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

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Judgment reserved on: 19.08.2026
Judgment pronounced on: 07.09.2026
Judgment uploaded on: 10.09.2026

CNR No. DLHC010371772026

+ **W.P.(C) 11569/2026 & CM APPL. 53588/2026**

MS CH. RAM CHANDER

.....Petitioner

Through: Mr. Giriraj Subramaniam, Mr.
Jaisal Baath, Ms. Aadhyaa
Khanna, Advocates.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Neeraj Garg, SPC, Mr
Sanjay Pal, GP, Mr Sahaj
Garg, Mr. Prakhar Negi,
Advocates for UOI.

CORAM:

HON'BLE DR. JUSTICE SWARANA KANTA SHARMA

JUDGMENT

DR. SWARANA KANTA SHARMA, J

1. The present writ petition has been filed by the petitioner, *inter alia*, challenging the constitutional validity of Policy Letter No. 66546/P-1/Renewal/2026/08/E8 dated 11.03.2025 [hereafter '**impugned Policy**'] issued by respondent no. 2, governing renewal



of enlistment of contractors with the Military Engineer Services (MES) for the cycle 2026–2032, as well as the Show Cause Notice No. 37903/C-159/239/E8 dated 05.03.2026 [hereafter ‘**impugned SCN**’] issued by the respondent no. 3 in refusing to renew its enlistment and the resulting exclusion from MES tenders.

2. Brief facts of the case, as set out in the petition, are that the petitioner is a Class ‘C’ contractor enlisted with the MES and has been executing civil construction works for the respondents for more than a decade. The petitioner claims to have successfully completed numerous contracts and to have maintained its enlistment through successive renewal cycles. The respondents, as arrayed in the petition, are the Union of India through the Ministry of Defence [respondent no. 1], the Engineer-in-Chief, Integrated HQ of MoD (Army) [respondent no. 2], and the Chief Engineer, Western Command, MES, Chandimandir Cantt. [respondent no. 3]. It is stated that the petitioner had been awarded Contract No. CWE/MHOW/03 of 2023-24 on 15.04.2024, which came to be cancelled on 08.07.2025. The petitioner disputes the legality of the said cancellation, and arbitration proceedings in respect of the said contract are yet to commence. It is stated that in the meantime, the petitioner’s application for renewal of enlistment became subject to the impugned Policy dated 11.03.2025. Although the petitioner claims to have submitted all the documents required for renewal, its



application remained pending for several months. During this period, the petitioner was unable to participate in various MES tenders on account of non-renewal of its enlistment, thereby causing prejudice to its business. It is further stated that respondent no. 3 thereafter issued the impugned SCN dated 05.03.2026, calling upon the petitioner to furnish information concerning the cancelled work contract. The petitioner submitted a detailed reply, disclosed the relevant facts and repeatedly requested renewal of its enlistment. According to the petitioner, despite the reply and requests, respondent no. 3 neither passed a speaking order nor considered the petitioner's explanation and has, in effect, refused renewal by mechanically applying Clause 7(a) of the impugned Policy, which provides an automatic disqualification from renewal wherever any contract of a contractor stood cancelled during the previous enlistment cycle on account of alleged contractor default, unless an arbitral award had already been rendered declaring such cancellation illegal.

3. At the outset, the learned counsel appearing for the respondent/UOI opposes the present petition on the ground of territorial jurisdiction. He argues that the primary cause of action of the petitioner is the issuance of impugned SCN dated 05.03.2026 which has been issued by the respondent no. 3, situated in Chandimandir Cantt., which is a military station situated in the Panchkula district of Haryana, serving as the headquarters for the



Indian Army's Western Command. It is also argued that other similarly placed contractors/sole proprietors have also invoked the jurisdiction of the High Court of Punjab & Haryana, seeking quashing of similar show cause notices and orders passed pursuant thereto, and copies of such orders have been placed on record. Therefore, it is prayed on behalf of the respondent/UOI that the present petition be dismissed on account of lack of territorial jurisdiction and principle of *forum conveniens*.

4. The learned counsel appearing for the petitioner, on the other hand, argues that this Court has territorial jurisdiction to entertain the present writ petition as a part of the cause of action has arisen within the territorial jurisdiction of this Court. It is submitted that the petitioner is a sole proprietorship concern having its primary place of business and residence in Delhi, and that the impugned Policy has been issued by respondent no. 2, who is also situated in Delhi. The learned counsel further contends that the impugned SCN was addressed to the petitioner at Delhi and that the petitioner is challenging not merely the consequential action of non-renewal, but also the validity of the impugned Policy which forms the basis of such action. It is contended that the issuance and receipt of the impugned SCN, read with the challenge to the Policy issued by an authority situated in Delhi, constitute material facts giving rise to a part of the cause of action within the jurisdiction of this Court. The



learned counsel for the petitioner argues that the present petition is maintainable under Articles 226 and 227 of the Constitution of India as the petitioner is aggrieved by the continuing operation of the impugned Policy and the consequential refusal to renew its enlistment. It is, therefore, contended that the present writ petition is maintainable before this Court.

5. This Court has **heard** the learned counsels appearing for the petitioner as well as the respondent/UOI, and has perused the material available on record.

6. In the present case, the learned counsel appearing for the respondent/UOI has raised a preliminary objection to the territorial jurisdiction of this Court to entertain the present writ petition.

7. This Court notes that the principal relief sought in the present petition arises out of the impugned SCN dated 05.03.2026 issued by respondent no. 3, Chief Engineer, Western Command, MES, Chandimandir Cantt., and the consequential refusal to renew the petitioner's enlistment. The respondent no. 3 is situated at Chandimandir Cantt., Panchkula, Haryana. The contracts in question, their cancellation and the subsequent proceedings concerning renewal are also connected with the MES authorities outside Delhi.

8. Though the petitioner has now sought to challenge the impugned Policy of respondent no. 2 itself, it is apparent that the



primary cause of action and the grievance of the petitioner pertains to the impugned SCN. The Hon'ble Supreme Court in ***Alchemist Ltd. v. State Bank of Sikkim***: (2007) 11 SCC 335, held that not every fact pleaded constitutes a part of the cause of action and the Court must consider whether such fact constitutes a material, essential or integral part of the cause of action. The Hon'ble Supreme Court in ***State of Goa v. Summit Online Trade Solutions (P) Ltd.***: (2023) 7 SCC 791, held as under:

“17. Determination of the question as to whether the facts pleaded constitute a part of the cause of action, sufficient to attract clause (2) of Article 226 of the Constitution, would necessarily involve an exercise by the High Court to ascertain that the facts, as pleaded, constitute a material, essential or integral part of the cause of action. In so determining, it is the substance of the matter that is relevant. It, therefore, follows that the party invoking the writ jurisdiction has to disclose that the integral facts pleaded in support of the cause of action do constitute a cause empowering the High Court to decide the dispute and that, at least, a part of the cause of action to move the High Court arose within its jurisdiction. Such pleaded facts must have a nexus with the subject-matter of challenge based on which the prayer can be granted. Those facts which are not relevant or germane for grant of the prayer would not give rise to a cause of action conferring jurisdiction on the court. These are the guiding tests.

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21. Even otherwise, the High Court was not justified in dismissing the interim applications. **Assuming that a slender part of the cause of action did arise within the State of Sikkim, the concept of forum conveniens ought to have been considered by the High Court.** As held by this Court in *Kusum Ingots v. Union of India and Ambica Industries v. CCE*, even if a small part of the cause of action arises within the territorial jurisdiction of a high court, the same by itself could



not have been a determinative factor compelling the High Court to keep the writ petitions alive against the appellant to decide the matter qua the impugned notification, on merit.”

(emphasis added)

9. Furthermore, it is also well-settled that the jurisdiction of a High Court under Article 226 of the Constitution cannot be invoked on the basis of the residence or location of the person affected by the impugned order. In *Aligarh Muslim University v. Vinay Engineering Enterprises (P) Ltd.*: (1994) 4 SCC 710, Three-Judge Bench of the Hon’ble Supreme Court held as under

“2. We are surprised, not a little, that the High Court of Calcutta should have exercised jurisdiction in a case where it had absolutely no jurisdiction. The contracts in question were executed at Aligarh, the construction work was to be carried out at Aligarh, even the contracts provided that in the event of dispute the Aligarh Court alone will have jurisdiction. The arbitrator was from Aligarh and was to function there. **Merely because the respondent was a Calcutta-based firm, the High Court of Calcutta seems to have exercised jurisdiction where it had none by adopting a queer line of reasoning.** We are constrained to say that this is a case of abuse of Jurisdiction and we feel that the respondent deliberately moved the Calcutta High Court ignoring the fact that no part of the cause of action had arisen within the jurisdiction of that Court. It clearly shows that the litigation filed in the Calcutta High Court was thoroughly unsustainable.”

(emphasis added)

10. In *Okhla Enclave Plot Holders Welfare Association v. State of Haryana*: 2002 SCC OnLine Del 217 (DB), the Division Bench of this Court, after relying on the Supreme Court’s decision in *State of*



Rajasthan v. Swaika Properties: (1985) 3 SCC 217, held that the residence or location of the petitioners is not relevant to determine whether a Court has territorial jurisdiction to entertain a given petition.

11. As already taken note of, in preceding discussion, the petitioner's grievance in the present case is principally against the impugned SCN issued by respondent no. 3 and the consequential action of non-renewal. It is also relevant to note that the respondent/UOI has placed on record that similarly situated contractors have approached the High Court of Punjab & Haryana challenging similar show cause notices and orders passed by respondent no. 3, relying upon the same impugned Policy. Therefore, the dispute, which is substantially connected with the authorities and proceedings situated within the territorial jurisdiction of that Court, is also pending before the High Court of Punjab & Haryana.

12. Accordingly, having regard to the nature of the reliefs sought, the substance of the grievance raised, and the fact that the impugned SCN as well as the consequential proceedings concerning renewal were issued and undertaken by authorities situated outside the territorial jurisdiction of this Court, this Court is of the view that no material, essential or integral part of the cause of action has arisen within Delhi. The mere fact that the petitioner is based in Delhi, or that respondent no. 2 is also situated in Delhi, cannot confer



territorial jurisdiction upon this Court when the principal challenge is directed against the SCN issued by respondent no. 3 and the consequential action taken thereunder. The impugned Policy, though issued by respondent no. 2 at Delhi, was implemented and applied against the petitioner by respondent no. 3 at Chandimandir Cantt., Panchkula, Haryana, and the consequential cause of action therefore also arose within the territorial jurisdiction of the High Court of Punjab and Haryana. Further, similar proceedings have been instituted before the High Court of Punjab & Haryana, which exercise jurisdiction over respondent no. 3, i.e. the authority issuing the impugned SCN.

13. The present writ petition, alongwith pending application, is accordingly dismissed on the ground of lack of territorial jurisdiction, leaving it open to the petitioner to avail of such remedy as may be available before the appropriate Court in accordance with law, including approaching the High Court of Punjab & Haryana.

14. The judgment be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J
SEPTEMBER 07, 2026/TD