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

+ **W.P.(C) 14116/2024 & CM APPL. 59145/2024**

**SANRON ENERGY PVT LTD**

.....Petitioner

Through: Mr. Sandeep Sharma, Mr. Amit Choudhary, Mr. Sarthak Mannan, Mr. Aman Dhyani, Ms. Konika Mitra & Ms. Kavya D, Advs.

versus

**OIL AND NATURAL GAS CORPORATION LIMITED & ORS.**

.....Respondents

Through: Mr. Abhishek Gupta & Mr. Vaibhav Dayma, Advs.

**CORAM:**

**HON'BLE MR. JUSTICE DHARMESH SHARMA**

**ORDER**

**07.10.2024**

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1. The petitioner is invoking the writ jurisdiction of this Court under Article 226 of the Constitution of India, 1950, *inter alia*, seeking appropriate directions to the respondents to refrain from invoking the bank guarantees submitted by the learned counsel for the petitioner *qua* RFP<sup>2</sup> bearing no. ONGC/RFP/CBM/BOKARO/01 dated 21.06.2022

2. Learned counsel for the ONGC<sup>3</sup>/ respondent No.1 is present on advance notice.

3. Having heard the learned counsel for the parties and on perusal of the record, the case of the petitioner is that the respondent No.1 published the RFP on 21.06.2022 and in the auction held on 08.08.2022, the petitioner emerged as the successful bidder and was

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<sup>2</sup> Request for Proposal

<sup>3</sup> Oil and Natural Gas Corporation Limited



awarded NOA<sup>4</sup> dated 23.09.2022, thereby allocating him 0.001 MMSCMD gas in accordance with the Clause Nos.5, 6 & 8 of the RFP.

4. Learned counsel for the petitioner has urged that, as per the NOA and RFP, the supply of gas was tentatively scheduled to commence tentatively from 15.12.2022. However, respondent No.1 through emails dated 21.07.2023, 08.08.2023, 14.08.2023 & 11.09.2023, repeatedly demanding the deposit of security, despite there being no provision or infrastructure in place for the supply of gas, which had not commenced even as of October, 2023.

5. Learned counsel for the petitioner has alluded to the letter dated 16.07.2024, whereby the consortium partner Gail (India) Limited has indicated that the pipeline, which is about 3306 kilometres, shall be completed by March, 2025. Further, alluding to various terms of the RFP viz. 1.2, 1.3 and 1.4 besides 2.2 onwards, it is submitted that the project has been delayed due to the faults attributable to the respondent No.1 and therefore, the project has been a complete non-starter for now.

6. The grievance of the petitioner is that the bank guarantees submitted are valid till December, 2025, and the respondent No.1 is threatening to invoke the same.

7. Learned counsel for the respondents, appearing on advance notice through video conferencing, has contended that this Court has no territorial jurisdiction in the present matter. He has invited the attention of this Court to the Gas Supply Agreement dated 06.10.2022, executed in Ranchi between the ONGC and Indian Oil Corporation as the first party, and the petitioner as the second party. The Agreement

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<sup>4</sup> Notification of Award



not only contains a clause under Article 20.01 conferring exclusive jurisdiction upon the Court at Bokaro, Jharkhand, for matters arising under the Agreement but also includes a provision for dispute resolution through arbitration, as stipulated in Article 17.

8. Learned counsel for the petitioner, on the other hand, referred to the NOA concerning the allocation of CBM gas from Bokaro Block, CBM Asset, ONGC and points to clause (6), which provided for an ‘off-take window’, stating that the terms of the contract were to remain valid only until one year from the date of actual commencement of gas supply or fifteen days before the expiry of “off-take window”, whichever is earlier.

9. It is sought to be urged that there has been no fault on the part of the petitioner and the delays have been occurring at the end of respondent No.1. However, learned counsel for the respondents urged that the petitioner is yet to provide the required payment security for the gas supply, as stipulated under Clause 9 of the NOA dated 23.09.2022.

10. It appears that a notice for termination of the contract has been served by the petitioner upon the respondent dated 02.07.2024.

11. Be that as it may, in view of Article 20.01 *vis a vis* Article 17 referred above in the RFP, it is manifest that this Court has no territorial jurisdiction. Further, this Court cannot interpret the terms and conditions of the contract while exercising writ jurisdiction. The appropriate remedy lies elsewhere.

12. Hence, the present petition is dismissed without prejudice.

**DHARMESH SHARMA, J.**

**OCTOBER 7, 2024/Ch**