



2026:DHC:4242



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 6271/2026 and CM APPL. 30843/2026**

Date of decision: **07.05.2026**

M/S JASVIT CONSTRUCTIONS PVT LTDPetitioner

Through: Sh. Darshan Paliwal, Ms. Neeraj
Paliwal, Sh. Manoj Kumar Advocates

versus

ENGINEERING PROJECTS (INDIA) LIMITED (EPIL) & ANR.

.....Respondent

Through:

CORAM:

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

J U D G E M E N T

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

CM APPL. 30844/2026 (for exemption)

1. Exemption allowed, subject to all just exceptions.
2. The application stands disposed of.

W.P.(C) 6271/2026 and CM APPL. 30843/2026

1. The petitioner *vide* the instant petition seeks to challenge the communication dated 13.02.2026 issued by the respondents, whereby the Performance Bank Guarantee (**PBG**) furnished by the petitioner has not been released and its extension has been directed, and further seeks directions for issuance of Completion Certificate and release of retention money.



2. The facts of the case would indicate that the petitioner is a construction company, who was awarded a contract by respondent No. 1 for execution of “Balance Civil work including plumbing & sanitary works of District Headquarter Hospital (DHH) with 100-bedded MCH project at Kendrapara, Odisha” *vide* Work Order No. PCO/BBSR/757/0256/1673 dated 27.07.2020 followed by an Agreement dated 10.09.2020. It is the case of the petitioner that the entire work stood completed on 02.12.2022 within the contractual framework, whereafter the hospital building was taken over by the authorities and has since been continuously occupied and is fully operational for public use.

3. The petitioner asserts that once the facility was taken over and put to use, the work stood completed in all respects. However, the respondents have not issued the Completion Certificate. The petitioner further submits that it had furnished a Performance Bank Guarantee dated 11.08.2020 for Rs. 1,02,96,992/-. It is further stated that despite completion of the project, the Respondents have repeatedly directed extension of the PBG on the basis of an alleged “anticipated risk and cost recovery” of Rs. 265.67 lakhs arising out of a separate terminated contract involving the Petitioner.

4. A perusal of the above-narrated facts would reveal that the Performance Bank Guarantee in question was furnished in relation to the contract pertaining to “Balance Civil work including Plumbing & Sanitary works of District Headquarter Hospital (DHH) with 100-bedded MCH project at Kendrapara, Odisha”. The dispute with respect to non-release and continued extension of the said PBG has arisen out of the execution of the aforesaid project, alleged defect liability obligations, rectification works and the respondents’ claim regarding anticipated risk and cost recovery. Notably,



the entirety of the project work, alleged deficiencies, rectification process and consequential actions appear to have taken place in the State of Odisha.

5. The sole reason invoking the territorial jurisdiction of this Court appears to be that the Respondents i.e., Engineering Projects (India) Limited (EPIL), also has its registered/corporate office situated within the jurisdiction of this Court. However, except for the situs of the offices of the Respondents, no, essential or integral part of the cause of action appears to have arisen within the territorial jurisdiction of this Court, inasmuch as the contract in question, execution of works, alleged completion, defect liability obligations and the impugned actions all pertain to the project situated at Kendrapara, Odisha.

6. 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.

7. 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-

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.



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.”

8. On the issue of a claimant approaching this Court on the 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.”

9. 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.”

10. In the facts of the instant case registered office of the Respondent being situated within the territorial jurisdiction of this Court and there may be a part of cause of action which has arisen in Delhi, however, the same by itself should not be the reason to entertain the instant petition, particularly when the material and substantial cause of action has arisen in the State of Odisha.

11. 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

⁶ (2004) 6 SCC 254.



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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] .]”

12. In view of the above, the instant petition stands dismissed along with all pending applications. Liberty is, however, granted to the Petitioner to approach the jurisdictional High Court to agitate the instant *lis*.

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

(PURUSHAINDRA KUMAR KAURAV)
JUDGE

MAY 7, 2026

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