IN THE HIGH COURT OF JAMMU & KASHMIR AND LADAKH AT SRINAGAR

Reserved on: 31.08.2026
Pronounced on: 10.09.2026
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Whether the operative part or full judgment is pronounced: ***Full***

WP(C) No.2812/2025

MUFTI MOHSIN SHABIR

...PETITIONER(S)/APPELLANT(S)

Through: - Ms. Arifa Jan, Sr. Advocate, with Ms. Momina Aslam, Advocate.

Vs.

UT OF J&K & ORS.

...RESPONDENT(S)

Through: - Mr. Hakeem Aman Ali, Dy. AG.

CORAM: HON'BLE MR. JUSTICE RAJNESH OSWAL, JUDGE

JUDGMENT

1) The petitioner has filed this petition for quashing the order dated 4th August, 2025, and for commanding the respondents to release the amount of Rs.4,37,565/- along with interest at the rate of 12% per annum from the date the payment became due till the final payment.

2) The petitioner had earlier filed WP(C) No.992/2025 for similar relief, which, however, came to be disposed of in terms of order dated 5th May, 2025, whereby the respondents were directed to treat the said petition as representation and accord consideration to the claim of the petitioner in conformity with the rules.

3) Pursuant to the order dated 5th May, 2025, order dated 4th August, 2025, came to be passed by the respondents, whereby the claim of the petitioner for release of the amount has been rejected on the ground that the works had been allotted unauthorizedly and without complying with codal formalities. It is also stated that the work in question does not satisfy the requirements of the circular dated 26th April, 2021 issued by the Department of Finance.

4) The petitioner has assailed the impugned order on the ground that once the respondents have admitted the execution of works and made substantial payment, they cannot arbitrarily deny the balance payment. It is also contended that the circular dated 26th April, 2021, was issued much after completion of the work and, as such, the impugned order is not sustainable in the eyes of law.

5) The respondents have come up with response, stating therein that the petitioner was allotted two works directly on "job order basis", without following the codal formalities, such as tendering, availability of funds, etc., by the then Management of the Corporation, which is in violation of Rule 139 of the General Financial Rules, 2017. Out of the two works for Rs.13,15,320/, an amount of Rs.8,77,753/- stands already released in favour of the petitioner by the then Management and an amount of Rs.4,37,565/- is still pending. The respondents have objected to the claim of the petitioner on the similar grounds as mentioned in the order impugned, i.e. the codal formalities were not followed and the works were allotted without having been properly budgeted. The respondents have also placed on record the circular of the Department of Finance dated 26th April, 2021, to assert that the petitioner is not entitled to any relief.

6) Heard learned counsel appearing for the parties and perused the record produced by the J&K Tourism Development Corporation Limited.

7) The record depicts that an amount of Rs.4,37,565/- is yet to be paid to the petitioner. The respondents are denying their liability on the ground of non-compliance of codal formalities and allotment of the work to the petitioner without tendering. The respondents have admitted the execution of the works by the petitioner and the record produced by the respondents demonstrates that the amount of Rs.4,37,565/-, as claimed by the petitioner, is still outstanding. Once the works were allotted to the petitioner, the respondents cannot take refuge under the non-compliance of the codal formalities and non-tendering of the work in question, to deny the legitimate amount due to the petitioner. In **Union Territory of J&K and ors. vs. Sanjeev Kumar** (LPA No.137/2020 decided on 23.02.2021), the Division Bench of this Court has held as under:

> 09. The enquiry reports mentioned above on which the appellants seek to place reliance today was never placed before the writ Court and was not a part of the writ Court record. Even the objections filed by the Planning Department as also the J&K Housing Board do not suggest that there was any apprehension in the mind of the Planning Department or the Housing Board with regard to the manner in which the contracts stood allotted to the petitioner/respondent herein. While it may be true that certain codal formalities might not have been followed before the allotment of the contract in favour of the respondent herein, yet the Government as also the Housing Board permitted not only the allotment of contract but also its completion at the relevant point of time.
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> 10. The petitioner who was allotted the contract by the Housing Board cannot be expected to first verify as to whether the contract that has been allotted to him was being executed within the territorial jurisdiction of the Housing Board or not, nor was he expected to refuse the execution of the work simply because the subject matter of the work was not put to open tendering system. Needless to say that the contractor did execute the works upon being allotted to him for which some amount is certainly due to him."

8) In view of the above, the present petition is allowed and the impugned order dated 04.08.2025 is quashed and the respondents are directed to release the outstanding amount of Rs.4,37,565/ (Rupees four lakhs thirty-seven thousand five hundred sixty-five) in favour of the petitioner along with interest at the rate of 6% per annum from the date of filing of this petition till the amount is paid to the petitioner.

9) The record be returned to learned counsel for the respondents.

(Rajnesh Oswal)
Judge

Srinagar,
10.09.2026
"Bhat Altaf-Secretary"

Whether the **judgment** is reportable: **NO**

HIGH COURT
JAMMU & KASHMIR AND LADAKH