



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
ARBITRATION PETITION (L.) NO. 7690 OF 2026

Adtrack Media LLP

...*Petitioner*

V/s.

Happy Valley Homes CHS Federation
Ltd.

...*Respondent*

Mr. Mohammed Zain Khan with Mr. Ashraf Kapoor i/b. One Legal, *for the Petitioner.*

Mr. Rohit Joshi, *for the Respondent.*

CORAM: SANDEEP V. MARNE, J.

Judgment Reserved On: 6 May 2026.

Judgment Pronounced On: 8 June 2026.

JUDGMENT:

1) This is a Petition filed under Section 9 of the Arbitration and Conciliation Act, 1996 (**Arbitration Act**) seeking interim measures before commencement of the arbitral proceedings. The disputes and differences have arisen between the parties out of Agreement for Construction of Hoardings and Display of Advertisements dated 28 October 2025 (**the Agreement**). Petitioner seeks interim measures to restrain the Respondent-Federation and its office bearers from disturbing/stopping the construction/erection work of the subject hoarding and from terminating the Agreement.

2) Petitioner is an advertisement agency engaged in the business *inter-alia* of outdoor advertisements. Respondent No.1 is a Federation of nine cooperative societies. It appears that Respondent No.1-Federation decided to grant licence/permit for erecting an illuminating advertisement display and accordingly invited proposals. Petitioner submitted its proposal dated 20 April 2025 giving two options for the hoarding sizes 30 x 30 feet and 40 x 40 feet. It appears that the Federation also received two other offers. In General Body Meeting of the Federation held on 4 May 2025, all the three proposals were considered, and it was resolved to award the contract to the Petitioner who had quoted highest rate of annual rental of Rs. 4,32,000/- for erecting the hoarding of the size 30 x 30 feet . The No Objection Certificate (**NOC**) was issued by the Secretary of the Federation to the Petitioner on 15 May 2025. Another notarised NOC was executed by the Secretary of the Federation on 13 October 2025 for erecting hoarding sized 30 x 30 feet at the location indicated in the NOC.

3) Accordingly, Petitioner applied to Thane Municipal Corporation (**TMC**) vide application dated 27 October 2025 (submitted on 28 October 2025) seeking permission for erecting the hoarding. On 28 October 2025, the Agreement was executed between the Petitioner and Federation (*Agreement for Construction of Hoarding and Display of Advertisements*) under which the Petitioner was granted right to construct, erect and display the hoarding of the size 40 x 40 feet on payment of annual compensation of Rs.4,32,000/- with 15% escalation

every 3 years. The agreement is signed on behalf of the Federation by its Secretary, Mr. Shivaji Jadhav.

4) Petitioner has been issued NOC by the Traffic Department on 4 February 2026. In pursuance of Petitioner's application for NOC, TMC issued permission to the Petitioner and directed it to pay permission fees of Rs.5,80,585/-. Petitioner has paid amount of Rs. 3,00,886/- to the Municipal Corporation. Petitioner applied to the Respondent-Federation for issuance of NOC for supplying electricity vide letter dated 20 February 2026 intimating that the work of erection of hoardings shall commence from 21 February 2026. NOC was signed and issued by the Secretary of the Federation on 20 February 2026.

5) It is the case of the Petitioner that when it commenced the work of installation of hoarding structure on 21 February 2026, the Chairman of the Federation interfered with the work and directed the Petitioner not to carry out the same. Letter dated 22 February 2026 was issued to the Petitioner by the Federation stating that erection of the hoarding at the chosen location was unsafe and potentially hazardous due to structural and safety concerns. Federation claimed that the location was not intimated to the Managing Committee by the Secretary. The Federation therefore called upon the Petitioner to erect the hoarding at an alternative, suitable and safe location. The Federation complained to TMC on 5 March 2026 and on 9 March 2026, TMC directed the Petitioner to select alternate site for erection of the hoarding. Federation claims that the work commenced by the Petitioner caused damage to the trees and accordingly Non-Cognizable Offence

Information Report dated 17 April 2026 was registered in the Police Station. Since Respondent-Federation has obstructed the work of the Petitioner to erect the advertisement hoarding, the Petitioner has filed the present petition under Section 9 of the Arbitration Act seeking following interim measures:

a) This Hon'ble Court be pleased to pass an order thereby restraining the Respondent no. 1 to 4 and its members or anybody else acting on behalf of the Respondents from in anyway disturbing/stopping the construction/erection work of the hoarding and/or in anyway refraining the Petitioner from carrying out its part of obligations in respect of the Agreement dated 28th October 2025;

b) This Hon'ble Court be pleased to pass an order thereby restraining the Respondent no. 1 to 4, its managing committee from in any manner terminating the Agreement dated 28th October 2025;

c) Pending the hearing and final disposal of the present petition, this Hon'ble Court be pleased to stay the effect, operation, implementation of the Letter dated 22nd February 2026;

d) Ad interim reliefs in terms of prayer clause (a), (b) and (c) above;

e) Any other reliefs as this Hon'ble Court may deem fit and proper,

f) Cost of the present Petition.

6) An Affidavit-in-Reply is filed on behalf of Respondent No.1-Federation opposing the Petition. At the instance of the Court, parties attempted to resolve the dispute amicably. The correspondence which has taken place between the parties towards amicable resolution of dispute has been placed on record. By letters dated 13 March 2026 and 24 March 2026, Petitioner placed before the Federation better particulars of the site to demonstrate as to how the hoarding structure would not obstruct the internal traffic. By letter dated 3 April 2026,

Petitioner placed on record the mutual understanding between the parties arrived during the course of meeting held on 29 March 2026. It appears that a Special General Body Meeting of the Federation was conducted on 12 April 2026, and another joint site visit took place on 12 April 2026. However, by letter dated 21 April 2026, the Federation finally informed the Petitioner that office bearers of Phase-I have opposed installation of hoarding at the proposed site and instructed it to propose an alternative site. This is how the settlement has not taken place, and parties have urged the Court to decide the Petition on merits. Since pleadings are complete, the Petition is taken up for final disposal.

7) Mr. Khan, the learned counsel appearing for the Petitioner submits that the Respondent-Federation is acting contrary to the terms of the Agreement by obstructing the work of erecting the subject hoarding. He relies on General Body Resolution dated 4 May 2025, in pursuance of which the Agreement is executed between the parties and submits that Respondent-Federation is contractually bound by the covenants of the Agreement and cannot stop the work of erecting the hoarding structure. That the hoarding structure is being installed at the agreed location and that the Federation cannot now unilaterally change the location thereof. That the Petitioner had secured all the necessary permissions for installation of hoarding structure He submits that the Petitioner has incurred huge expenditure by paying permit fees to TMC as well as purchase of construction material, labour, etc. That the hoarding structure is ready for being installed at the location. That the location of the hoarding was agreed between the parties and he relies on recital (C) to the Agreement. That erection of hoarding structure at

the concerned site does not cause any obstruction to the internal traffic movement. He submits that TMC has certified vide letter dated 27 April 2026 that the advertisement permit is still valid. He also relies on structural engineer's assessment report and various correspondence with the Federation after filing of the petition. He submits that Petitioner is incurring huge losses on account of investments already made for the hoarding structure. He prays for grant of interim measures as prayed for in the Petition.

8) Mr. Joshi, the learned counsel appearing for the Respondent opposes the petition submitting that the Agreement shown to have been signed and executed by the Secretary is without any authority and does not bind the Federation. That there is no Agreement executed between the Petitioner and Federation for erection of illuminating digital advertisement display in the premises of the Federation. That since there is no agreement executed between the parties, the arbitration clause contained in the alleged agreement does not bind the Federation. That no resolution was adopted by the Federation authorizing Mr. Jadhav to unilaterally enter into agreement. That all NOCs are unauthorizedly issued by the Secretary, Mr. Jadhav. That General Body had passed a resolution only for selection of Petitioner as the contractor and it was expressly agreed that all aspects relating to location etc. were to be finalised by the General Body/Managing Committee and he refers to Recital (E) to the Agreement. That TMC has also stopped the work of installation of the hoarding structure vide letter dated 9 March 2026.

9) Without prejudice, Mr. Joshi submits that the Federation is not *per-se* averse to erection of hoarding in its premises and has called upon the Petitioner to erect the same at a suitable alternate site. He relies on Federation's letter dated 22 February 2026. That since the location unilaterally chosen by the Petitioner causes hindrance to smooth traffic movement on internal roads of the Federation and also to the structural stability, the Federation cannot permit Petitioner to erect the same at the chosen location. That mere selection of the Petitioner as a contractor for erection of hoarding does not mean that it can erect the same at its own chosen location. Mr. Joshi accordingly prays for dismissal of the petition.

10) Rival contentions urged on behalf of the parties now fall for my consideration.

11) Disputes and differences have arisen between the parties out of Agreement for Construction of Hoarding and Display of Advertisement dated 28 October 2025, which contains clause 25 for dispute resolution as under:

25. Dispute Resolution

The Parties hereto agree and confirm to refer all Disputes, Differences and/or Claim arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect hereof or as to the rights and liabilities of the Parties hereunder shall be referred to the Council of Mediation and Arbitration (CMA) who shall appoint a Sole Arbitrator whose decision shall be final and binding on the parties, the Arbitration shall be held in accordance with the provision of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof from time to time. The Arbitration proceedings shall be held in Mumbai and shall be subject to the

Jurisdiction of Courts of Mumbai. The Parties agree that during the pendency of any arbitration, they shall continue to perform their obligations under this Agreement.

12) However, Respondent-Federation denies having executed the Agreement contending that the same is unauthorisedly signed by Mr. Shivaji Jadhav, Secretary, who did not have any authority to sign or execute the same. The stand taken by the Respondent-Federation *qua* the Agreement in paragraphs 3, 4 and 18 of its Reply is as under:

3. At the outset, I say that the Arbitration Petition filed against the Federation is not maintainable and deserved to be dismissed with heavy cost. I say that there is no agreement executed between the Petitioner and Respondent No. 1 Federation to allow the Petitioner to erect an illuminated digital advertisement display in the premises of the Federation. I say that an Agreement for the Construction of Hoarding and the Display of Advertisements dated 28th October 2025 (herein after referred to as the said Agreement") sought to be relied upon by the Petitioner to invoke the Arbitration clause to file proceedings under the Arbitration and Conciliation Act 1996 (herein after referred to as the "said Act") is not executed by the Respondent No. 1 Federation and thus the same is not binding upon Respondent No. 1.

4. I say that on perusal of the said Agreement, it is clear that the same is executed by the Petitioner with Respondent No. 3- Mr Shivaji Jadhav, who purported and falsely represented to execute such agreement on behalf of Respondent No. 1, in the absence of any such authorisation. I say that there is no resolution passed by the Federation authorising Mr. Jadhav to unilaterally entered into any kind of agreement either with Petitioner or with any other bidder. I say that in the absence of such authorisation, Mr. Shivaji Patil had no right to execute said agreement on behalf of the Federation. Thus, the said agreement is not binding upon the Respondent No. 1.

18. I say that, therefore considering the aforesaid the relief in the prayers as sought in the Arbitration Petition cannot be granted as the same arises out of the Agreement dated 28th August 2025, which, as already demonstrated above, is executed dehors the requisite procedure and in want of an authorised signatory representing Respondent. No. 1. Thus, in view of the above facts and circumstance, and in light of this Affidavit-in-Reply, the present Arbitration Petition

deserves to be dismissed. However, I state and reiterate Respondent No. 1's willingness and eagerness to resolve the dispute amicably.

13) Since the Federation has denied having executed the Agreement, it contends that it is not bound by the stipulations thereof and more particularly by the arbitration agreement contained in clause-25.

14) Thus, one of the main disputes between the parties is about existence of the arbitration agreement. Existence of arbitration agreement is a jurisdictional fact for considering interim measures under Section 9 of the Arbitration Act. It would therefore be necessary to record a *prima facie* finding as to whether the Federation is bound by the contractual stipulations and by the arbitration clause contained in the Agreement.

15) The Federation does not dispute the position that the Agreement is signed by its Secretary Mr. Jadhav. What it questions however is the authority of Mr. Jadhav to sign the Agreement on behalf of the Federation.

16) *Prima facie*, I am unable to accept the defence raised by the Federation that the Agreement is unauthorisedly signed by its Secretary or that the Agreement does not bind it. The reasons for reaching this *prima facie* conclusion are as under:

- (i) *First* the Federation has adopted a resolution to permit Petitioner to erect the subject hoarding. The Resolution

adopted in the General Body Meeting held on 4 May 2025
reads thus:

३. जाहिरात फलक (HOLDING) बाबत आलेल्या निविदांमधून निवड करून संमती देणे बाबत चर्चा करून निर्णय घेणे.

चर्चा: सचिव श्री. शिवाजी जाधव यांनी सुचवले कि, मागील सर्वसाधारण सभेत झालेल्या चर्चे नुसार आपल्या संकुलात जाहिरात फलक (HOALDING) लावणे बाबत काही इच्छुक कंपन्यांन कडून प्रस्थाव आला होता परंतु काही तांत्रिक कारणांमुळे हा विषय पुढे आला नाही व इतर निविदाही आल्या नाही तरी सध्या आपल्याकडे पुढील प्रमाणे तीन कंपन्यांच्या निविदा आल्या आहेत.

| Name of Company | Size | Total Sq. | Rate | Annual Income |
|--------------------------|---------|-----------|-------|---------------|
| Adtrack medial | 30 x 30 | 900 | 40 pm | 432000 |
| Media Frame | 30 x 30 | 900 | 31 pm | 337500 |
| Telex Advertising Agency | 40 x 40 | 1600 | 15 pm | 300000 |

ठराव : उपरोक्त विषयांकित चर्चे नुसार, वरील तक्त्या नुसार अधिकतम भाडे देत असलेल्या Adtrack medial या कंपनीला संपूर्ण तपशिलानिशी कागदोपत्री जाव करून हा ठेका देण्यात यावा.

ठराव सर्वानुमते मंजूर झाला.

सूचक :- श्री. शैलेंद्र विखलकर अनुमोदक :- श्री. रामशंकर तिवारी

The Resolution thus indicates the decision taken by the Federation to award the contract to the Petitioner. Since decision to award the contract is taken, a mere ministerial act of execution of the contract remained. That ministerial act is performed by the office bearer (Secretary) of the Federation. The Secretary had mooted the discussion on the subject before the General Body. It is therefore difficult to *prima-facie* hold that Federation's Secretary has acted in absence of any authority while executing the Agreement. The Agreement is

backed by the resolution adopted in the General Body Meeting of the Federation and the case does not involve an act on the part of the Secretary to contractually bind the Federation with something which it never intended to do.

- (ii) Second, after adoption of General Body Resolution for erecting the subject hoarding, it was the duty of the Managing Committee to issue authority letter authorizing one of the office bearers to sign the Agreement on behalf of the Federation. If the Federation or its Managing Committee did not execute such authority letter in favour of the Secretary or did not adopt any resolution authorizing him to sign the Agreement, it would be a part of internal working of the Federation. In Shri. Kantu Shankar Dessai and another Versus. Soceidade Agricola Dos Gauncares De Cuncolim E Veroda¹ Division Bench of this Court has referred to the doctrine of 'Indoor or Internal Management' and has held in paras 7 and 8 of the judgment as under:

7. At the very root of the controversy in the present case are the matters of execution of the subject Lease Deed and the authority of the person to execute the Deed on behalf of the owner, namely, the society. The charter of the society, which is on record, suggests clearly that the society shall be represented by a Manager acting as the President of the Administrative Committee in all cases, whether in Court or outside and whether actively or passively. The only restriction against such Manager or President is that he shall not take any initiative on important subjects prescribed in the internal statute of the society without the resolution of the Administrative Body. There is indeed nothing in the charter or otherwise to show that the society is forbidden by law or as a matter of contract from creating a lease of its property in favour of any villager. In fact, if anything, the

¹ First Appeal No. 6 of 2010 decided on 20 June 2019

evidence on record suggests that there were a number of other leases created by the society in favour of villagers of properties owned by it. **Once it is held that the act of the society in creating the lease in favour of the defendants is not ultra vires, the question of authority of any particular office bearer of the society to act on its behalf in that respect, is really a matter of its internal management.** A person who deals with a society or corporate body must no doubt familiarize himself with the constitution of the society or corporate body (in case of a company, it would be its Memorandum and Articles of Association), **but once it is found that there is no restriction on the authority of the person to execute the act in such constitution, there is no further duty on the person to enquire into the internal management of the society or the corporate body and assess whether or not due procedure has been followed for executing the act in accordance with the rules of management applicable to the society or corporate body, as the case may be.**

8. Our Courts have ruled on the subject, which is broadly described as the doctrine of indoor management, in a number of cases. The case of **Lakshmi Ratan Cotton Mills Co. Ltd.(supra)**, cited by learned Counsel for the appellants, is a case in point. The Allahabad High Court in that case has held that a creditor dealing with a trading company is required by law to be conversant with the terms of its Memorandum and Articles of Association and no more. If it is found that the transaction of loan into which the creditor is entering is not barred by the charter of the Company or its Articles of Association, and could be entered into on its behalf by the person executing it, he is entitled to presume that whatever formalities are required to be complied in connection therewith, have been duly complied with. **A bona fide creditor, in the absence of any suspicious circumstances, is entitled to presume that such formalities such as passing of a resolution, etc., have been duly complied with.** A transaction entered into by the borrowing company under such circumstances cannot be defeated merely on the ground that no resolution was in fact passed. **The passing of such resolution is a mere matter of indoor or internal management of the company and its absence, under such circumstances, could not be used to defeat the just claim of a bona fide creditor; such creditor being an outsider or a third party and an innocent stranger is entitled to proceed on the assumption of its existence; he is not expected to know what happens within the doors that are closed to him.** Where the act is not “ultra vires” the statute or the company, such creditor would be entitled to assume the apparent or ostensible authority of the agent to be a real or genuine one. He could assume that such person had the power to represent the company and if he

proceeds on that basis, he would be protected by the doctrine of indoor management.

(emphasis added)

Prima-facie, the doctrine of Indoor Management would apply to the facts and circumstances of the present case when it comes to the issue of authority of the Secretary to sign the Agreement. The Federation had invited bids and had conducted competitive bidding process, and the Agreement is executed by the Secretary after adoption of General Body resolution. The Petitioner is therefore justified in assuming that the Secretary had the necessary authority to sign the Agreement.

- (iii) Third, the defence of non-execution of the Agreement appears to have been taken by the Federation purely by way of an afterthought. In the contemporaneous correspondence, the Federation did not take a stand that it never executed the Agreement. On the contrary, the correspondence proceeded on an assumption that the Agreement has indeed been executed by the Federation, but the location was never disclosed to the Managing Committee by the Secretary or by the Petitioner. This is clear from Federation's letter dated 22 February 2026, in which it did not dispute execution of Agreement, but disputed mere site location. Letter dated 22 February 2026 reads thus:

To.
Adtract media
Hiranandani estate
Thane (w)

In the Managing committee meeting held on 22 02/2026. Your Quotation dated 20.04.2025 your proposal was once again taken up for detailed discussion. During the meeting, all the committee members jointly inspected the proposed site identified for the installation of the hoarding. Upon careful examination, it was observed that the said location appears to be unsafe and potentially hazardous due to structural and safety concerns also the location of the site Blocks the access road behind Phase 1 society. Secondly the site location was not intimated to the managing committee by the hon. Secretary neither by your firm previously. Considering the risk factors involved, the committee unanimously decided that proceeding ahead with the installation at this site would not be advisable. In spite of oral directions on Saturday you started the installation process.

Therefore, you are hereby requested to kindly approach the committee and suggest an alternative suitable and safe location within the premises for carrying out the said work which will be consulted with the TDO department of TMC. We look forward to your prompt response so that further necessary action can be taken accordingly. till then any NOC issued by the federation is kept in abeyance.

The TMC officials of Advertisement Department of TMC have been requested to visit the site along with TDO officials till then the officials of Advertisement Department of TMC are requested to keep the permission in abeyance.

Thanking you.
Your sincerely,
Chairman
Happy valley Homes
CHS Federation Ltd.

If the Federation had not executed the Agreement, it would have questioned the action of the Petitioner in securing permissions and NOCs and in proceeding ahead with the installation work. The letter did not state that the Agreement was unauthorisedly executed by the Secretary. The letter in fact proceeds on a footing that there is a valid agreement between the parties but raised limited objection only about the location at which the hoarding structure is being installed.

- (iv) Fourth, it otherwise becomes difficult to believe that the other managing committee members were kept in dark about the various actions of the Secretary, which took place over a fairly long period of time from 15 March 2025 till end of February 2026. The Secretary issued NOC on 15 May 2025. Based on that NOC, the application was submitted to TMC on 28 October 2025 for permission. The Agreement was signed and executed on 28 October 2025. In the meantime, and after issuance of NOC and after execution of the Agreement, the Petitioner was made available with copy of Minutes of General Body Meeting dated 4 May 2025, as well as Resolution adopted therein vide letter dated 21 November 2025. The letter dated 21 November 2025 is signed not just by the Secretary but also by the Chairman. The said letter reads thus:

Date: 21/11/2025

तराव

महोदय,

आपणास कळवण्यास येते की, आमची वरील संस्था हॅप्पी व्हॅली होम्स सी.एच.एस. फेडरेशन या संस्थेची दिनांक ४/०५/२०२५ रोजी झालेल्या विशेष सर्वसाधारण सभेमध्ये विषय क्र: ०३ नुसार आपली दिनांक २०/०४/२०२५ रोजी जाहिरात फलक बांधणी संदर्भात आलेली निविदा सर्वानुमते मंजूर करण्यात आली आहे. तरी आपण निविदेमध्ये दिलेला दर व इतर बाबीनुसार काम हाथी घ्यावे या करिता संस्थेकडून आपणास लागणारी कागदपत्रे व ना हरकत दाखला इ. उपलब्ध करून दिला जाईल. कृपया याची नोंद घ्यावी. कळावे. (तरवासोबत वरील सभेच्या इतिवृत्तांताची प्रत जोडीत आहोत.)

आपला नम्र,

अध्यक्ष सचिव क्रोषाध्यक्ष

हॅप्पी व्हॅली होम्स सी.एच.एस. फेडरेशन

If there was no contractual arrangement between the Federation and the Petitioner, and if the Secretary was unauthorisedly dealing with the Petitioner, the Federation's Chairman would not have supplied to Petitioner copy of the General Body Resolution or instructed it to commence the work or assured it about issuance of necessary NOCs.

- (v) Fifth, there are other factors to indicate that the office of the Federation had clear idea of various developments on the front of installation of hoarding structure by the Petitioner. After Petitioner secured requisite permissions from the Traffic Department and TMC by paying fees of Rs.3,00,886/-, it applied to the Federation for issuance of NOC for MSEB electricity meter communicating that the work would commence on 21 February 2026. This letter dated 20 February 2026 is acknowledged by one 'Suman' on behalf of the Federation. This indicates that the Federation's office was receiving various correspondence from the Petitioner making it unbelievable that the Secretary was acting unauthorisedly by keeping the other Managing Committee members in dark. The Secretary acted on Petitioner's letter received in the office of the Federation and issued NOC dated 20 February 2026 for MSEB electricity meter. Considering the above circumstances, it becomes difficult to believe that after passing of General Body Resolution in the meeting held on 4 May 2025, the other managing committee members of the Federation were totally oblivious about Petitioner's actions for installation of the

hoarding structure. However, at no point of time the Federation felt the need to question the Petitioner or the Secretary as to how various permissions were secured in absence of execution of any Agreement.

(vi) Sixth, there is no material on record to indicate that the Federation has initiated any action against the Secretary for his alleged act of unauthorisedly signing the Agreement on its behalf. Far from initiating any action against the Secretary under the provisions of the Maharashtra Cooperative Societies Act, 1960, the Federation has not even bothered to write a simple letter to the Secretary objecting to his act of signing the Agreement and issuing the NOCs. This again indicates that the Federation has raised the defence of absence of authority to the Secretary in its Affidavit-in-Reply by way of an afterthought.

(vii) Seventh, while raising the defence of non-execution of the Agreement, the Federation is otherwise willing to permit the Petitioner to construct the hoarding structure, *albeit* at an alternate location.

17) *Prima facie* therefore I am not convinced with the defence adopted by the Federation in its Affidavit-in-Reply that the Agreement is not executed by it. The fact that the Federation did not question Petitioner's authority to install the hoarding structure in its premises in its letter dated 22 February 2026 indicates that the Federation's

subsequent defence of non-execution of the Agreement is not an honest one. In my view therefore, the above discussed seven factors are sufficient for recording a *prima facie* finding about existence of arbitration agreement for the limited purpose of deciding the issue of interim measures.

18) Thus, it is difficult to conclusively hold at this juncture that the Agreement dated 28 October 2025 would not bind the Federation. Final adjudication in this regard can be made in the arbitral proceedings. At present, it would be dangerous to even deny consideration of interim measures by recording a conclusive finding that there is no arbitration agreement between the parties. On the other hand, the facts and circumstances of the case create a *prima-facie* impression about the Federation being privy to the Agreement dated 28 October 2025.

19) Coming to the merits of the Petition, it is seen that the dispute between the parties is not about Petitioner's entitlement to construct and erect the advertisement hoarding. Though Respondent-Federation has now (*falsely*) sought to distance itself from the Agreement dated 28 October 2025, it fortunately does not dispute the right of the Petitioner to erect the hoarding structure within its premises. The dispute is only with regard to the location at which the Petitioner is proposing to erect the hoarding structure.

20) After having *prima facie* negated Federation's defence of non-execution of the Agreement, I now proceed to examine whether the

Petitioner is installing the hoarding structure at a location different than the one agreed between the parties.

21) Petitioner is proposing to erect the hoarding structure at the junction towards Tikuji Ni Wadi which would be visible to the traffic coming from Hiranandani Meadows and moving towards Unique Vistas. According to the Federation, the said location is unilaterally decided by the Petitioner in connivance with the Secretary.

22) After considering the material produced before me, *prima facie* I am not inclined to accept Federation's defence that the site location for installation of hoarding structure was never decided or that the Petitioner has unilaterally decided the site location with connivance of the Secretary. On the contrary, it appears that the Federation always had a fair idea about the site location where the hoarding structure was to be installed. My reasons for holding so are as under:

- (i) The location for installation of the hoarding structure is indicated in Recital (C) to the Agreement, which reads thus:

C. Accordingly, the Advertiser has approached, proposed to the Society to provide it with space at the Back gate area of Happy Valley Homes Co-operative Housing Society Federation (hereafter referred to as the "Premises") for construction erection, display and management of advertisements in the form of One Digital Bill Board of size 40 Feet x 40 Feet (single-sided) Digital Billboard on the Corner of Junction towards Tikuji Ni Wadi said Society (hereafter referred to as the "hoarding") being situated within the premises of the Society.

Since the location is indicated in Recital (C) of the Agreement, the Federation is bound by the same. The Federation has sought to distance itself from the Agreement, but I have *prima*

facie found Federation's defence of non-execution of the Agreement to be baseless. The said defence is taken only to wriggle out of the location indicated in Recital 'C' to the Agreement.

- (ii) The 'Site Location' for the hoarding structure was specified in Petitioner's initial proposal itself. In Petitioner's proposal dated 20 April 2025, the site location was indicated as under:

SITE LOCATION:

In your Society Premises, next to the entry gate.

Thus, site location was indicated in the Petitioner's proposal as '*next to the entry gate*'. There is no averment in the entire Affidavit-in-Reply filed by the Federation that the actual site at which the hoarding structure is being installed is different than the one indicated in the proposal. Also, even the Agreement refers to the location as '*at the backdoor gate area of Happy Valley Homes Co-operative Housing Society Federation..... on the corner of junction towards Tikuji Ni Wadi*'. Indication of site location in Petitioner's proposal belies the Federation's defence that the location was never discussed or that the location was to be decided subsequently by the Managing Committee after passing of the General Body Resolution.

- (iii) After adoption of the General Body Resolution, the Secretary- of the Federation issued NOC dated 15 May 2025 to the Petitioner, which reads thus:

TO WHOMSOEVER IT MAY CONCERN

M/s Adtrack Media LLP, through their proprietor Mr. Parshav Sharma has approached us for construction of an illuminated hoarding/ LED Screen/ Neon sign/ Glow sign/ Tri sign front lit and back lit and such other mode of advertising hoarding/billboard within our land premises. We have considered their proposal and have decided to allow them to construct advertisement hoarding in our property provided they follow all the rules and regulations laid down by the TMC and all other applicable regulatory bodies.

Please consider this letter as a No Objection Certificate from our side for allowing M/s. Adtrack Media LLP to construct an illuminated hoarding/ LED Screen/ Neon sign/ Glow sign/ Tri sign front lit and back lit and such other mode of advertising hoardings/billboards., of size 30x30 ft. single side. As proposed by them to us, the Digital Billboard of 30x30 ft. single side will be facing traffic coming from Hiranandani Meadows and moving towards Unique Vistas. Also, they may be allowed to procure NOC/permission from TMC or any authority for the same and from Traffic Police department & Adani Electricity/TATA Power/MSEB for putting up the electricity meter for illumination purpose of the said hoarding.

Thus, the NOC also indicated the location of the hoarding structure. There is no averment in the Reply that this location indicated in the NOC is different than the one specified in Petitioner's proposal.

- (iv) The Federation owns a large tract of land and comprises of nine Societies. It therefore becomes difficult to believe that the Federation did not choose the site location at which the advertisement hoarding was proposed to be constructed. The advertisement revenues depend upon visibility of the hoarding

to the eyeballs. Slight change in the location or even change of direction of hoarding can affect the visibility and reduce the potential advertisement revenues. Since three offers were received by the Federation, it is difficult to believe that the advertising companies were not made aware of the location at which the hoarding structure was proposed to be erected or that they quoted annual fees without knowing the site location.

- (v) Perusal of the Federation's letter dated 22 February 2026 indicates that the Federation has apparently changed its mind with regard to the site location. The letter states '*your proposal was once again taken up for detailed discussion during the meeting. During the meeting, all the Committee members jointly inspected the proposed site identified for installation of the hoarding. Upon careful examination it was observed that the said location appears to be unsafe and potentially hazardous due to structural and safety concerns. Also the location of the site blocks the access road behind Phase-1 Society*'. Thus, the contents of the letter dated 22 February 2026 clearly shows change of mind of the Federation with regard to the location earlier decided for erection of hoarding structure.
- (vi) In letter dated 22 February 2026, the Federation has claimed that '*the site location was not intimated to the Managing Committee by the hon. Secretary neither by your firm previously*'. It is difficult to believe that the other committee members

were completely oblivious about location of the hoarding for almost 10 long months. The process commenced on 20 April 2025 and objection to the site location was raised for the first time on 21 February 2026. It becomes *prima-facie* difficult to believe that for over 10 months, the Secretary was acting unilaterally by keeping the other Managing Committee members in dark about the site location.

- (vii) If the site location was to be mutually decided post passing of General Body resolution as claimed by the Federation, the natural conduct would have been to question the Petitioner in 10 months about the site location for which various permissions were applied for. However the Federation did not write a single letter to the Petitioner calling it upon to disclose the site location for which various permissions were sought. This conduct of the Federation belies its stand that location was to be mutually decided or what was done on 4 May 2025 was mere selection of the contractor. On the contrary, the letter dated 21 November 2025, signed both by the Chairman and Secretary, specifically directs the Petitioner to commence the work of erecting a hoarding. If the site location was yet to be decided, how the Chairman instructed the Petitioner to commence work is incomprehensible.
- (viii) The objection to the site location is also by way of an afterthought. This is clear from Federation's letter dated 21 April 2026 in which it is stated '*The representatives and office*

bearers of phase-I clearly objected to raised any hoarding on the specified road & unanimously to issue you a letter in this context.'

The letter imposes a new condition that '*So any NOC or permission to use the road will need endorsement from managing committee of phase-I & towers 24, 25 and 26*'. Thus, letter dated 21 April 2026 clearly indicates change of mind by the Federation, possibly on account of internal divide between the member-societies.

23) Considering the above position, *prima facie* it is apparent that the hoarding structure is being installed by the Petitioner at the site location earlier agreed upon by the Federation and that the Federation has now changed its mind about the site location.

24) The Federation has sought to paint a picture in its Reply as if the Municipal Corporation has withdrawn the permission for the hoarding structure. It appears that on 22 February 2026 and 2 March 2026, the Federation raised objections before the Municipal Corporation to the permission issued on 17 February 2026. Acting on Federation's objection, an opinion was apparently expressed by the City Development Department on 6 March 2026 that though the hoarding does not affect the marginal open space requirement, but the same may affect the internal traffic in the premises of the Federation. The Municipal Corporation therefore opined that it is not proper to construct the hoarding structure at the chosen site. Petitioner was accordingly directed by the letter dated 9 March 2026 to select an alternate site for erection of the hoarding stating that the hoarding

permission would thereafter be issued. The relevant portion of letter dated 9 March 2026 reads thus:

सदर विनंतीच्या अनुषंगाने दि. ०६/०३/२०२६ रोजी शहर विकास विभागाने Marginal Open Space याबाबत अभिप्राय दिला आहे. प्रस्तावित ठिकाण इमारतीच्या आवश्यक Marginal Open Space च्या मर्यादित असलीतरी सदर ३.५० मी ते ४.५० मी रुंद रस्त्यात बाधित होणार आहे व त्यामुळे अंतर्गत वाहतुकीस अडथळा निर्माण होईल असे अभिप्रायात नमूद आहे.

उपरोक्त नमूद केल्यानुसार प्रस्तावित जाहिरात फलकाच्या जागे मुळे ये-जा करणारा रस्ता बाधित होत असेल व अंतर्गत वाहतुकीस अडथळा निर्माण होत असेल तर सदर ठिकाणी जाहिरात फलक उभारणे अयोग्य ठरते.

सबब, यापात्राद्वारे आपणास कळविण्यात येत आहे कि, Happy Valley Homes CHS Federation Ltd याच्या खाजगी जागेत उभारण्यात येत असलेल्या जाहिरात फलकाची प्रस्तावित जागेमुळे अंतर्गत रस्ता बाधित होत असल्याने जाहिरात फलक उभारणे करिता पर्यायो जागा निश्चित करण्यात यावी व तदनंतर आपणास नियमानुसार परवानगी देण्यात येईल याची नोंद घ्यावी.

25) However, the Petitioner has relied on subsequent communication of the Municipal Corporation dated 27 April 2026 stating that the permission already issued has not been cancelled. The letter dated 27 April 2026 reads thus:

मे. Adtrack Media LLP यांना Happy Valley Homes CHS, मानपाडा या ठिकाणी जाहिरात फलक उभारणेकरिता परवानगी देण्यात आली आहे. सदर परवानगीची सध्यास्थिती जाणून घेणे बाबत विनंती अर्ज केला आहे.

प्रकरणी, आपणास Happy Valley Homes CHS येथील जाहिरात फलकाबाबत नस्तीचे अवलोकन केले असता मे. Adtrack Media LLP व Happy Valley Homes CHS Federation यांचा मा. उच्च न्यायालयात दावा दाखल आहे. सदर बाब सध्यास्थितीत न्यायप्रविष्ट आहे.

आपणास देण्यात आलेल्या जाहिरात फलकाची परवानगी रद्द करण्यात आलेली नाही. सध्यास्थितीत सदर प्रकरण न्यायप्रविष्ट असल्याने मा, न्यायालयाचे आदेश बंधनकारक राहतील, सदर बाब आपणास कळविण्यात येत आहे.

Thus, the Municipal Corporation has clarified on 27 April 2026 that the permission has not been cancelled.

26) Though the Municipal Corporation had initially expressed reservations vide letter dated 9 March 2026, the opinion of its own City Development Department certifies that the hoarding does not affect the marginal open space requirement. So far as the apprehension expressed in the letter dated 9 March 2026 about obstruction to internal traffic is concerned, Petitioner has relied upon Site Access and Clearance Certification Report dated 13 March 2026 of the TMC's licensed Structural Engineer certifying that after installation of the hoarding structure, the clear road width would be 12 feet for vehicular movement. The report indicates that the average width of cars is 5.5 feet while that of an Ambulance is 6 feet. and of Fire Tender is 8.2 feet. It appears that the concerned road is not the main road for internal vehicular traffic and is merely an ancillary internal road. As per Federation's own letter dated 21 April 2026, the road is used only as an access road for parking of vehicles by the residents of Phase-1 and is used in emergencies for ambulances, fire brigade, etc. Thus, the Structural Engineer's Report *prima-facie* indicates that no hindrance would be caused to the traffic movement, including that of ambulances and fire tenders.

27) So far as the apprehension about trees are concerned, it is not even the Federation's case that any tree is required to be felled for installation of the hoarding structure. The Federation has decided to monetise the space within its premises by installing hoarding structure

and cannot selectively blame the Petitioner for alleged damage caused to the roots of any trees.

28) In my view therefore, a strong *prima-facie* case is made out by the Petitioner for grant of interim measures before commencement of the arbitral proceedings. The Federation is seeking to wriggle out of contractual obligations because it has changed its mind about the site location of the hoarding. The Agreement has not been terminated by the Federation, who has in fact expressed willingness for installation of the hoarding structure at an alternative site. The Petitioner would suffer irreparable loss if interim measures are not granted since the acts of the Federation have made Petitioner spend considerable amount (Rs.25,00,000/- as claimed in the Petition). The balance of convenience is clearly tilted in favour of the Petitioner and against the Respondent-Federation since the Federation has not *per-se* opposed erection of the hoarding structure in its premises. The issue is only with regard to the site location. Hoarding structure is not a permanent construction and in the event the arbitral award is in favour of the Federation, the structure can always be removed. Since installation of the hoarding does not *prima-facie* endanger any building of the Federation or cause any hindrance to free flow of internal traffic, permitting installation of the same during pendency of arbitral proceedings would enure to the benefit of the Federation, who would earn rentals from the Petitioner. After-all, the decision to permit installation of hoarding structure is taken by the Federation for earning revenues and the said decision is not rescinded by it. Therefore grant of interim measures by preventing the Federation from obstructing the work of installation of hoarding

structure would preserve the subject matter of arbitration. In that view of the matter, a perfect case is made out for grant of interim measures in favour of the Petitioner.

29) I accordingly proceed to pass the following order:

- (i) Pending arbitration and till making of the final award, the Respondents are restrained from obstructing or disturbing or stopping the work of construction or erection of hoarding structure at the concerned site in pursuance of permission granted by the Municipal Corporation and the Traffic Department.
- (ii) Construction/erection of hoarding structure by the Petitioner shall be without prejudice to the rights and contentions of the parties and subject to outcome of the arbitral award and the Petitioner shall not claim any equities only on account of completion of the work of installation of hoarding structure.
- (iii) If the Petitioner fails to commence arbitration within a period of 90 days as provided under Section 9(2) of the Arbitration Act, the above interim measures shall automatically come to an end.

30) With the above directions, the Arbitration Petition is **partly allowed** and disposed of. There shall be no order as to costs.

[SANDEEP V. MARNE, J.]

31) After the judgment is pronounced, the learned counsel appearing for Respondent-Federation prays for stay of the operative directions for a period of 8 weeks. The operative directions shall stand stayed for a period of 4 weeks.

[SANDEEP V. MARNE, J.]

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signed by
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