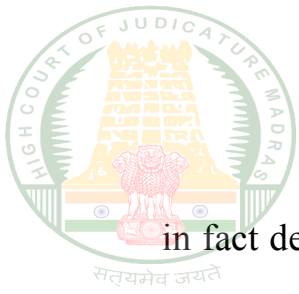
Civil Supplies Corporation and since the petitioner has an alternate remedy, a Writ Petition is not maintainable. In addition, he submits that, any dispute that arises between the parties should be referred to arbitration by a sole arbitrator, appointed from the panel of arbitrators maintained by the Corporation.

4. Refuting this argument, Mr.R.Suriya Narayanan pleads that since there is a violation of principles of natural justice in the present case, irrespective of the availability of an alternate remedy, a Writ Petition is maintainable.

5. I have carefully considered the submissions of Mr.Suriya Narayanan for the petitioner and Mr.R.Satheesh for the respondents.

6. Presence of an alternate remedy is not a bar for exercise of jurisdiction under Article 226 of the Constitution of India. It is a self-imposed limitation. However, the Court should direct the parties to avail the alternate remedy, when disputed questions of facts arise in the matter.

7. Here is a case where the petitioner pleads that 400 bags of paddy never reached her godown. Per contra, Mr.Satheesh urges that 400 bags of paddy were

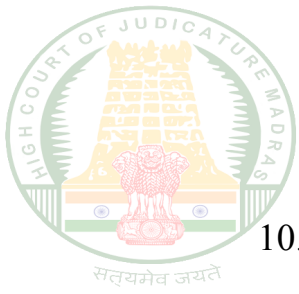


W.P.(MD).No.3829 of 2025

in fact delivered to the petitioner's mill and a receipt for the same was given by the Clerk of the petitioner, by name, one Rohini. Mr.Suriya Narayanan disputes that the signature of the person found is not that of an employee of the writ petitioner.

8. This, being a disputed fact, I am afraid, I cannot probe into the truth or veracity of the claim made by the respondent and denied by the petitioner.

9. With respect to the first point that an appeal is available to the Chairman and Managing Director of the Tamil Nadu Civil Supplies Corporation, as found under Clause (37)(c), I should point out that there are certain penalties fixed under Clauses (37)(a) and (37)(b). It is only those penalties, which could be subjected to an appeal, as is clear from Clause 37(c). This is because Clause 37(c) begins with the words “*any appeal against the above penalties*”. Clauses 37(a) speaks about initiation of disciplinary action including termination and Clause 37(b) speaks about automatic termination of the hulling agency. The power of blacklisting an agent arises under Clause (12). Clause (37)(c) certainly cannot be held to cover the imposition of penalty under Clause (12).



W.P.(MD).No.3829 of 2025

10. It is here that I should take note of Clause (44) of the agreement. It states that “*any dispute arising in respect of this agreement*” shall be referred to arbitration by a sole Arbitrator. The Clause also contemplates that the seat of arbitration shall be in Chennai. The words “*any dispute*” are wide enough to cover the blacklisting of the petitioner.

11. With respect to the submission of Mr.Suriya Narayanan that alternate remedy is not a bar, I should point out that on this very ground, a Division Bench of this Court had allowed the Writ Appeal previously filed by the petitioner herein in W.A.(MD).No.2359 of 2024 on 18.11.2024. The matter was remitted to the second respondent herein with a direction to conduct an enquiry after giving an opportunity to the petitioner. Subsequent to this order, the petitioner was called upon to attend an enquiry on 10.01.2025 by a notice dated 08.01.2025. The petitioner had appeared before the second respondent through the office of an Advocate. Though Mr.Suriya Narayanan pleads that two days' time was insufficient to submit their reply, I am certain that this plea also can be raised before the Arbitrator.

12. Mr.Satheesh produced the proceedings of the Managing Director, Tamil Nadu Civil Supplies Corporation, appointing a panel of Arbitrators. He



W.P.(MD).No.3829 of 2025

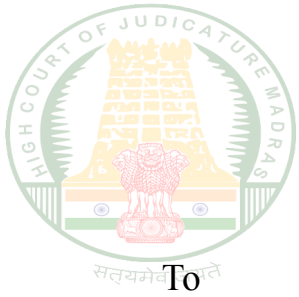
has no objection if one of the persons mentioned in the list of Arbitrators is appointed as an Arbitrator for resolving this issue between the parties. Neither does Mr.Suriya Narayanan.

13. Therefore, by consent, Mr.A.Thiyagarajan, Retired District Judge, is appointed as an Arbitrator to decide the dispute that has arisen between the parties. Both the parties agree that they will appear before the Arbitrator on 28.02.2025. All issues between the parties are kept open. In addition to the plea that the impugned order is not sustainable, it is open to both parties to claim damages before the Arbitrator. It is also open to the both parties to file such interlocutory applications, as advised, in terms of Section 17 of the Arbitration and Conciliation Act,1996.

14. The Writ Petition is ordered in the above terms. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

17.02.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes / No
Lm



W.P.(MD).No.3829 of 2025

To

WEB COPY

1. The Managing Director,
Tamil Nadu Civil Supplies Corporation,
Head Office, Chennai Metro Rail Office Complex,
Poonthamalee Highway, Koyambedu,
Chennai - 600 107.
2. The Sub Collector / Regional Manager,
Tamil Nadu Civil Supplies Corporation,
Madurai Region, Madurai.



WEB COPY



W.P.(MD).No.3829 of 2025

V.LAKSHMINARAYANAN,J.

Lm

W.P.(MD).No.3829 of 2025

17.02.2025