



GAHC010210992025



2025:GAU-AS:14800

THE GAUHATI HIGH COURT
(HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL PRADESH)

Case No. : WP(C)/5504/2025

ARVEE ENGINEERING CONSULTANTS LTD
FORMERLY KNOWN AS AARVEE ASSOCIATES ARCHITECTS ENGINEERS
AND CONSULTANTS PVT. LTD) A COMPANY INCORPORATED UNDER
COMPANIES ACT, HAVING ITS REGISTERED OFFICE AT 8-2-5, RAVULA
RESIDENCY, SRINAGAR COLONY MAIN ROAD, HYDERABAD-82, IN
CONSORTIUM WITH PRABHAVI, REPRESENTED BY ITS AUTHORIZED
SIGNATORY, SRI RAM MADHIRA, ASSOCIATE, VICE PRESIDENT, OF
AARVEE ENGINEERING CONSULTANTS.

2: M/S PRABHAVI
A PARTNERSHIP FIRM HAVING ITS OFFICE AND PLACE OF BUSINESS AT
-T-1 F/F
GRREN PARK EXTENSION
NEW DELHI-110016
REPRESENTED BY ITS PARTNERS.

3: PRASHANT KUMAR
S/O SHRI RAM NATH KOVIND
R/O HOUSE NO. 53-55
SOUTH AVENUE
NEW DELHI-110001.

4: ABHISHEK BHASKAR
S/O SHRI ANIL BHASKAR
R/O Z-22
THIRD FLOOR
PATEL NAGAR
NEW DELHI-110008

5: VIKAS SHARMA
S/O SHRI SATISH KUMAR SHARMA
R/O D-198
ROSE WOOD CITY
SECTOR 49-50



GURUGRA

VERSUS

UNION OF INDIA AND ORS

REPRESENTED BY THE GENERAL MANAGER, NORTH EAST FRONTIER
RAILWAY, MALIGAON, GUWAHATI, ASSAM- 781011,

2:THE DEPUTY CHIEF ENGINEER/CON/SURVEY- 1/ MALIGAON
NORTH EAST FRONTIER RAILWAY
MALIGAON
GUWAHATI
ASSAM-781011.

3:THE CHIEF ENGINEER/CON-6 MALIGAON
NORTH EAST FRONTIER RAILWAY
MALIGAON
GUWAHATI
ASSAM- 78101

BEFORE

HON'BLE MR. JUSTICE DEVASHIS BARUAH

For the Petitioner(s) : Mr. S. Sharma, Advocate

For the Respondent(s) : Mr. K. Gogoi, SC, Railway

- Date on which Judgment was reserved : N/A
- Date of Pronouncement of Judgment : 01.11.2025
- Whether the pronouncement is of the Operative Part of the judgment : No
- Whether the full Judgment has been Pronounced : Yes

JUDGMENT AND ORDER (ORAL)

Heard Mr. S. Sharma, the learned counsel appearing on behalf of the Petitioners and Mr. K. Gogoi, the learned Standing counsel appearing on behalf of the Respondent Nos. 1, 2 and 3.



2. The Petitioners herein are aggrieved by the order dated 03.09.2025 whereby the Respondent Authorities have cancelled the Letter of Intent and terminated the contract on the ground that the Bank Guarantee which was submitted by the Petitioners could not have been taken into consideration inasmuch the contract was awarded to M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with the Petitioner No.2 and the said M/s Aarvee Associates Architects Engineers and Consultants Private Limited did not provide the Bank Guarantee rather the Bank Guarantee was provided by the Petitioner No.1.

3. The issue involved in the present writ petition is a legal issue as regards the effect when a company changes its name and the class i.e. from Private Limited Company to Limited Company.

FACTUAL MATRIX:

4. For the purpose of deciding the said issue which is fundamental to the present proceedings, this Court finds it relevant to take note of the material facts which led to the filing of the present writ petition.

5. The Petitioner No.1 is a Limited Company registered under the provisions of Companies Act, 2013 (for short 'the Act of 2013') having its registered office at 8-2-5 Ravula Residency, Srinagar Colony Main Road Hyderabad-82.

6. The Petitioner No.2 is a partnership firm and the Petitioner Nos. 3 to 5 are partners of the Petitioner No.2 firm. The Respondent Authorities had



issued a Request for Proposal (for short 'RFP') for appointment of General Consultant (GC) for the Northeast Frontier Railway Headquarters. In terms with the said RFP, the bid due date and time was 14:30 hours on 24.10.2024 and the bid was to be opened on 15:30 hours on 24.10.2024.

7. It has been stated at the Bar that the bid due date was extended.

8. M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 submitted their bid on 05.11.2024 as a joint venture.

9. The record reveals that in the meantime, the company namely M/s Aarvee Associates Architects Engineers and Consultants Private Limited with the approval of the Central Government changed the name to M/s Aarvee Engineering Consultants Limited and thereupon, the class of the said company from Private Limited to Limited Company was accorded approval by the Registrar of Companies, CPC vide an order dated 04.02.2025 and a fresh Certificate of Incorporation was issued to the Petitioner No.1 on 16.02.2025.

10. The Petitioner No.1 submitted a communication dated 05.05.2025 informing of the change of the name of M/s Aarvee Associates Architects Engineers and Consultants Private Limited to the M/s Aarvee Engineering Consultants Limited and further that the class of the company was changed from Private Limited to Limited Company. The Petitioner No.1 also enclosed along with the said communication dated 05.05.2025, the fresh Certificate of Incorporation, the new PAN Card and the TAN number provided to the

Petitioner No.1.

11. The records further reveal that the Respondents upon coming to learn about the change in the name and class of the company addressed a communication to the Petitioner No.1 dated 22.05.2025. In the said communication, reference was made to the Bid submitted by M/s Aarvee Associates Architects Engineers and Consultants Private Limited with the Petitioner No.2 as Joint Venture dated 05.11.2024. The Petitioner No.1 was asked to come for negotiation on 26.05.2025 at 11:30 hours to explore the possibility of reduction of rates.

12. On 26.05.2025, the Associate Vice President of the Petitioner No.1 informed vide a communication (Annexure-20) that it was not possible to reduce the rates as there was delay in finalization of the tender by more than six months. Along with the said communication, a detailed chart was also enclosed providing justification.

It may not be out of place to take note of that in the meantime, vide a communication dated 22.04.2025 (Annexure-21), the Petitioner No.1 also informed the Petitioner No.2 about the change of name and class. It was also mentioned that the existing agreements, Power of Attorneys and any other legal engagements shall continue to be enforceable against the Petitioner No.1.

13. The Petitioner No.2 upon receipt of the communication dated 22.04.2025 (Annexure-21) replied to the Petitioner No.1 vide a

communication of the same date i.e. 24.04.2025 (Annexure-22) thereby agreeing to the contents of the letter sent by the Petitioner No.1.

14. On 04.06.2025, the Respondent Authorities issued the Letter of Acceptance in the name of M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with the Petitioner No.2. A perusal of the said Letter of Acceptance would show that the bidder was required to submit a Performance Guarantee in the form given in Clause 2.15 of the RFP Tender Documents which is equivalent to 5% of the contract value amounting to Rs.1,83,01,956.85p (Rupees one crore eighty three lakh one thousand nine hundred fifty six and eighty five paise) within 15 days from the date of issuance of the Letter of Acceptance valid up to the stipulated date of completion plus 60 days so that the contract agreement can be executed. At this stage, it is relevant to take note of Clause 2.15 of the RFP which stipulates that if the Performance Security is deposited within the time stipulated in the KIT, there shall be no interest. However if it is done beyond the period mentioned in the KIT but within 60 days of the issuance of the Letter of Acceptance, 15% interest per annum shall be payable by the selected bidder for the period of extension beyond the days mentioned in the KIT. This Court finds it relevant to quote Clause 2.15 and Sub-Clauses 2.15.1, 2.15.2 and 2.15.3 of the RFP as the same has nexus to the dispute involved in the present proceedings as herein under:

“2.15 *Performance Security*

2.15.1. In order to ensure the due performance of the contract, the Selected Bidder shall submit a Performance Security to Authority for a sum



equivalent to amount as mentioned in the KIT. The Selected Bidder shall have to submit Performance Security within the days mentioned in the KIT. Extension of time for submission of Performance Security beyond such days and up to 60 (Sixty) days from the date of issue of LOA may be given by Authority on written request of the Selected Bidder. However, an interest @15% per annum, on the amount of Performance Security, shall be payable by the Selected Bidder for the period of extension beyond the days mentioned in the KIT. In case Selected Bidder fails to submit the Performance Security even up to 60 (Sixty) days from the date of issue of LOA, the contract shall be terminated by cancellation of LOA and amount of Bid Security shall be forfeited.

2.15.2. The Performance Security shall be payable through RTGS/NEFT in the bank account as mentioned in the KIT, or in the form of Bank Guarantee/TDR/Demand Draft/Bankers' Cheque or Pay Order in favour of as mentioned in the KIT, drawn on any nationalized or scheduled commercial bank. The said Performance Security will be kept valid for duration as mentioned in the KIT. Thereafter as required by the Authority, the same shall be extended further for the required period as may be decided by the Authority. The Performance Security would however be forfeited in case of any event of Default leading to termination of contract as described in the Agreement.

2.15.3 The Performance Security shall be released two months after the payment of the final bill and submission of NOC.

15. From a perusal of the above quoted provisions, it would show that the selected bidder is required to submit the Performance Security to the



authority for a sum equivalent to amount as mentioned in the KIT. There is a further provision for granting an extension of time for submission of the Performance Security beyond such days and up to 60 days from the date of issuance of the Letter of Acceptance on the basis of a written request made by the selected bidder and permitted by the Authority. It also stipulates that interest @15% per annum shall be payable on the amount of Performance Security by the selected bidder for the period of extension beyond the days mentioned in the KIT. It is further stipulated that if the selected bidder fails to submit the Performance Security even after the 60 days from the date of issuance of the Letter of Acceptance, the contract shall be terminated by cancellation of the Letter of Acceptance and amount of the Bid Security shall be forfeited.

16. It is seen from the materials on record and more particularly Annexure Nos. 3 and 4 to the writ petition that the Petitioner No.1 sought for extension for submission of the Performance Security. However, it appears from the impugned order dated 03.09.2025 that the Respondent Authorities did not acknowledge such request but at the same time, on various occasions i.e. 16.06.2025, 23.06.2025, 30.06.2025, 07.07.2025 and 21.07.2025 granted time to M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Prabhavi (Joint Ventures) to submit the Performance Security.

17. The records reveal that the Petitioner No.1 through its Associate Vice President submitted the Performance Security on 23.07.2025 in the form of a Bank Guarantee issued by the ICICI Bank Limited of an amount of

Rs.1,83,01,957/- . A perusal of the contents of the Bank Guarantee submitted by the Petitioner No.1 would reveal that it was duly mentioned that the contract was awarded to the Petitioner No.1 formerly known as M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 and the ICICI Bank Limited guaranteed and undertook to pay to the client in full without any deductions, set-off or counter claim whatsoever and the sum claimed by the client which shall not exceed Rs.1,83,01,957/- at any time up to 28.02.2029 without any demur, reservation, contest, recourse or protest and/or without any reference to or enquiry from the GC. The said Bank Guarantee was duly received by the Respondent Authorities on 28.07.2025 which is within 60 days from the date of issuance of the Letter of Acceptance.

18. On 29.07.2025, a communication was issued by the Respondents to the Joint Venture of M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with the Petitioner No.2 acknowledging that the Bank Guarantee for Performance Security was received. It was informed that the Bank Guarantee was examined and it was found that the Bank Guarantee did not contain the name in whose favour the Letter of Acceptance was issued. It was requested to correct the name of the company in the Bank Guarantee Bond for further process of the contract agreement.

19. The Petitioner No.1 replied through its Associate Vice President and informed again about the change of the name and class of M/s Aarvee Associates Architects Engineers and Consultants Private Limited to the name



and class of the Petitioner No.1 and further mentioned that all existing Contracts, Agreements, Power of Attorneys, dealing and any other legal engagements under the previous name and class of the Petitioner No.1 company shall continue and remain enforceable against the Petitioner No.1 company.

20. It appears that the Respondent Authorities were not satisfied with the reply and resultantly, issued the impugned order thereby cancelling the contract in favour of the Joint Venture and forfeiting the Bid Security of an amount of Rs.18,18,100/- vide the impugned order dated 03.09.2025. It is under such circumstances, the present writ petition has been filed.

21. It may not also be out of place to mention that the Petitioner No.1 had also submitted a representation on 04.09.2025 prior to filing of the writ petition which however did not find any positive response from the Respondents.

ORDER PASSED BY THIS COURT UPON FILING THE WRIT PETITION:

22. This Court issued notice vide an order dated 19.09.2025 but no interim order was passed. This Court further observed that any new tender if floated, shall be subject to the outcome of the writ petition. It was further observed by this Court that in the meantime, if any new tender process is floated, the Petitioners can participate without prejudice to the rights and contentions made in the writ petition.

STAND OF THE RESPONDENTS IN THE AFFIDAVIT-IN-OPPOSITION:

23. The Respondents pursuant thereto filed a detailed affidavit-in-opposition wherein it was mentioned that the bid so submitted was submitted by a joint venture of M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 and the Letter of Acceptance was issued in favour of the said joint venture on the basis of Joint Bidding Agreement. It was further mentioned that the Petitioner No.1 could not be said to be the Lead Member taking into account that neither any Joint Bidding Agreement nor any modified Joint Bidding Agreement to that effect was submitted by the selected bidder. It was further mentioned that no extension of time for submission of Performance Guarantee was submitted either by the selected bidder or the authorized representatives of M/s Aarvee Associates Architects Engineers and Consultants Private Limited which was the Lead Member. It was averred that there was no denial of the fact that the Respondent Authorities duly received the Bank Guarantee on 28.07.2025 and immediately, the selected bidder was requested vide letter dated 29.07.2025 to submit the corrected Bank Guarantee in the name of the selected bidder. In the said affidavit-in-opposition, reference was made to Clause 2.1.2(vii)(c) of the RFP wherein it is stipulated that there shall be no amendment to the Joint Bidding Agreement without prior consent of the authority. In addition to that, as per clause 2.1.2(viii), no change in composition of the consortium would be submitted to the authority during the selection process and during the subsistence of the project. It was contended by the Respondents in their affidavit-in-opposition that the Performance Bank Guarantee was not submitted by the joint venture of M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with the Petitioner No.2 but



the Performance Bank Guarantee was only submitted by M/s Aarvee Engineering Consultants Limited which was a different entity. It was therefore contended that in terms with Clause 2.15.1 of the RFP, the Termination Letter issued on 03.09.2025 was as per the terms and conditions of the RFP.

AFFIDAVIT-IN-REPLY OF THE PETITIONERS:

24. Pursuant to the said affidavit-in-opposition, the Petitioners filed an affidavit-in-reply wherein apart from reiterating and reaffirming the statements made in the writ petition, it was stated that the Respondent Authorities very well knew about the change in the name and the class of the company namely M/s Aarvee Associates Architects Engineers and Consultants Private Limited as the same was duly intimated to the Respondents vide the communication dated 05.05.2025 and in pursuance thereto, the Respondents have also invited the Petitioner No.1 vide a communication dated 22.05.2025 for the purpose of negotiation. It is also mentioned that in pursuance to the communication dated 22.05.2025, the Petitioner No.1 had duly submitted a communication dated 26.05.2025 along with the justification and on the basis thereof, the Letter of Acceptance was issued on 04.06.2025.

25. It was further mentioned that the communication was submitted on 26.05.2025 along with the justification by the Petitioner No.1 which is Annexure-20 to the affidavit-in-reply.

26. It was further mentioned that since the name of the Lead Member of

the consortium i.e. M/s Aarvee Associates Architects Engineers and Consultants Private Limited has been legally changed to M/s Aarvee Engineering Consultants Limited, it did not affect the rights and liabilities of the company and the constituent members of the consortium remain unchanged. Additionally, the original Joint Bidding Agreement remained fully in force.

SUBMISSIONS MADE BY THE LEARNED COUNSELS FOR THE PARTIES:

27. Mr. S. Sharma, the learned counsel appearing on behalf of the Petitioners submitted that in terms with Section 13 of the Act of 2013, any change in the name of the company shall be subject to the provisions of Sub-Section (2) and Sub-Section (3) of Section 4 of the Act of 2013 and shall not come into effect except without the approval of the Central Government in writing. The learned counsel referring to the proviso to Sub-Section (2) of Section 13 of the Act of 2013 submitted that the approval however shall not be necessary where the only change in the name of the company is the deletion therefrom or addition thereto of the word "Private", consequent on the conversion of any one class of companies to another class in accordance with the provisions of the Act of 2013. The learned counsel further referred to Section 18 of the Act of 2013 and more particularly Sub-Section (3) of Section 18 of the Act of 2013 which stipulates that the registration of a company under the said Section shall not affect any debts, liabilities, obligations or contracts incurred or entered into, by or on behalf of the company before conversion and such debts, liabilities, obligations and contracts may be enforced in the manner as if such registration had not

been done.

28. On the basis of the said provisions, the learned counsel for the Petitioners submitted that a perusal of Annexure-9 to the writ petition would show that the change in the name and the conversion from Private Limited Company to Limited Company was made with the due approval of the Central Government and the same have been duly permitted as would also be seen from the certificate dated 06.02.2025 issued by the Ministry of Corporate Affairs, Government of India. The learned counsel for the Petitioners therefore submitted that in view of Section 18(3) of the Act of 2013, the Joint Bidding Agreement entered into by and between as M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 would have the same effect upon such conversion in view of the legal fiction being created under Section 18(3) of the Act of 2013. In addition to that, the learned counsel submitted that the very basis of issuance of the Letter of Acceptance upon the Joint Venture is based upon the negotiation which was called for vide the communication dated 22.05.2025 and the declaration so submitted by the Petitioner No.1 as the Lead Member vide the communication dated 26.05.2025. The learned counsel further submitted that it is not the case that the Petitioner No.1 did not seek for extension inasmuch as the Petitioner No.1 vide Annexure-3 and Annexure 4 to the writ petition duly sought for extension. Even the Bank Guarantee which was submitted as a Performance Security not only included the name of the Petitioner No.1 but also the former name of the Petitioner No.1. The learned counsel therefore submitted that the impugned order so passed on 03.09.2025 suffers from complete non-application of mind as well

as malice in law.

29. Mr. K. Gogoi, the learned Standing counsel appearing on behalf of the Respondent Nos. 1, 2 and 3 submitted in terms with the pleadings of the Respondent Nos. 1, 2 and 3. The learned Standing counsel further submitted that the provisions of Section 18(3) of the Act of 2013 though creates a legal fiction but the said aspect was never pointed out before the Respondent Authorities. It was also submitted that the tender conditions did not permit such conversion during the process of evaluation as well as during the tenure of the project.

ANALYSIS AND DETERMINATION:

30. Before dealing with the facts narrated hereinabove, this Court finds it pertinent to take note of some of the provisions of the Act of 2013. In terms with Section 13 of the Act of 2013, it is stipulated more particularly in Sub-Section (2) of Section 13 of the Act of 2013 that any change in the name of the company shall be subject to the provisions of Sub-Section (2) and Sub-Section (3) of Section 4 and shall have no effect except with the approval of the Central Government in writing. In terms with Sub-Section (3) of Section 13 of the Act of 2013, when any change in the name of companies made under Sub-Section (2), the Registrar shall enter the new name in the Register of Companies in place of the old name and issue a fresh certificate of incorporation with the new name and the change in the name shall be complete and effective only on the issue of such certificate.

31. Now let this Court take note of Section 18 of the Act of 2013 which is

of vital significance. The said Section 18 is reproduced herein under:

“18. Conversion of companies already registered. – (1) *A company of any class registered under this Act may convert itself as a company of other class under this Act by alteration of memorandum and articles of the company in accordance with the provisions of this Chapter.*

(2) *Where the conversion is required to be done under this section, the Registrar shall on an application made by the company, after satisfying himself that the provisions of this Chapter applicable for registration of companies have been complied with, close the former registration of the company and after registering the documents referred to in sub-section (1), issue a certification of incorporation in the same manner as its first registration.*

(3) *The registration of a company under this section shall not affect any debts, liabilities, obligations or contracts incurred or entered into, by or on behalf of the company before conversion and such debts, liabilities, obligations and contracts may be enforced in the manner as if such registration had not been done.”*

32. A perusal of the above quoted provision would show that the company of any class registered under the Act of 2013 may convert itself as a company of another class under the Act of 2013 by alteration of the memorandum and articles of company in accordance with the provisions of Chapter-II of the Act of 2013. In terms with Sub-Section (2) of Section 18 of the Act of 2013, upon an application for conversion being permitted by the Registrar of Companies, the former registration of the company shall be closed and a fresh certificate would be issued in the same manner as its first

registration. In other words, the company prior to conversion would no longer be continued to remain registered and it is only the company which has been converted would be registered by issuance of a Certificate of Incorporation. Sub-Section (3) of Section 18 of the Act of 2013 is of relevance for the purpose of the present dispute. It stipulates that the fresh registration granted by issuance of a Certificate of Incorporation shall not affect any debts, liabilities, obligations or contracts incurred or entered into by or on behalf of the company before conversion and such debts, liabilities, obligations and contracts shall be enforced in the manner as if such registration have not been done.

33. Now applying the aforementioned provision to the facts of the instant case, it would be seen that pursuant to the approval of the Central Government, the name of M/s Aarvee Associates Architects Engineers and Consultants Private Limited was changed to M/s Aarvee Engineering Consultants Private Limited and pursuant thereto, in terms with Section 18 of the Act of 2013, the class of the company having been converted from Private Limited Company to Limited Company and in that regard, a fresh Certificate of Incorporation was issued in favour of the Petitioner No.1.

34. The legal implication of a reading of the provision of Section 18 of the Act of 2013 would be that all debts, liabilities, obligations or contracts incurred or entered by M/s Aarvee Associates Architects Engineers and Consultants Private Limited shall continue to remain in force as debts, liabilities, obligations and contracts of the M/s Aarvee Engineering Consultants Limited i.e. the Petitioner No.1. The corollary therefore is that

the Joint Bidding Agreement so submitted by M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 by legal fiction shall be construed to be the Joint Bidding Agreement of the Petitioner No.1 in consortium with Petitioner No.2. In the previous segments of the present judgment, this Court duly noted that on 24.04.2025, the Petitioner No.1 duly informed the Petitioner No.2 and the Petitioner No.2 duly agreed to the same vide a communication dated 24.04.2025. Further to the above, the materials on record also reveals that the Respondent Authorities have also recognized it earlier upon attention being drawn vide the communication dated 05.05.2025 inasmuch as on 22.05.2025, the Respondent Authorities called the Petitioner No.1 company for negotiation and asked the Petitioner No.1 company to submit the declaration on the negotiated rates. The Petitioner No.1 company submitted the communication dated 26.05.2025 which was duly accepted and on the basis of which, the Letter of Acceptance dated 04.06.2025 was issued. The actions thereafter taken by the Respondent Authorities to disregard and ignore the conversion of M/s Aarvee Associates Architects Engineers and Consultants Private Limited to that of M/s Aarvee Engineering Consultants Limited i.e. the Petitioner No.1 appears to be not only contrary to their own conduct but also contrary to Section 18(3) of the Act of 2013.

35. This Court further duly takes note of that the Petitioner No.1 had submitted representations requesting extension. The Respondent Authorities after the period of 15 days from the date of issuance of the Letter of Acceptance did not take any steps for cancellation rather the Respondent Authorities continued to grant extension to the joint venture of M/s Aarvee

Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2. The Petitioner No.1 thereupon submitted the Bank Guarantee issued by the ICICI Bank Limited, the details of which have already been mentioned in the previous segments of the judgment.

36. It further appears from the impugned order dated 03.09.2025 that the Respondent Authorities had completely disregarded the various communications prior to issuance of the Letter of Acceptance as discussed above and ignored the provisions of Section 18(3) of the Act of 2013. Under such circumstances, the impugned order suffers from malice in law as well as contrary to the provisions in law. Accordingly, the impugned order cannot be sustained in law.

CONCLUSION:

37. Accordingly, the instant writ petition stands disposed of with the following observations and directions:

(i) The Joint Bidding Agreement so submitted by the M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with Petitioner No.2 shall be deemed to be the Joint Bidding Agreement of Petitioner No.1 in consortium with Petitioner No.2 and both the Petitioner No.1 and Petitioner No.2 shall be bound by the said Joint Bidding Agreement in respect to the contract in question.

(ii) The Performance Security in the form of Bank Guarantee so submitted by the Petitioner No.1 shall be deemed to be the Performance Security



submitted by the Joint Venture of the M/s Aarvee Associates Architects Engineers and Consultants Private Limited in consortium with the Petitioner No.2 and the same shall also be deemed to be in conformity with Clause 2.15 of the RFP Tender Documents.

(iii) The impugned order dated 03.09.2025 issued by the Respondent No.3 thereby terminating the Letter of Acceptance dated 04.06.2025 as well as forfeiting the bid security is bad in law and accordingly set aside and quashed.

(iv) The Respondents are directed to accordingly proceed as per the terms and conditions of the Tender Documents for finalization of the Contract.

(v) There shall be no order as to costs.

JUDGE

Comparing Assistant