

Supplementary List-I
Serial No. 172

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

WP(C) No. 3731/2025
CM No. 8522/2025

Eduspark International Pvt. Ltd.

.....Petitioner

Through: Mr. Rahul Pant, Sr. Advocate with
Mr. Vikram B Trivedi, Advocate
Mr. Sunil Tilokchandani, Advocate
Mr. Rahul Sharma, Advocate.

Vs

Union of India & Ors.

.....Respondents

Through:

CORAM: HON'BLE MR. JUSTICE RAHUL BHARTI, JUDGE

ORDER
(29.12.2025)

01. Ministry of Rural Development, Govt. of India came up with Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) in the year 2014 for carrying forward which Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) Guidelines of July, 2016 came to be formulated and prescribed.

02. The objective of said Scheme was aimed at livelihood diversification and poverty reduction under Deen Dayal Antyodaya Yojana - National Rural Livelihoods Mission of the Ministry of Rural Development, Govt. of India.

03. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) is aimed to skill rural youth who are poor and to provide them with jobs having regular monthly wages at or above the minimum wages for semi-skilled so as to promote sustainable livelihoods for rural youth through placement linked skilling programmes.

04. With respect to Jammu & Kashmir and Ladakh, the Ministry of Rural Development, Govt. of India came forward with a special scheme nomenclatured as “**Himayat**” workable under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY).

05. Though referred to be under the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), **Himayat Scheme** was having features different from the Scheme prescribed under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) for the rest of India.

06. Under **Himayat Scheme**, the component areas were Urban as well as Rural Youth, Below Poverty Line (BPL) as well as Above Poverty Line (APL) persons and lastly wage employments/self-employments/GIG employments.

07. **Himayat Scheme** was 100% centrally funded scheme implemented with the help of the State Government by a dedicated Himayat Mission Management Unit (HMMU) located in Srinagar, Jammu and Ladakh.

08. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) Guidelines 2016 were prescribed to be applicable for carrying out Himayat Scheme.

09. It is by reference to the aforesaid scenario that Himayat Mission Management Unit (HMMU) by a drawing a purported reference from and relation to **Jammu & Kashmir State Rural Livelihoods Mission**, acting through its the then Chief Operating Officer, namely, Mr. Kapil Sharma (KAS), came to enter into a Memorandum of Understanding (MoU) with two entities coming forward as consortium for the purpose of project implementation.

10. The petitioner and the respondent No. 4, as consortium, split their relationship vis-à-vis Memorandum of Understanding (MoU) dated **30.08.2018** by a Mutual Separation Agreement dated **13.10.2021**.

11. Memorandum of Understanding (MoU) dated **30.08.2018** came to be executed in furtherance of sanction order No. **42-HMMU of 2018** dated **19.07.2018** for skilling of one thousand (1000) candidates. Total project cost spelled out in said Memorandum of Understanding (MoU) dated **30.08.2018** was **Rs. 11,30,09,590/-**. The project was a time bound project to be carried out in four years time period as per the sanction order by the consortium of said two entities, one of which being the petitioner herein and the other one the respondent No. 4.

12. The execution of the project was meant to be supervised and monitored by a Central Technical Support Agency appointed for monitoring projects in Jammu & Kashmir by the Ministry of Rural Development, Govt. of India.

13. Memorandum of Understanding (MoU) dated **30.08.2018** carried an arbitration **clause 9, clause 15** provided for penalty and **clause 16** provided for recovery of dues under the Memorandum of Understanding (MoU).

14. The petitioner and the respondent No. 4 had constituted themselves into a consortium for execution of Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) by entering into a consortium agreement dated **20.02.2018** which had facilitated the two entities as consortium to enter into Memorandum of Understanding (MoU) dated **30.08.2018**.

15. Before execution of Mutual Separation Agreement dated **13.10.2021**, the original sanction order No. **42-HMMU of 2018** dated **19.07.2018** had come to be revised with a Sanction Order No. **47-HMMU of 2020** dated **07.08.2020**.

16. In terms of Mutual Separation Agreement dated **13.10.2021**, the respondent No. 4 walked out of consortium leaving the project assigned under Memorandum of Understanding (MoU) dated **30.08.2018** exclusively in the hands of the petitioner.

17. There did not take place any fresh/revised Memorandum of Understanding (MoU) between the respondent No. 3-Himayat Mission Management Unit (HMMU), Jammu & Kashmir and the petitioner in view of Mutual Separation Agreement dated **13.10.2021** being executed and given effect to between the petitioner and the respondent No. 4, thereby leaving the petitioner as the only party in Memorandum of Understanding (MoU) with the respondent No. 3 – Himayat Mission Management Unit (HMMU).

18. The purported cause of action for the petitioner to come forth with the present writ petition invoking writ jurisdiction of this Court under article 226 of the Constitution of India is issuance of notice of Imposition of Penalty No. **COO/JKSRLM/HMMU/25/2019/2868-2878** dated **10.11.2025** read with Recovery Notice No. **COO/JKSRLM/HMMU/25/2019/2879-2889** dated **10.11.2025**, both issued by the respondent No. 3 in terms whereof the petitioner is intended to be penalized for an amount of **Rs. 5,65,048/-** and recovery of **Rs. 2,82,52,397/-**.

19. The petitioner is assailing the course of action at the end of the respondent No. 3 in issuing the aforesaid two communications bearing legal consequences intended to be operated and enforced against the petitioner on the grounds of challenge set out in para 6 of the writ petition assailing the two impugned communications as non-speaking and unreasoned without following principles of natural justice, facts narrated by the

petitioner in response to the intending course of action are said to have been overlooked and given a miss by the respondent No. 3. The petitioner is intending to shift the onus of liability unto the respondent No. 4 by terminating it as responsible for implementation/execution of project as PIA till **13.10.2021**.

20. Be that as it may, the petitioner is privy to the Memorandum of Understanding (MoU) dated **30.08.2018** and same bears an arbitration clause which is reproduced as under:-

“9. Arbitration and Applicable Laws:

9.1. The parties hereby agree that any controversy, claim or dispute arising in connection with this MoU, and which cannot be resolved amicably, shall be referred to the Chief Secretary (Chairman of the Executive Council of Jammu and Kashmir State Rural Livelihoods Mission in the State), whose decision shall be final and binding on all parties.

9.2. All disputes shall be resolved as per the Government of India policies and applicable Indian/State Laws.

9.3. If case is filed for judicial remedy, where the Ministry of Rural Development is the First Party, the case shall be filed in New Delhi. In case for judicial remedy, where the First Party is Himayat Mission Management Unit, Jammu and Kashmir State Rural Livelihoods Mission, the case shall be filed in the respective court in the State Headquarters.”

21. This Court first calls upon Mr. Rahul Pant, learned Senior Advocate assisted by Mr. Vikram B Trivedi, Mr. Sunil Tilokchandani and Mr. Rahul Sharma, Advocates for the petitioner to show as to how the writ petition can be maintained by the petitioner instead of invoking the arbitration clause for settlement of dispute and differences emanating from the issuance of the

impugned communications between the petitioner and the respondent No. 3 – Himayat Mission Management Unit (HMMU), Jammu & Kashmir.

22. In its entire writ petition, the petitioner has not come forward without any averment as to how it intends to evade and avoid the very presence and play of the arbitration clause which is meant to govern the contractual engagement of the petitioner vis-à-vis the respondent No. 3 to which the learned counsel for the petitioner seeks to convince this Court that the present writ petition as a remedy under article 226 of the Constitution of India is available at the disposal of the petitioner on account of no alternate or efficacious remedy available to the petitioner in the facts and circumstances of the case.

23. Let the learned counsel for the petitioner first address on the maintainability of this writ petition at first instance in view of operating arbitration clause on the next date of hearing.

24. List for consideration on **03.02.2026**.

(RAHUL BHARTI)
JUDGE

JAMMU
29.12.2025
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