

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH**  
**AT SRINAGAR**

**WP(C) No. 1025/2026**

CM No. 2681/2026

M/s A. S. Multiservices, ...Appellant/Petitioner(s)  
1201,12<sup>th</sup> Floor, Plot No. 26A,  
Khargar Navi Mumbai, 410210, through  
Proprietor Anil Kumar Sukla, (46 years)  
S/O Parmanand Shukla  
R/O At present Barzulla Srinagar.

Through: Mr. Sheikh Mushtaq, Advocate

**Vs.**

1. Airport Authority of India, through ...Respondent(s)  
Chairman, Raju Gandhi Bhawan,  
Airport, New Delhi.
2. Airport Director,  
Airport Authority of India,  
Srinagar International Airport Jammu and  
Kashmir.
3. Commercial In-charge,  
Airport Authority of India,  
Srinagar International Airport Jammu and  
Kashmir.
4. Union of India through Secretary,  
Ministry of Civil Aviation, New Delhi.
5. Canara Bank, Khargar, Navi Mumbai.

Through: Mr. Vikas Malik, Advocate for R-1 to R-3  
Ms. Bisma Ali, Advocate vice  
Mr. T. M. Shamsi, DSGI for R-4

**CORAM:**

**HON'BLE MR JUSTICE M. A. CHOWDHARY, JUDGE**

**ORDER**

08.05.2026

01. The petitioners, through the medium of this petition, claiming to be a registered dealer dealing with contractual business activities across the country relating to the execution of works, pleaded that petitioner was awarded contract for the “**Concession to Supply,**

**Install, Test, Commission (SITC) and Operate Vehicle Parking (with Limited Automation); Collection of Parking Fees and Excess Time Fees Rights at Srinagar International Airport**”, vide Letter of Authorization dated 07.06.2024, following the petitioner’s participation in an NIT with a monthly license fee of Rs. 24.55 lakh + GST, subject to deposit of performance guarantee of Rs. 96,95,000/-.

02. It is alleged by the petitioner that the respondents arbitrarily denied the petitioner a rebate during the currency of the contract, sought on account of extraordinary events in the Union Territory of Jammu and Kashmir following the Pahalgam terrorist attack and the subsequent worsening of the situation due to “Operation Sindoor”, resulting into shutdown of airport operations causing massive business losses, which are covered under the Force Majeure clause of the “Doctrine of Frustration of Contract” as envisaged under the Indian Contract Act, 1872.
03. The petitioner further alleges that the respondents raised a demand for Rs. 60,24,242/- without any legal basis, record, or prior settlement. Additionally, a penalty of Rs. 6.14 lakh was imposed in violation of the terms of the contract and without affording the petitioner an opportunity to be heard. The petitioner claims it was forced to deposit the aforementioned amount under duress and are now facing the threat of bank guarantee encashment.
04. Learned counsel argued that other business entities have previously been granted benefits under “Force Majeure” for similar unforeseen occurrences, such as the COVID-19 pandemic. The petitioner is specifically aggrieved by the respondents' acts of

omission and a communication dated 27.04.2026, which was allegedly never supplied to the petitioner and challenged the same on various grounds, questioning the penalty of the amount of Rs.6,14 lakhs. It is further prayed that the respondents be commanded to consider and decide the claim of the petitioner for waiver of license fee for the period from April to July 2025 and for grant of rebate to the petitioner for losses suffered during the security situation prevailing during Operation Sindoor in the year 2025. A further direction is sought restraining the respondents from encashing the bank guarantee lying with them and directing them to refund Rs. 60,24,242/-, which the petitioner was compelled to deposit under duress, along with admissible rate of interest.

05. Mr. Vikas Malik, appearing for contesting Respondents 1 to 3, raised a preliminary objection regarding the maintainability of this petition. He has drawn the attention of this Court to Clause 28 of the agreement, which provides a specific mechanism for dispute resolution. He submitted that the petition be dismissed *in limine*, as the petitioner has an alternate and efficacious remedy through Mediation/Arbitration.
06. In response, counsel for the petitioner initially argued that Force Majeure falls under public law and is not specifically a "dispute" under the agreement. However, after further deliberation, he conceded that the claim is indeed a dispute that can be subjected to the mechanism provided in Clause 28. Consequently, he prayed for the withdrawal of this petition with liberty to the petitioner to pursue the alternate remedy of Mediation/Arbitration.

07. Clause 28 of the agreement stipulates that all disputes arising out of or concerning the agreement shall be referred to the “Mediation Committee of Independent Experts (MCIE)” or an individual mediator as per the AAI Mediation Policy. If mediation fails or a party withdraws after 120 days, the aggrieved party may invoke Arbitration within thirty days.
08. In view of the existing Dispute Resolution Clause, this Court finds that the petitioner ought to have availed the agreed-upon remedy rather than invoking the writ jurisdiction of this Court. Accordingly, this petition is held to be not maintainable at this stage and is dismissed as withdrawn, with liberty to the petitioner to invoke the Dispute Resolution Mechanism (Mediation/Arbitration) as provided in the contract within two weeks from the date of this order. Till this period, the respondents are directed not to encash the bank guarantee furnished by the petitioner at the time of execution of the contract agreement.
09. Copy of this order shall be endorsed to the respondents, including the Canara Bank, Kharghar, Navi Mumbai, for information and compliance.

**(M. A. CHOWDHARY)**  
**JUDGE**

**SRINAGAR**

08.05.2026

Manzoor