

IN THE HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT JAMMU
(Through Virtual Mode)

Arb P No.49/2026

M/s SRM Contractors Ltd.

...Petitioner(s)/Appellants.

Through: Mr. Manik Dutt, Advocate.

Vs.

UT of J and K and others.

....Respondent(s)

Through: Ms. Monika Kohli, Sr. AAG, with
Ms. Priyanka Bhat, Assisting Counsel.

CORAM:
HON'BLE THE CHIEF JUSTICE

ORDER
11.09.2026

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator.
2. The brief facts of the case as would emerge from the pleadings are that the respondents invited bids for ***“Providing and Laying of Wet Mix Macadam, 50 mm thick BM and 25 mm thick OGPC, 30 mm thick SDBC and Berms Filing on internal road of Marh area in Block Marh (L=8.00Km)”*** vide NIT dated 06.06.2016 at an estimated cost of Rs.133.50 Lakhs. The petitioner company participated in the tendering process and emerged as the lowest bidder and was thus allotted the contract for a total amount of Rs.1,21,87,600/- vide allotment letter dated 25.03.2017. The petitioner, accordingly, executed and completed the work in 2019 and the last final bill (CC-6th) was verified in 2021.

It is submitted that the quantum of work was executed to the tune of Rs.1,64,74,487/- instead of Rs.1,21,87,600/- because of application of quantities and their inflated rates on instructions of the respondent

department. Further, it is submitted that bills up to CC-4th to the tune of Rs.1,28,25,200/- were released in favour of the petitioner. However, on submission of the second-last bill (CC-5th) to the tune of Rs.36,47,287/-, only an amount of Rs.19,00,000/- was released and the remaining amount was kept withheld without any justifiable cause. The petitioner claims that an admitted balance amount of Rs.19,03,700 is still unpaid to him from last six years.

The petitioner has also averred that he approached the writ court and subsequently also filed LPA which came to be disposed of vide order dated 24.05.2022 by directing the respondents to determine the amount which is admittedly payable to the appellant strictly in terms and conditions of the contract agreement and the works executed on spot. It is submitted that on account of non-compliance of the order by the respondents, the petitioner filed contempt petition [CCP(D) No.60/2022] and sought withdrawal thereof by stating that since the disputed amount was not settled fully and there remained unpaid dues by the respondents, the petitioner be given liberty to avail the arbitration proceedings. The prayer was allowed vide order dated 20.05.2024 with liberty sought for.

Accordingly, the petitioner invoked Arbitration Clause-12 of the allotment letter dated 25.03.2017 vide letters dated 09.08.2024 and 10.04.2025 requesting the Chief Engineer to resolve the disputes arisen inter-se parties with regard to pending payments. However, on account of failure of the respondents to act, the petitioner approaches this Court. Hence the present petition.

3. Pursuant to the notice issued by this Court, the respondents had caused appearance and filed their response. The respondents *inter alia* contend that the petition is not maintainable being misconceived. It is urged that the petition is barred by limitation as the work was allotted to the petitioner vide allotment order dated 25.03.2017 to be completed within a period of three months and that the petitioner has invoked the arbitration proceedings after an inordinate and unexplained delay of several years. It is alleged that petitioner is guilty of fundamental breach of the contractual conditions, as such, the petition merits dismissal.

4. While going through the objections, the existence of the arbitration clause, as aforesaid, and its invocation by the petitioner vide letters dated 09.08.2024 and 10.04.2025 is not disputed. Accordingly, learned counsel for the respondents, as always, fairly submits that let an arbitrator be appointed, but since the claim that is sought to be made by the petitioner is apparently misconceived/untenable, the respondents be granted liberty to raise all possible pleas/ objections before the arbitral tribunal/ arbitrator in this regard.

5. Accordingly, with the consent of learned counsel for the parties, Mr. Justice Vinod Chaterjee Koul, Former Judge High Court of Jammu & Kashmir and Ladakh, is appointed as the sole arbitrator. Who shall proceed with the matter in accordance with the provisions of the Act. And to make an award within the time provided in the Act itself after charging the prescribed fee along with incidental expenses to be shared by the parties.

6. The petition is accordingly disposed of with the above terms.

7. Registry to send a copy of this order to the learned arbitrator.

(DR. PUSHPENDRA SINGH BHAT)
CHIEF JUSTICE

Srinagar
11.09.2026
Abdul Qayoom, Secy.