2026:DHC:7177

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

% *Judgment reserved on: 18.08.2026*
Judgment pronounced on: 25.08.2026
Judgment uploaded on: 26.08.2026

\# **CNR No. DLHC010021672026**

\+ **W.P.(C) 971/2026 & CM APPL. 4676/2026**

ANIL LAXMINARAYAN BIYANI .....Petitioner

Through: Mr. Vikas Pahwa, Senior Advocate with Ms. Neeha Nagpal, Mr. Vishvendra Tomar and Ms. Nishta Juneja, Advocates

versus

UNION OF INDIA AND ANR. .....Respondents

Through: Mr. Davinder Pal Singh ASG with Mr. Shashank Bajpai, CGSC, Amit Acharya, G.P., Ms. Aashna Mehra, Mr. Vatsal Tripathi, Govind Singh Chauhan, Ms. Shreya Dutt, Mr. Digvijay Singh and Mr. A.S. Muhania, Advocates for UOI.

CORAM:
HON'BLE DR. JUSTICE SWARANA KANTA SHARMA

JUDGMENT

DR. SWARANA KANTA SHARMA, J

1. By way of the instant petition, the petitioner seeks issuance of a writ, order or direction in the nature of certiorari, or any other

appropriate writ, order or direction, for setting aside the order dated 31.10.2025 bearing F.No. CL-II-13/12/2025-O/o DGCOA-MCA, issued by the respondent, along with all consequential actions and proceedings emanating therefrom.

2. Briefly stated, the facts of the present case are that Future Retail Limited (**FRL**) and Future Consumer Retail Private Limited (**FCRPL**) were incorporated in the year 2007. FRL is engaged in retail trading of various branded products, including grocery, fruits and vegetables, general merchandise, staples, fashion and accessories. During 2016–2017, the Future Group publicly discussed the restructuring of its HomeTown and FabFurnish businesses. In March 2017, discussions and preparatory steps were undertaken for a scheme of arrangement, culminating in the proposed demerger of the HomeTown and FabFurnish businesses into Praxis Home Retail Private Limited, which was announced on 20.04.2017. In 2019, Amazon acquired a 49% stake in Future Coupons Private Limited (**FCPL**), subject to certain restrictive covenants and non-compete provisions. In the year 2020, SEBI initiated proceedings against Mr. Kishore Biyani and connected entities, including FCRPL, alleging insider trading in the shares of FRL during the period from 10.03.2017 to 20.04.2017. The allegations were disputed by the noticees, who also sought inspection of the relevant documents. Separately, the Future Group announced its proposed transaction with Reliance entities for transfer of its retail and logistics businesses. The

said transaction was opposed by Amazon and subsequently became the subject matter of arbitration proceedings before the Singapore International Arbitration Centre. On 03.02.2021, the Whole Time Member of SEBI passed an order holding Mr. Kishore Biyani and other notices to be in violation of the PIT Regulations and imposed various penalties and restrictions. The said order was challenged before the Securities Appellate Tribunal, Mumbai, by way of Appeal No. 81 of 2021. During the period 2022–2024, FRL was admitted into Corporate Insolvency Resolution Process (**CIRP**) pursuant to an order dated 20.07.2022 passed by the National Company Law Tribunal (**NCLT**), Mumbai. A Transaction Audit Report and a Supplementary Transaction Audit Report were thereafter prepared, and various applications were filed before the NCLT under the Insolvency and Bankruptcy Code, 2016 (**IBC**). On 20.12.2023, Securities Appellate Tribunal quashed the order passed by SEBI and exonerated the appellants, holding, *inter alia*, that the trading was not based on UPSI. On 29.07.2024, upon expiry of the maximum period prescribed for completion of the CIRP without approval of any resolution plan, the NCLT, Mumbai, ordered liquidation of FRL. Thereafter, on 24.09.2024, insolvency proceedings were initiated against FCRPL by the NCLT, Mumbai. Unlike in the case of FRL, no application under Section 66 of the IBC was filed against FCRPL and no transaction audit report was furnished in its insolvency proceedings. On 20.11.2024, the Insolvency and Bankruptcy Board of India (**IBBI**) made a reference to the Ministry of Corporate Affairs (**MCA**), reporting alleged avoidance transactions involving approximately ₹15,856.68 crore in relation to FRL and FCRPL. In the year 2025, the liquidator of FRL filed further applications before the NCLT alleging preferential transactions involving various entities of the Future Group.

3. On 31.10.2025, respondent no. 1/MCA passed the impugned order under Section 212(1)(c) of the Companies Act, 2013, directing the Serious Fraud Investigation Office (**SFIO**) to investigate the affairs of FRL and FCRPL. The impugned order, inter alia, relied upon references made by the Central Economic Intelligence Bureau and IBBI. As pleaded, during October–November 2025, the petitioner came to know of the impugned order through media reports and subsequently obtained a copy thereof.

4. Aggrieved by the impugned order dated 31.10.2025 and the consequential proceedings, the petitioner instituted the present writ petition on 19.01.2026, seeking quashing and setting aside thereof.

5. The learned ASG appearing on behalf of the respondents submits that this Court does not have territorial jurisdiction to entertain the present petition, as the registered offices of the companies under investigation, including FRL and FCRPL, are situated in Mumbai. He submits that the impugned investigation order dated 31.10.2025 was passed under Section 212(1)(c) of the Companies Act, 2013 in respect of companies having their registered

offices in Mumbai and, therefore, the High Court of Bombay is the appropriate forum. Merely because the impugned order was issued by the MCA from New Delhi would not confer territorial jurisdiction upon this Court. The learned ASG submits that the statutory records, books of accounts and other compliance records of the companies are maintained in Mumbai, the concerned Registrar of Companies (**ROC**) is ROC Mumbai, and any inspection, inquiry or seizure of documents would also have a nexus with Mumbai. Further, the insolvency and avoidance proceedings concerning the companies are pending before the NCLT, Mumbai Bench. It is submitted that any prosecution arising from the investigation would also be triable before the designated Special Court having jurisdiction in Mumbai under Section 436 of the Companies Act. Thus, according to him, the entire statutory and factual framework has its closest nexus with Mumbai.

6. The learned ASG further submits that the mere *situs* of the authority passing an order cannot, by itself, constitute a cause of action under Article 226(2) of the Constitution. The cause of action must be understood as the bundle of essential facts necessary for the petitioner to establish its entitlement to the relief sought. In support of his submission, he places reliance upon the judgment of the Hon'ble Supreme Court in ***Oil and Natural Gas Commission v. Utpal Kumar Basu:*** *(1994) 4 SCC 711*, wherein it was held that a High Court should not entertain a writ petition merely because a

fraction of the cause of action has arisen within its territorial jurisdiction. Reliance is also placed upon the judgment of the Supreme Court in ***Kusum Ingots & Alloys Ltd. v. Union of India:*** *(2004) 6 SCC 254*, wherein it was held that even where a part of the cause of action arises within the territorial jurisdiction of a High Court, the Court may decline to exercise its jurisdiction, having regard to the doctrine of *forum conveniens*. The learned ASG submits that the said doctrine requires the Court to determine the forum having the closest connection with the subject matter of the dispute.

7. It is, therefore, submitted that the High Court of Bombay is the natural and convenient forum, having regard to the location of the registered offices of FRL and FCRPL, the maintenance of their statutory records, the pending insolvency proceedings and the potential prosecution arising from the investigation. The learned ASG accordingly submits that this Court ought to decline to exercise its discretionary jurisdiction under Article 226 of the Constitution.

8. ***Conversely***, the learned senior counsel appearing on behalf of the petitioner submits that the present writ petition challenges the investigation order dated 31.10.2025 issued by the MCA, New Delhi under Section 212(1)(c) of the Companies Act, raising questions regarding its legality, validity, propriety and procedural fairness, as well as the consequential proceedings. He submits that since the impugned order was issued by the MCA from New Delhi, this Court has territorial jurisdiction to entertain the present petition. He submits

that the respondent's reliance on Section 2(29) of the Companies Act, on the ground that the registered offices of FRL and FCRPL are situated in Mumbai, is misplaced. According to him, Section 2(29) defines "Court" for the purposes of exercise of jurisdiction under the Companies Act and has no bearing upon the territorial jurisdiction of a High Court under Article 226 of the Constitution. The present proceedings being constitutional proceedings under Article 226, their territorial jurisdiction is governed by Article 226(2) of the Constitution.

9. The learned senior counsel further submits that a part of the cause of action has clearly arisen within the territorial jurisdiction of this Court, as the impugned order was issued by the MCA from New Delhi. He further submits that respondent no. 2/SFIO has its office at 2nd Floor, CGO Complex, Lodhi Road, New Delhi, from where the investigation is being conducted and controlled. This, according to him, is also borne out from the counter affidavit filed by the respondents. He further submits that the Investigating Officers are based at the SFIO office in New Delhi and that various notices issued under Section 217(2) of the Companies Act, including the notice dated 22.01.2026 issued to the petitioner, emanate from the said office. The notices bear the New Delhi address of SFIO and require the recipients to furnish information and documents to the said office, communicate through the official email of the Investigating Officer and appear before the Investigating Officer in New Delhi. It is thus

contended that the investigation machinery set into motion by the impugned order is based in and is operating from Delhi.

10. The learned senior counsel appearing for the petitioner further submits that the pendency of another writ petition before the High Court of Bombay, instituted by the petitioner's cousin, Rakesh Biyani, has no bearing on the present proceedings. He submits that the petitioner and Rakesh Biyani are distinct individuals with separate and independent roles, and that the petitioner was never a director of FRL, unlike Rakesh Biyani, who was a Director on its Board from 30.04.2016 to 01.05.2022. The petitioner was a Director in FCRPL from 05.02.2018 to 10.11.2022. It is further submitted that the petitioner is not a party to any of the applications filed by Rakesh Biyani before the NCLT alleging fraudulent or avoidance transactions involving FRL. Lastly, the learned senior counsel submits that the present petition was instituted before this Court on 19.01.2026 and is required to be considered on its own merits, independent of any parallel proceedings subsequently instituted by other individuals before a different forum. The pendency of such proceedings, according to him, cannot oust the jurisdiction otherwise conferred upon this Court under Article 226(2) of the Constitution.

11. This Court has **heard** the learned counsels appearing on behalf of the petitioner as well as the respondent on the question of territorial jurisdiction of this Court to entertain and adjudicate the present petition.

12. In the present case, the principal submission advanced by the learned senior counsel appearing on behalf of the petitioner is that the impugned order dated 31.10.2025 was issued by the MCA from New Delhi and that the officer who has filed the affidavit on behalf of SFIO in the present proceedings is also stationed in Delhi. It is, therefore, contended that a substantial part of the cause of action has arisen within the territorial jurisdiction of this Court. It is further submitted that the pendency of a writ petition before the High Court of Bombay filed by another Director of a company under investigation would have no bearing on the territorial jurisdiction of this Court.

13. Having considered the aforesaid submissions, and upon perusal of the judgments relied upon by the parties, the relevant provisions of the Companies Act, including Section 213, as well as Article 226(2) of the Constitution, this Court is unable to accept the contention of the petitioner. It is not in dispute that the companies which are the subject matter of the impugned investigation have their registered offices in Mumbai. Merely because the MCA is situated in New Delhi and has passed the impugned order directing investigation into the affairs of companies situated in Mumbai, would not, by itself, confer territorial jurisdiction upon the Courts in Delhi.

14. It is necessary to bear in mind that the fact that the MCA is a central authority having its office in Delhi cannot mean that every order issued by it in relation to a company situated in any part of the

country would give rise to a cause of action within the territorial jurisdiction of the Courts in Delhi. Article 226(2) of the Constitution undoubtedly enables a High Court to exercise jurisdiction where the cause of action, wholly or in part, arises within its territorial jurisdiction. However, the use of the expression "may" in Article 226(2), as opposed to "shall", makes it clear that the existence of a part of the cause of action within the territorial jurisdiction of a High Court does not, in every case, require the High Court to exercise its jurisdiction. The Court is required to examine the facts and circumstances of each case and determine whether it is an appropriate and convenient forum for adjudication of the dispute, having regard to the nature of the cause of action and the forum having the closest connection with the subject matter.

15. In the present case, this Court also does not find merit in the submission that merely because the officer who has filed the affidavit on behalf of SFIO is posted at its Headquarters in Delhi, it should be concluded that the investigation itself is being or would necessarily be carried out from Delhi. The Headquarters of SFIO are situated in Delhi and, where SFIO is impleaded as a party, it is but natural that an officer stationed at its Headquarters may file an affidavit on its behalf. The mere filing of an affidavit by such an officer cannot, by itself, constitute a substantial part of the cause of action or establish that the investigation has its principal nexus with Delhi.

16. On the other hand, there is considerable merit in the

submission of the learned ASG that the principal and substantial nexus of the proceedings is with Mumbai. The relevant factors in this regard are that: (**a**) the registered offices of the companies under investigation are situated in Mumbai; (**b**) their statutory, financial and other relevant records are maintained there; (**c**) the concerned Registrar of Companies is ROC Mumbai; (**d)** any prosecution arising out of the investigation, if initiated, would be before the Special Court having jurisdiction over Mumbai under Section 436 of the Companies Act; and (**e**) the insolvency and avoidance proceedings concerning the companies are pending before the NCLT, Mumbai Bench.

17. The fact that the impugned order has been passed by the MCA under the Companies Act directing an investigation into the affairs of FRL and FCRPL cannot lead to the conclusion that the investigation would necessarily be carried out only from the place where the MCA is situated. The investigation would necessarily concern the affairs, transactions, records and statutory compliances of the companies under investigation. If required, the relevant records may be called for or seized, and the investigation may be undertaken at the place where such records and the affairs of the companies are situated. In the present case, the principal location of such records and affairs is Mumbai. The concerned ROC is also situated in Mumbai and, if the investigation ultimately results in prosecution, the same would lie before the competent Special Court having jurisdiction in Mumbai.

18. It is also apposite to note that another Director connected with the companies under investigation has already instituted proceedings before the High Court of Bombay, which have been entertained. It is stated that proceedings concerning permission to travel abroad have also been considered by the High Court of Bombay. While the petitioner and the said Director are undoubtedly distinct individuals, the question before this Court is not whether each individual has a separate cause of action, but whether the same underlying subject matter and investigation should be subjected to proceedings before different High Courts merely because the persons connected with the investigation are different.

19. In this regard, the pendency of proceedings before the High Court of Bombay is an important factor to be considered, from the perspective of the overall nexus of the dispute and the principle of *forum conveniens*. The fact that different persons may be subject to investigation in relation to the same companies and substantially the same underlying transactions cannot, by itself, mean that each such person would invoke the jurisdiction of a different High Court, irrespective of the place where the companies, their records, the statutory authorities and the consequential proceedings are situated.

20. The petitioner has also argued that the issue of territorial jurisdiction was raised by the respondents in the writ petition pending before the High Court of Bombay. Having perused the order passed in the said proceedings, this Court finds that the said order does not

record any objection specifically in relation to the territorial jurisdiction.

21. In view of the aforesaid discussion, this Court is of the opinion that the principal and substantial nexus of the impugned investigation is with Mumbai, where the registered offices of the companies under investigation, their statutory and financial records, the concerned ROC and the pending insolvency proceedings are situated, and where any consequential prosecution would also be subject to the jurisdiction of the competent Special Court. The petitioner is also a resident of Mumbai.

22. Accordingly, this Court is of the view that the High Court of Bombay would be the appropriate and convenient forum for adjudication of the present dispute.

23. The present petition along with pending application, is, therefore, dismissed on the ground of territorial jurisdiction.

24. It is clarified that this Court has not expressed any opinion on the merits of the case or on any other issue arising in relation to the investigation.

25. The judgment be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

AUGUST 25, 2026/ns/zp