



2026:DHC:1880



\$~61

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 6444/2025**

Date of Decision: **18.02.2026****MOHIDDIN LANKA FOODSTUFF TRADING LLC**

.....Petitioner

Through: Appearance not given.

versus

UNION OF INDIA AND ORS.

.....Respondents

Through: Ms. Shiva Lakshmi, SPCwith Mr.
Madhav Bajaj, Advs.
Mr. Madhav Bhatia, Ms. Amisha
Awasthi, Advocates for R-3.

CORAM:**HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV****JUDGEMENT****PURUSHAINDRA KUMAR KAURAV, J. (ORAL)**

1. The petition is for directing Respondent No. 2 i.e., ECGC Ltd. (formerly Export Credit Guarantee Corporation of India Limited), a corporation headquartered in Mumbai, Maharashtra, to remove the 'defaulter' status of the petitioner as a credit exporter in India. The said action appears to have been allegedly triggered on account of the alleged dishonouring by the petitioner, of the payment terms in respect of an export transaction undertaken by Respondent No. 3, namely UMA Export Limited, a company having its registered office in Kolkata, West Bengal.

Signature Not Verified
Signed By:PRITYA
Signing Date:02.03.2026
16:10:26

Signature Not Verified
Signed
By:PURUSHAINDRA
KUMAR KAURAV



2026:DHC:1880



2. The factual background reveals that Respondent No. 3, entered into a contract dated 11.03.2024 with Satrah General Trading LLC for supply of 232.560 metric tons of red lentils to be shipped to Djibouti Port for onward transport to Ethiopia. The shipment was loaded at Nhava Sheva Port and a Bill of Lading dated 30.04.2024 was issued by Mediterranean Shipping Company. The consignment reached Djibouti in May 2024 but was refused clearance on 01.07.2024 and remained stranded at the port.

3. Subsequently, Respondent No. 3 approached the petitioner seeking assistance for clearance of the consignment. A fresh contract dated 22.08.2024 was entered into between the petitioner and Respondent No. 3 on 100% DA (Documents Against Acceptance) terms, with a specific understanding that the petitioner would not assume liability if the goods were found unfit for human consumption. The Bill of Lading was amended in favour of the petitioner. The petitioner cleared the goods from Djibouti Port on 28.09.2024 after making requisite payments, transported them to Ethiopia, whereupon the Ethiopian Food and Drug Authority found the goods spoiled and unfit for human consumption and directed dumping of the entire consignment. The petitioner incurred substantial expenses towards port charges, transportation, and dumping charges. Respondent No. 3 allegedly assured reimbursement but has failed to make any payment.

4. Thereafter, the petitioner received an email dated 15.11.2024 from Respondent No. 2, namely Export Credit Guarantee Corporation of India Ltd., seeking explanation as to why the payment terms under the export transaction had not been honoured, the original due date being 25.10.2024. The petitioner replied on 04.12.2024 disputing liability.

5. From the above, it *prima facie* appears that the underlying dispute

Signature Not Verified
Signed By:PRIYA
Signing Date:02.03.2026
16:10:26

Signature Not Verified
Signed
By:PURUSHAINDR
KUMAR KAURAV



2026:DHC:1880



arises out of contractual obligations between the petitioner and Respondent No. 3 in respect of an export transaction, and the consequential insurance/guarantee arrangements availed by Respondent No. 3 from Respondent No. 2. There does not appear to be any direct privity of contract between the petitioner and Respondent No. 2. The cause of action, if any, primarily stems from the export contract, shipment, clearance at Djibouti Port, subsequent transport to Ethiopia, and rejection by the Ethiopian authorities.

6. In any case, all parties, and their actions have taken place outside the jurisdiction of this Court. It is only Respondent No. 1 i.e., the Ministry of Commerce and Industry, which as per the petitioner is the owner of Respondent No. 2, that has its natural residence in Delhi. On this sole ground, it appears, this Court has been moved.

7. This Court in *The Indure Pvt. Ltd. v. Government of NCT of Delhi*,¹ took note of the decisions in *Shristi Udaipur Hotels v. Housing and Urban Development Corp.*,² *Riddhima Singh v. Central Board of Secondary Education*,³ *Smt. Manjira Devi Ayurveda Medical College and Hospital v. Uttarakhand University of Ayurveda and Ors.*,⁴ *Michael Builders and Developers Pvt. Ltd. v. National Medical Commission and Ors.*,⁵ which declare that the situs of the head office/registered office of the respondent, does not determine whether the Court has the requisite territorial jurisdiction to entertain a writ petition.

8. The Court in *The Indure Pvt. Ltd.* importantly noted, at para. 36:

¹ 2026:DHC:1605.

² 2014 SCC OnLine Del 2892.

³ 2023 SCC OnLine Del 7168.

⁴ 2024:DHC:6903-DB

⁵ 2024:DHC:7146.

Signature Not Verified

Signed By:PRIYA
Signing Date:02.03.2026
16:10:26

Signature Not Verified

Signed
By:PURUSHAINDRA
KUMAR KAURAV



“36. A petitioner who approaches this Court to assail a decision of an authority situated in Delhi, when the underlying cause for the said decision lies elsewhere, effectively attempts to make this High Court a mini-pan-India Superior Court exercising jurisdiction over all events which take place throughout this Country. There is no gainsaying with the proposition that every High Court is competent to adjudicate upon a lis which arises from events or actions taking place within its territory. Merely because the ultimate order, which is based on events taking place outside Delhi and takes cognizance of actions outside of Delhi, is passed within the jurisdiction of this Court, a writ petition ought not be entertained by this Court.”

9. On the issue of a claimant approaching this Court on the sole-ground of the respondent-authority, an arm of the union government, being situated within the jurisdiction of this Court, it was observed at para. 37-38:

“37. Naturally, being the capital of the Country, various authorities and bodies having pan-India jurisdiction would be located within the jurisdiction of this Court. Merely because the decision making authority happens to be in Delhi, ought not to be the sole reason to entertain a lis in this Court. The decision, no doubt, may be passed in the national capital, but it is usually against persons situated outside Delhi; and even more importantly, for actions which took place beyond the borders of this Court. The act of giving a hearing in Delhi, or the passing of an order in Delhi, is merely a result of a body/authority being situated in the national capital, it has nothing to do with the lis, the offending action, the legal injury or the foundational facts on the basis of which action is being taken.

38. The case-law cited above, makes repeated reference to “dominant facts”, and facts which are “material, essential and integral” to the lis in question. In most cases, the fact that the order is passed, or the head office is located, or that opportunity of hearing was afforded, within the jurisdiction of this Court is completely immaterial, non-essential, and non-integral to the dispute in question. Any of the aforementioned three aspects could very well have taken place in another part of the Country, it is for the sole reason that Delhi is the national capital, that, in most cases these factors get connected to the jurisdiction of this Court. From another lens, it may be seen that regardless of what the underlying facts or legal injury/infringement may be, the order impugned would, in an overwhelming number of cases be passed from Delhi. If this be the case, can this constant factum, which shall remain present in each case, be considered a “dominant fact” or a “material, essential and integral” fact? The answer must be in the negative.”



10. Ultimately, the Court concluded that the substance of a matter must be adjudged, and not the unchanging constant which is present in every petition against a state-authority, to arrive at a conclusion on whether to entertain a petition in the context of territorial jurisdiction and *forum non conveniens*. At para. 42 this Court observed:

“42. It is the substance of the matter which the Court must consider in determining the connection with Delhi. An order being passed by an authority in Delhi is an unchanging constant. This static/uniform facet, which is unmoved by the nature of the lis, ought not to determine where territorial jurisdiction would lie.”

11. In the facts of the instant case, there may be a part of cause of action which has arisen in Delhi, however, the same should not be the sole reason to entertain the instant petition.

12. The Supreme Court in the case of ***Kusum Ingots & Alloys Ltd. v. Union of India and Anr.***,⁶ has held that even if a small part of cause of action arises within the territorial jurisdiction of the High Court, the same by itself may not be considered to be a determinative factor compelling the High Court to decide the matter on merit. In appropriate cases, the Court may refuse to exercise its discretionary jurisdiction by invoking the doctrine of *forum conveniens*. The material portion of the aforementioned decision reads as under:

“Forum conveniens

30. We must, however, remind ourselves that even if a small part of cause of action arises within the territorial jurisdiction of the High Court, the same by itself may not be considered to be a determinative factor compelling the High Court to decide the matter on merit. In appropriate cases, the Court may refuse to exercise its discretionary jurisdiction by invoking the doctrine of forum conveniens. [See Bhagat Singh Bugga v. Dewan Jagbir Sawhney [AIR 1941 Cal 670 : ILR

⁶ (2004) 6 SCC 254.



2026:DHC:1880



(1941) 1 Cal 490] , Madanlal Jalan v. Madanlal [(1945) 49 CWN 357 : AIR 1949 Cal 495] , Bharat Coking Coal Ltd. v. Jharia Talkies & Cold Storage (P) Ltd. [1997 CWN 122] , S.S. Jain & Co. v. Union of India [(1994) 1 CHN 445] and New Horizons Ltd. v. Union of India [AIR 1994 Del 126] .]"

13. In view of the above, petition stands dismissed. Liberty is, however, granted in favour of the petitioner to approach the jurisdictional High Court to agitate the instant *lis*, if so advised.

14. All rights and contentions of the parties are left open.

PURUSHAINdra KUMAR KAURAV, J
FEBRUARY 18, 2026/JYH/mj

Signature Not Verified
Signed By:PRITYA
Signing Date:02.03.2026
16:10:26

Signature Not Verified
Signed
By:PURUSHAINdra
KUMAR KAURAV