

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

AA No.1/2026

M/S Tarmat Ltd.

....Petitioner/Appellant(s)

Through :- Mr. R. K. Gupta, Sr. Adv. with
Mr. Jugal Kishore, Adv.
Mr. Udhay Bhaskar, Adv.

V/s

Union of India and ors.

....Respondent(s)

Through :-

Coram: HON'BLE MR. JUSTICE RAJESH SEKHRI, JUDGE

ORDER
02.02.2026

1. Petitioner company has invoked inherent jurisdiction of this Court under Section 9 of Arbitration and Conciliation Act, 1996 ["Arbitration Act"] against letters/communications Nos. 85015/CEAFU-09/3583/E8 dated 29.12.2025, 85015/CEAFU-09/3591/E8 dated 12.01.2026 and 85015/CEAFU-09/3592/E8 dated 12.01.2026 issued by respondent No. 2 whereby it has been directed to advise its banker to extend the validity of Bank Guarantee for a further period, failing which, it is sought to be encashed.
2. The case set out by the petitioner is that the sole arbitrator, appointed by this Court, after conducting arbitration proceedings, passed/published the award dated 09.08.2025. Respondents did not challenge the award. However, the petitioner, being aggrieved of rejection of claim No. 7, preferred a petition under Section 34 of Arbitration Act in this Court being AA No. 109/2025.
3. It is contention of the petitioner that its claim No. 6 with respect to release of three Bank Guarantees against retention money with compensation for delay in release and expenses incurred by it for repeated extensions, was allowed by

the Arbitrator, and respondents were directed to release the Bank Guarantee bonds and pay compensation of Rs. 45,94,590/-. According to the petitioner, impugned communications issued by respondent No. 2 vide which, it has been directed to advise its banker to extend the validity of Bank Guarantees for further period, despite award of the sole arbitrator for release of Bank Guarantee bonds, which has not been questioned by the respondents, is illegal.

4. *Prima facie* case for indulgence is made out.

5. Notice in the main as well as in CM.

6. Mr. Harshwardhan Gupta, Advocate waives notice on behalf of respondent No. 3. He seeks and is granted two weeks time to file objections.

7. Notice shall go to rest of respondents, returnable within two weeks. Requisite steps for service be taken within one week.

8. List on 18.02.2026.

9. Meanwhile, impugned communications Nos. 85015/CEAFU-09/3583/E8 dated 29.12.2025, 85015/CEAFU-09/3591/E8 dated 12.01.2026 and 85015/CEAFU-09/3592/E8 dated 12.01.2026 shall stay.

10. Copy of this order be furnished to learned counsel for the petitioner under seal and signatures of Bench Secretary of this Court.

(Rajesh Sekhri)
Judge

JAMMU
02.02.2026.
Paramjeet