



2024:DHC:5565-DB



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

+ **LPA 624/2024 & C.M.Nos.40236-40237/2024**

MEGHANA T.V

.....Appellant

Through: **Mr.Rakesh Kumar with Ms.Deepali Aggarwal, Advocates.**

versus

UNION OF INDIA

.....Respondent

Through: **Ms.Rukhmini Bobde, CGSC with Mr.Husain Taqvi, Ms.Soumya Priyadarshinee, Mr.Amit Srivastava, Mr.Amlaan Kumar and Mr.Vinayak Aren, Advocates.**

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Date of Decision: 24th July, 2024

CORAM:

HON'BLE THE ACTING CHIEF JUSTICE

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

JUDGMENT

MANMOHAN, ACJ : (ORAL)

1. Present appeal has been filed challenging the impugned judgment dated 31st May, 2024 passed by the learned Single Judge in W.P.(C) No.6726/2024, whereby the Appellants' writ petition seeking initiation of investigation into the affairs of M/s Vikram Structures Pvt. Ltd. (VSPL) and its related parties by the SFIO in terms of order dated 07th December, 2023 passed by the National Company Law Tribunal (NCLT), Bengaluru in CP. No.14/BB/2022 was dismissed on the ground of lack of territorial jurisdiction.

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2. Learned counsel for the Appellant states that the learned Single Judge failed to note paragraph 19(d) of the order dated 07th December, 2023 whereby the NCLT, Bengaluru directed the Secretary, Ministry of Corporate Affairs, Government of India to investigate into the affairs of VSPL and its related parties by appointing Inspector(s) to carry out the investigation by following the due procedure. He states that the cause of action for the writ petition is solely against inaction by the Ministry of Corporate Affairs, Government of India and failure to abide by the directions of the said order, which arises within the territorial jurisdiction of this Court.

3. *Per contra*, learned counsel for the Union of India states that under Section 213(b) of the Companies Act, 2013, the Central Government has ordered an investigation into the affairs of the M/s Vikram Structures Private Limited.

4. The Five Judges Bench of this Court in ***Sterling Agro Industries Ltd. vs. Union of India & Ors., 2011 SCC OnLine Del 3162*** has held that '*while entertaining a writ petition, the doctrine of forum conveniens and the nature of cause of action are required to be scrutinised by the High Court depending upon the factual matrix of each case in view of what has been stated in Ambica Industries vs. CCE (2007) 213 ELT 323 and Union of India vs. Adani Exports Ltd. (2002) 1 SCC 567.*

5. This Court finds that in the present case the entire cause of action with regard to the alleged acts of cheating, misappropriation of funds, defrauding of the investors and siphoning of the funds on the part of the VSPL and its directors, as alleged, has arisen in the State of Karnataka.

6. The subject land in question is situated in Bengaluru, Karnataka and all the agreements under consideration, including the Joint Development



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Agreement, Supplementary Agreement, Lease Deed, etc. have been executed and stamped at Karnataka.

7. Furthermore, the ongoing litigation in respect of the subject property is taking place at Courts in Karnataka. No documents have been placed on record by the Appellant to substantiate the contention that the seat or the main head office of VSPL is located in Delhi.

8. This Court is of the view that the foundation for approaching the Ministry of Corporate Affairs, Government of India is the order passed by NCLT, Bengaluru. Moreover as the registered office of VSPL is situated in the state of Karnataka, the High Court which would have the jurisdiction to deal with the issues arising out of the order passed by NCLT, Bengaluru would be the Karnataka High Court.

9. In our opinion, the learned Single Judge has rightly refused to exercise its discretionary jurisdiction by invoking the Doctrine of *Forum Conveniens* and directed the Appellant to approach the Karnataka High Court instead.

10. Keeping in view the aforesaid, present appeal along with the applications is dismissed.

ACTING CHIEF JUSTICE

TUSHAR RAO GEDELA, J

JULY 24, 2024
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