

29.03.2022
Court No.13
Item No.68
AP

WPA 3517 of 2022

**Sundrex Oil Company Limited and Anr.
Vs.
Union of India and Ors.**

(Through Video Conference)

Mr. Rachit Lakhmani
Mr. Avishek Das

... For the petitioners.

Mr. Arup Nath Bhattacharyya

... For the respondent Nos.2, 3 & 4.

The petitioner is aggrieved by a communication dated 4th January 2022 issued by the respondent No.2 terminating his contract, as well as banning and black listing him from participating in any tenders floated by the respondent No.2 in the future. A preliminary objection of territorial jurisdiction was raised. It appears from the records that each of the respondents are located outside the territorial jurisdiction of this Court i.e. in Delhi and Madhya Pradesh.

The petitioner was executing his contract of supply at Madhya Pradesh. All payments are being made to the petitioner from Delhi and Madhya Pradesh.

Mr. Lakhmani, learned counsel appearing for the petitioner would argue that since the order of termination and black listing was received by the petitioner at Kolkata, the effects of the said order have been felt at Kolkata. The petitioner would be unable to

participate in any tenders of the respondent No.2, who also happens to have a unit and office at Kolkata.

Mr. Lakhmani would place reliance on the decision of a coordinate Bench of this Court in ***Sri Pankaj Panwar Vs. Lalit Kala Akademi & Ors.*** reported in ***2014 SCC OnLine Cal 14154***. In the said decision the coordinate Bench of this Court had analyzed a large number of decisions of the Supreme Court and this Court on the subject of territorial jurisdiction. Placing particular reliance on paragraph 43 amongst others, it is argued that since the effect of the impugned order is felt at Kolkata, this High Court should entertain the writ petition.

This Court, however, notices that in the facts of the case of ***Sri Pankaj Panwar (supra)*** the petitioner had averred that the withdrawal of the national award had reduced him in the esteem of his friends, colleagues and relatives at Santiniketan in West Bengal.

In the instant case, the petitioner has admittedly been awarded the contract from New Delhi for effecting supply to the respondent No.2's unit at Madhya Pradesh.

The petitioner also received payments from New Delhi and/or Madhya Pradesh. A substantial, if not the entire cause of action, arises outside the jurisdiction of this Court. The letter of termination of contract was

also issued from outside the jurisdiction of this Court. The respondent No.2 having an office at Kolkata is of absolutely no consequence. The particular contract for which the petitioner claims to suffer consequences was being executed at the Madhya Pradesh unit of the respondent No.2.

The respondent or the said authority may have offices at all over the country. The petitioner can have a grievance with a particular office under the territorial jurisdiction of a particular High Court. It is, however, equally well-settled that a respondent can be sued at its principal office.

However, it is necessary and relevant to set out paragraph 38 of the writ petition:-

“38. The cause of action for filing the instant writ petition has arisen within the jurisdiction of this Hon’ble Court. That apart, the said termination notice dated 30th July, 2021 was served upon and received by the Petitioners at its registered office within the jurisdiction of this Hon’ble Court. The Petitioners’ participation in the tender contract and the performance thereof was substantially within the jurisdiction of this Hon’ble Court. The Respondents No. 1 and 2 have their offices and/or carry on business within the jurisdiction of this Hon’ble Court. Therefore, this Hon’ble Court has the jurisdiction to entertain, try

and determine the instant writ petition.”

No where in the pleadings of the said paragraph has it been averred that the effect of the impugned order has been felt at Kolkata, within the jurisdiction of this High Court. Reference in this regard is made to the decision of the Supreme Court in the case of ***Morgan Stanly Mutual Fund Vs. Kartick Das reported in (1994) 4 SCC 225*** and ***Alchemist Vs. Bank of Sikkim*** reported in ***AIR 2007 SC 1812***.

For the reasons stated above, the writ petition cannot be entertained before this Court. Liberty reserves to the petitioner to agitate the self-same cause of action before the appropriate forum having the territorial jurisdiction over the subject matter.

There shall be no order as to costs.

All parties shall act on the server copy of this order duly downloaded from the official website of this Court.

(Rajasekhar Mantha, J.)