



2026:DHC:2496



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 19034/2025**

Date of decision: **17.03.2026****IN THE MATTER OF:**

ORISSA ALLOY STEEL PRIVATE LIMITEDPetitioner

(Through: Mr. Nalin Kohli, Sr Advocate with Mr.Gaurav Juneja, Ms. Swastika Chakravarti, Ms. Mimansha Durgapal, Mr.Aditya Rath, Advocates.)

versus

UNION OF INDIA & ORS.

.....Respondents

(Through: Mr Abhishek Gupta CGSC Mr Kumar Kartikeya , Mr Chanakya Kene and Mr Dhananjay Singh, Advocates for R-1, 2 and 5.

Mr. Vikram Bajaj, Ms. Shivani Sharma, Mr. Sanidhya Gupta, Advocates for R-3.

Ms. Chanan Parwani, Mr. Gaurav Ray, Advocates for R-4.)

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

1. The instant petition is for the following reliefs:-

“(a) Pass an appropriate writ, order or direction declaring that in respect of the Chakla Coal Block, the Petitioner is entitled to the compensation in respect of land parcels totalling 1230.58 acres, title for which was held by Essar Power (Jharkhand) Limited and which has since been acquired by the Petitioner through the liquidation process (“Land Parcels”);

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(b) Pass an appropriate writ, order or direction declaring that the Respondent No. 2, Nominated Authority, has, in the Final Compensation Order dated 22 February 2022 for Coal Mine, wrongly granted compensation in favour of Respondent No. 4, Essar Power Limited in respect of Land Parcels;

(c) Consequently, pass an appropriate writ, order or direction setting aside the Final Compensation Order to the extent that compensation for Land Parcels has been granted in favour of Respondent No. 4, Essar Power Limited and direct Respondent No. 2 to grant the compensation in respect of these Land Parcels in favour of the Petitioner;

(d) Pass such order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case."

2. The petitioner through the present petition seeks, *inter alia*, a declaration that it is entitled to the compensation in respect of the land parcels admeasuring 1230.58 acres in Districts Garwaha, Koderma, Bokaro and Palamu, Jharkhand ("**Land Parcels**"), which has been disbursed in favour of Essar Power Limited ("**Essar Power**").

3. The facts appear to be that the Land Parcels had been acquired by one Essar Power Jharkhand Limited ("**Essar Jharkhand**") for the Chakla Coal Block ("**Chakla Coal Mine**"), which was originally allocated in 2007 in favour of Essar Power. However, it was, thereafter, decided that the coal extracted from the Chakla Coal Mine would be used to meet the captive requirements of the proposed plant of Essar Jharkhand at Tori.

4. Thereafter, Essar Jharkhand is stated to have undertaken various steps for obtaining a mining lease for the Chakla Coal Mine, including but not limited to, acquiring title for the Land Parcels.

5. After the allocations of the Chakla Coal Mine cancelled by the



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Supreme Court in *Manohar Lal Sharma v. Principal Secretary*,¹ the said coal mine was auctioned in favour of Hindalco Industries Limited (“**Hindalco**”) and a Vesting Order dated 3 March 2021, whereby, *inter alia*, the Land Parcels came to be vested in favour of Hindalco.

6. Thereafter, in terms of the Coal Mines (Special Provisions) Act, 2015, the Nominated Authority passed the Final Compensation Order dated 22.02.2022 (“**Impugned Order**”), whereby compensation to the prior allottee for the land and mine infrastructure, in the instant case for the Land Parcels, was finally determined, and was directed to be paid to Essar Power.

7. The petitioner claims that, thereafter, Essar Jharkhand went into liquidation, and on a going concern basis, by means of a Sale Certificate dated 27.03.2025, the petitioner acquired the Land Parcels. It is, thus, submitted by the petitioner, that by purchasing the Land Parcels, it stepped into the shoes of Essar Jharkhand, and was entitled to the compensation granted by the Nominated Authority under the Impugned Order.

8. Mr. Nalin Kohli, learned senior counsel appearing on behalf of the petitioner submits that in the entire case, what is disputed is that the manner in which the nominated authority has adjudicated the rights and claims of the petitioner. According to Mr. Kohli, the location of the land has no bearing for the adjudication of the controversy involved in the instant case. He also relies on the decision of the Supreme Court in the case of *Khajoor Singh v. Union of India & Anr.*,² and the decision of this Court in the case

¹ (2014) 9 SCC 516.

² AIR 1961 SC 532.



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of *Electrosteel Castings Limited vs. Union of India and others*.³ He also submits that today, what is under challenge is the perversity of the Impugned Order.

9. Having given a thoughtful consideration to the argument made by Mr. Kohli, the Court is not persuaded to entertain the instant writ petition. The location of the respondent-authority or the consequential fact of the order impugned having been passed within the jurisdiction of this Court ought not to be the sole determinative factor in deciding whether to entertain the present petition.⁴ In the instant case, the Impugned Order was also passed for the purposes of compensating the prior allottee of the Coal Mine, situated in the State of Jharkhand. Thus, the essential, material and integral part of the cause of action, has arisen outside the jurisdiction of this Court.

10. 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

³ (2023) 5 High Court Cases (Del) 680.

⁴ The jurisdictional paragraph in the petition reads as follows:

“70. This Hon’ble Court has the jurisdiction to entertain the present Writ Petition as since a part of the cause of action for filing the instant Writ Petition has arisen within the territorial jurisdiction of this Hon’ble Court as the Final Compensation Order dated 22 February 2022 has been passed in New Delhi. The Respondents No. 1 and Respondent No. 2 are located within the territorial jurisdiction of this Hon’ble Court.”

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.



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.

11. 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.”

12. On the issue of a claimant approaching this Court on the sole-ground of the respondent-authority, 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.”

13. 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.”

14. 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.

15. The Supreme Court in the case of ***Kusum Ingots & Alloys Ltd. v. Union of India and Anr.***,¹⁰ 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

¹⁰ (2004) 6 SCC 254.



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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] .]”

16. 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.

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

(PURUSHAINDRA KUMAR KAURAV)
JUDGE

MARCH 17, 2026

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