



2026:DHC:4101



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 329/2025**

Date of decision: **06.05.2026****IN THE MATTER OF:-**

INSTAPOWERT LTD

.....Petitioner

Through: Mr. Aayush Agarwala and Ms. Mukti
Heliwal, Advocates.

versus

UNION OF INDIA & ANR.

.....Respondents

Through: Mr. Rakesh Kumar SPC

CORAM:**HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV****J U D G E M E N T****PURUSHAINDRA KUMAR KAURAV, J. (ORAL)**

1. The present petition has been filed challenging the decision taken by the respondents to reject the application of the petitioner for grant of subsidy under the Central Capital Investment Scheme, 2003 for Industrial Units in the States of Uttaranchal and Himachal Pradesh (“**Subsidy Scheme**”). It be noted that *vide* various communications, the intimation was sent to the petitioner regarding its disentitlement. The final communication is dated 23.09.2024.

2. Mr. Aayush Agarwala, learned counsel points out that the entire dispute is with respect to entitlement of the petitioner *qua* the investment

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incurred in building infrastructure. He, thus, submits on the strength of communication dated 23.09.2024 that nothing lies in Uttarakhand and the Court in Delhi is competent to decide the controversy. According to him, only interpretation of the scheme and the necessary compliance is the subject matter. He has placed reliance on the decision of the Supreme Court in the case of ***Nawal Kishore Sharma vs. Union of India and others.***¹

3. The Court, however, finds that the entire dispute relates to the entitlement of the unit set up within the State of Uttarakhand. The scheme itself applies to the unit.

4. This Court under almost similar circumstances in various cases has declined to entertain the petitions. In the case of ***Saksham Hospital and Ors. v. Union of India,***² and other connected matters, the petitioners prayed for directions to the respondents to grant them benefits purportedly promised in relation to their industrial units under the the Industrial Development Scheme for the States of Himachal Pradesh and Uttarakhand, 2017 (Scheme) issued by the Central Government. While declining to exercise entertain the petition, the Court held as under:

“1. The petitioners in these petitions operate industrial units in the State of Uttarakhand, and the primary prayers are for directions to respondents to grant benefits promised to industrial units under the Industrial Development Scheme for the States of Himachal Pradesh and Uttarakhand, 2017 (Scheme) issued by the Central Government.

2. In all these cases, the Court is of the considered opinion that the material, integral and essential part of cause of action has arisen outside the jurisdiction of this Court, and at the place where the units in question are situated.

¹ (2014) 9 Supreme Court Cases 329

² W.P.(C) 13610/2025



3. At the outset, it is seen that the Scheme does not have any application within the territorial jurisdiction of this Court. Further, the application process for registration under the Scheme is an online process, and all compliances to be made by applicants thereunder, relate back to the States of Uttarakhand and Himachal Pradesh.

4. The only reason the jurisdiction of this Court seems to have been invoked is the situs of the Central Government in New Delhi. While the impugned action has been taken within the territorial jurisdiction of this Court, the same is only a part of the cause of action. The mere factum of the Scheme being issued by the Central Government, should not be the sole factor to entertain the writ petition by this Court.

5. In some of the cases, even the petitioners' head offices are in Delhi. However, the same too, would not alter the position insofar as the material part of the cause of action is concerned. The dominant factor would be the place where the units are situated i.e., in Uttarakhand.

...

7. In view thereof, the petitions stand disposed of. The petitioners shall be at liberty to approach the jurisdictional High Court.

8. Petitions stand disposed of.

9. All rights and contentions are left open."

5. In the case of *Aveena Milk Products v. Union of India*,³ the respondent, therein, had declined to release the third installment of the grant-in-aid under the Integrated Chain Project Scheme, for the petitioner's project in Uttarakhand. This Court while declining to entertain the petition, held as under:

"9. Learned counsel appearing for the petitioner submits that the entire cause of action has arisen before this Court. The Court is not persuaded with the said submissions.

10. The petitioner essentially seeks direction to release the third instalment of grant-in-aid under the Scheme. The petitioner's project for which the third instalment of grant-in-aid is sought for is admittedly situated within the State of Uttarakhand. When the impugned order is perused, it would indicate that the petitioner's project has been found to be not fulfil certain requirements of development in a phased manner.

11. Certain correspondence between the parties seems to have taken place

³ W.P.(C) 3830/2026, order dt. 27.03.2026.



with respect to the petitioner's claim for the third-installment. Necessarily, the said correspondence has to take place in Delhi, considering that the office of the respondent is situated in Delhi. It is seen that even in W.P. (C) 454/2020, no conclusive finding that the essential, substantial, and material part of the cause of action arose within the jurisdiction of this Court has been given.

...

13. If the petition is considered in the context of the underlying prayer which relates to the affirmation of the fact that the petitioner has complied with all terms and conditions in development of the project within the State of Uttarakhand, it would be clear that the essential, material, and integral part of the cause of action has arisen outside the jurisdiction of this Court. The passing of the impugned decision comprises a fraction of the cause of action."

6. In ***Natturz Bio Kontrol Pvt. Ltd. v. Union of India***,⁴ the petitioner therein assailed the respondents' action of forfeiting its bank guarantee which were furnished in relation to the its project in Uttarakhand. Arguments similar to those being made in the instant case were made raised by the counsel therein. While rejecting the same, the Court relegated the petitioner to the jurisdictional High Court in the following terms:

"6. A perusal of the above-narrated facts reveal that the said BG was furnished in relation to the Uttarakhand Project, the forfeiture further took place owing to certain delays qua the said project, the action of forfeiture of the said BGs is assailed on grounds that the delay was owing to actions outside the control of the petitioner. Notably, the said actions, also appear to have taken place in Uttarakhand.

...

12. 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.

13. The Supreme Court in the case of Kusum Ingots & Alloys Ltd. v. Union of India and Anr., 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

⁴ 2026:DHC:1701.



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 (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].]”

14. In view of the above, the 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.”

7. This Court in *The Indure Pvt. Ltd. v. Government of NCT of Delhi*,⁵ took note of the decisions in *Shristi Udaipur Hotels v. Housing and Urban Development Corp.*,⁶ *Riddhima Singh v. Central Board of Secondary Education*,⁷ *Smt. Manjira Devi Ayurveda Medical College and Hospital v. Uttarakhand University of Ayurveda and Ors.*,⁸ *Michael Builders and Developers Pvt. Ltd. v. National Medical Commission and Ors.*,⁹ 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.

⁵ 2026:DHC:1605.

⁶ 2014 SCC OnLine Del 2892.

⁷ 2023 SCC OnLine Del 7168.

⁸ 2024:DHC:6903-DB

⁹ 2024:DHC:7146.

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

“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. In the instant case, the material, essential and integral cause of action has arisen outside the jurisdiction of this Court. Merely, because the decision making authority is in Delhi and has taken certain view, should not be the sole factor to entertain the instant writ petition. Accordingly, the same stands dismissed.

10. Liberty is, however, granted to the petitioner to approach the jurisdictional High Court.

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

(PURUSHAINDRA KUMAR KAURAV)
JUDGE

MAY 6, 2026

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