

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

WP(C) No. 1781/2020

**Date of Pronouncement : 19.01.2026
Uploaded on : 20.01.2026**

M/S Aquatech

.....Petitioner

Through: Mr. Rahul Pant, Sr. Advocate with
Mr. Anirudh Sharma, Advocate

Vs

The Jammu and Kashmir Sports Council & Ors.

.....Respondents

Through: Ms. Anshuja Tak, Advocate

**CORAM: HON'BLE MR. JUSTICE RAHUL BHARTI, JUDGE
JUDGMENT (ORAL)**

01. The institution of this writ petition by the petitioner acting through its partner-Gurmit Singh is with an en objective to claim the writ reliefs as prayed for, which are reproduced as under :-

“

- I. Mandamus commanding the respondents to release the Earnest money in the shape of CDR No. 913040003156730(1547), dated 16th of January, 2013 for an amount of Rs. 3,80,000/- issued by the Axis Bank, Jalandhar dated 16th of January, 2013;**
- II. Mandamus commanding the respondents to release the two (2) Bank Guarantees bearing No. 01550100000243 dated 26th of February, 2013 for an amount of Rs. 8,89,447.50 and the Bank Guarantee bearing No. 01550100000246 dated 3rd of June, 2013 for the same amount issued by the Axis Bank, Jalandhar and**

submitted by the petitioner as security deposit for the execution of the contract ;

III. Mandamus commanding the respondents to release the balance payment of Rs. 15,12,126/- as also the security deducted from the running account bills of the petitioner ;

IV. Mandamus commanding the respondents to release the due payments of the petitioner along with interest @ 12% from the date the payments became due to the petitioner and ;

V. Any other writ, order or direction which this Hon'ble Court may deem fit and proper in the facts and circumstances of the case, may also be granted in favour of the petitioner and against the respondents along with cost."

02. Upon the filing of the writ petition, this Court came to put the respondents on notice in terms of an order dated 05.11.2020 inviting their reply/objections to the writ petition. Despite repeated opportunities, reply eventually came on record on 28.09.2022 filed on behalf of the respondents No. 1 to 3 by Advocate Ms. Anshuja Tak.

03. The institution of the writ petition by the petitioner is resting on a cause of action that **NIT No. 37 of 2012-13 dated 02.01.2013** for the purpose of construction/up-gradation/supply and installation of civil and electro-mechanical works for the commission of existing swimming pool at the M.A. Stadium of Jammu including design proposals for complete job, testing and commissioning at the estimated cost of **Rs. 190.00 lacs** was responded to by the petitioner in which the petitioner

came to qualify the technical as well as financial bid evaluation stage as being the lowest bidder and then being called upon by the respondent No. 2-Executive Engineer, J&K Sports Council, Construction Division, Sports House, M.A. Stadium, Jammu of the respondent No. 1-J&K Sports Council to furnish performance guarantee to 10 % of the tender cost amounting to **Rs. 17,78,895/-** and also to mobilize resources for execution of the contract for which Letter of Intent dated 20.02.2013 was issued without any corresponding formal allotment order which later came to be issued on 07.03.2013 wherefrom completion period of four months was to be reckoned.

- 04.** The petitioner is said to have deposited an amount of **Rs. 3,80,000/-** as earnest money along with furnishing of bank guarantee amount equivalent to the 5% of the contract value.
- 05.** Despite all handicaps which are said to have been created from the end of the respondents related to execution of the contract work, the petitioner is said to have carried out the execution as per the drawings submitted by it notwithstanding absence of approval to the said drawings coming from the respondents' end.

06. The petitioner, as per the averments made in the writ petition, is said to have completed first stage of the contract work which was approximately 35% of the total civil work on the basis whereof the petitioner generated a running account bill for **Rs. 52,09,697.50**, in response whereeto nothing was heard or responded to from the end of the respondents despite reminders one after another submitted by the petitioner.
07. Instead, it is submitted that the petitioner was subjected to a threatening posture from the end of the respondents, who initially issued communications and ultimately proceeded to issue a final notice dated 20.07.2013, calling upon the petitioner to resume the work and complete the same without any further delay
08. The petitioner from its end is said to have responded to the said final notice by its reply dated 29.07.2013 with the situation resulting in termination of the petitioner's contractual engagement by issuance of letter dated 30.07.2013 issued by the respondent No. 1.
09. The petitioner is said to have approached this Court with a writ petition **OWP No. 1191/2013** during the pendency of which a mutual agreement was arrived at for resumption of the work which facilitated disposal of the writ petition vide an order dated 29.11.2013 leading

resumption of work w.e.f 04.12.2013 by the petitioner and concluding the work by 31.03.2014 against which the petitioner is said to have received **Rs. 1,62,76,824/-** leaving **Rs. 15,12,126/-** as unreleased payment along with earnest money deposit of the petitioner and performance guarantee of an amount of **Rs. 8,89,447.50**. The last payment released in favour of the petitioner is said to be on 23.03.2018 for **Rs. 7,01,795/-**.

10. The petitioner's grievance emanates that despite having earned Work Completion Certificate dated 11.03.2016 issued by the respondent No. 2, the petitioner is being subjected to suffer loss of his earnest money, bank guarantee money thereby constraining it to come forward with the present writ petition.

11. The respondents in their reply have come forward admitting that the work has been completed by the petitioner on 14.02.2018 but release of CDR for **Rs. 3,80,000/-** could not be effected because of being misplaced whereas the balance payment for the amount of work done by the petitioner was also in the process of release due to some procedural requirements getting delayed whereas two bank guarantees amounting to **Rs. 8,89,447.50** each are said to have been forfeited even prior to the filing of **OWP No. 1191/2013**.

12. Given the limited nature of the controversy remaining in view of the admission made by the respondents that CDR is intended to be released in favour of the petitioner and the balance work payment also made to the petitioner, the only controversy relates to the two bank guarantees said to have been forfeited even prior to the institution of the writ petition **OWP No. 1191/2013**.
13. Once the petitioner is said to have carried out the completion of the contract work then whether the respondent No. 1 was still entitled to forfeit the said two guarantees is an issue on which the respondent No. 1 ought to have first afforded an opportunity of hearing to the petitioner seeking its response and then pass a reasoned order as to how come in the face of carrying out the project to its completion, the petitioner was still to suffer loss of two bank guarantees.
14. Accordingly, this writ petition is ***disposed of*** with a direction relatable to the grievance of the petitioner with respect to the two bank guarantees. The respondent No. 1 is directed to consider the matter afresh relatable to the said two bank guarantees of the petitioner in the light of the completion of the contract work by the petitioner.
15. The petitioner is directed to approach the respondent No. 1 with a detailed representation and upon making of

which the respondent No. 1 to take a final decision within a period of three months. In case, the petitioner would still be left aggrieved then the disposal of the writ petition not to prejudice the right of the petitioner to come up with a fresh writ petition.

- 16.** The detailed order is following the order dated 28.02.2023 vide which the writ petition was ordered to be disposed of as is hereby being done.

(RAHUL BHARTI)
JUDGE

JAMMU
19.01.2026
SUNIL

