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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 8230/2018 CM No. 39775/2018**

MOHINI ELECTRICALS LTD.

..... Petitioner

Through: Ms Anusuya Salwan with Ms Nikita Salwan, Ms Kanika Bansal and Ms Shreya Sharma, Advocates.

versus

DELHI JAL BOARD

..... Respondent

Through: Ms Sangeeta Bharti, Additional Standing Counsel with Mr Ashish Kumar, Advocate for DJB.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

ORDER

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26.09.2018

1. The petitioner has filed the present petition, *inter alia*, praying as under:-

“Therefore, it is most respectfully prayed that the Hon'ble Court may be pleased to issue writ, order or direction in the nature of mandamus directing the Respondent to issue the letterof intent in the name of Joint Venture MOHINI ELECTRICALS LTD. at A-14, Industrial House, Inderpuri, New Delhi-110012 and of SNS Techno Corp. Pvt. Ltd.”

2. The respondent (Delhi Jal Board) had invited online tender in the prescribed format for the work of “construction of 37.10 ML Capacity Master Balance Reservoir MBR/BPS at Palla” from eligible contractors including partnership firm, companies and joint ventures. The petitioner

company participated in the tender along with its joint venture partner – M/s SNS Techno Corp. Pvt. Ltd. The said bid was accepted on 16.02.2018 and the Delhi Jal Board issued a Letter of Intent (LOI) with a direction to submit a irrecoverable Performance Bank Guarantee at the rate of 5% of the capital tender cost (i.e. ₹ 2,15, 65,000/-) within a period of 15 days from the issue of said letter.

3. It is material to note that the LOI was issued in favour of “SNS Techno Corp. Pvt. Ltd. and M/s Mohini Electricals Limited” as the bid was made as a joint venture. The petitioner’s grievance is that the LOI ought to have been issued in the name of the petitioner – Mohini Electricals Limited – as according to the petitioner, that is the name of the Joint Venture as well.

4. The petitioner’s request in this regard was not entertained and this has led the petitioner to file the present petition.

5. Ms Salwan, learned counsel appearing for the petitioner referred to a Joint Venture Agreement dated 01.02.2018 entered into between SNS Techno Corp. Pvt. Ltd. and the petitioner and drew the attention of this Court to Clause 4 of the said agreement, which indicates the name of the consortium to be “Mohini Electricals Limited.”

6. This Court is of the view that the confusion has been caused by the petitioner by naming the Joint Venture between the petitioner and SNS Techno Corp. Pvt. Ltd. as “Mohini Electricals Ltd”. Clearly, Mohini Electricals Ltd cannot be the name of the Joint Venture. The joint venture is not an incorporated company and, therefore, the suffix ‘Limited’ cannot be added to a name of a Joint Venture. The Joint Venture Agreement also indicates that SNS Techno Corp. Pvt. Ltd. is the lead member with holding

30% share and Mohini Electricals Ltd. (the petitioner herein) is the second member of the consortium holding 70% share. Since, Mohini Electricals Ltd. cannot be the name of the joint venture, the respondents have issued the LOI in the name of both partners with the name of the lead member being stated first.

7. In this view, no directions can be issued to the respondent to issue a LOI in the name of the petitioner, as the petitioner cannot be the joint venture with itself as a constituent. However, it would be apposite if the respondent resolves this issue by considering another appropriate name for the joint Venture so that other formalities can be completed.

8. In this view, the petition is dismissed with liberty to the petitioner to approach the respondent for an appropriate resolution of the issue. It would also be open for the petitioner to open the account in the name of both the joint venture partners, as indicated in the LOI.

9. The petition is disposed of.

10. It is clarified that this Court has not expressed any opinion as to the delay in furnishing the bank guarantee, if any, and the consequences of the same.

11. The date of hearing already fixed on 01.11.2018, stands cancelled.

VIBHU BAKHRU, J

SEPTEMBER 26, 2018
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