

Item No.7
07.07.2026
Court. No. 12
GB

FMA 713 of 2021
With
CAN 1 of 2021

Hindusthan Industries & Mining Corporation & Ors.
VS
Union of India & Ors.

Mr. Rachit Lakhmani,
Mr. Avishek Das,
Mr. Piyush Kumar,
Mr. Soubhik Dey

...for the Appellants.

1. None appears on behalf of the respondents.
2. The appellants are aggrieved by the order dated March 1, 2021, passed in WPA 5345 of 2021. The appellants were aggrieved by the non-refund of the earnest money which was deposited along with their bid, pursuant to a tender floated by the railway authorities. The amount claimed was Rs.3,67,800/-.
3. Mr. Lakhmani, learned advocate for the appellants submits that the learned Judge wrongly directed the appellants to invoke the arbitration clause although, the tender was not finalized and no contract had been executed between the parties.
4. The appellants' case was for refund of the earnest money on the ground that the railway authorities had refused to finalise the tender and did not proceed to allot the work.
5. Under such circumstances, no offer and acceptance had taken place and, as such, the arbitration clause would

not be applicable in the absence of a concluded contract.

6. We find substance in the contention of the appellants. Accordingly, the order impugned is set aside. The writ petition is revived and the matter is remanded for de novo hearing by the appropriate court.
7. Accordingly, the appeal and the connected application are disposed of.
8. The appellants will be at liberty to mention the matter before the learned Judge with notice to the respondents. The learned Judge is requested to take up the matter expeditiously. Copies of this order shall be served upon the respondents.
9. Parties are directed to act on the basis of the server copy of this order.

(Shampa Sarkar, J.)

(Smita Das De, J.)