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

Judgment reserved on: 04.05.2026

Judgment pronounced on:20.07.2026

\+ **W.P.(C) 174/2024, CM APPL. 22897/2024, CM APPL. 18080/2025, CM APPL. 18081/2025, CM APPL. 19004/2025, CM APPL. 19005/2025, CM APPL. 50797/2025, CM APPL. 59752/2025, CM APPL. 7585/2026, CM APPL. 7700/2026, CM APPL. 7759/2026 CMAPPL.7760/2026 & CMAPPL.7792/2026**

NISHIT BADOLA ………Petitioner

Through: Mr. Tanmaya Mehta & Mr. Jai Sikand, Advs.

versus

UNION OF INDIA THROUGH MINISTRY OF CORPORATE AFFAIRS & ANR. ………Respondents

Through: Mr.Piyush Beriwal Adv for R1&2
Mr. Avishkar Singhvi, Mr. Naved Ahmed, Ms. Anam Siddiqui and Mr. Akash Raja Sahib, Advs.
Mr. Siddharth Nath Adv. Mr. Anunay Chowdhary, Mr. Asjad Hussain Advs. for R-10.
Ms Kanika Singhal, Ms. Vijeta Singh, Mr. Shivam Singh Rana, Advs.
Mr. Harshit Sethi & Ms. Mansi Tripathi, Advs.

Mr. Jayant Mehta, Sr. Adv. with Mr. Raj Kamal, Mr. Harneet Singh, Mr. Suvan Jain, Mr. Manish Sharma, Advs. for R-9.
Mr. Jayant Bhushan, Sr. Adv. with Mr. Rudreshwar Singh, Mr. Ravi Shankar Nanda, Ms. Madhurima Sarangi, Ms. Amartya Bhushan, Mr. Yojit Mehra, Mr. Varun Kumar and Ms. Karni Singh, Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

<u>J U D G M E N T</u>

<u>W.P.(C) 174/2024 & CM APPL. No 7700/2026</u>

1. This is a writ petition filed under Article 226 read with Article 227 of the Constitution of India ("***the Constitution***") seeking the following prayers:-

> *"(i) Direct Respondent No. 1 to correct the information on the Master Data Form of Three C Shelters Pvt Ltd and remove the name of Mr Rajiv Baisoya reflecting as a director;*
> *(ii) Direct Respondent No. 1 to remove the name of all such additional directors, including that of Mr. Girish Chander Joshi, whose tenure has been expired and their name is still reflecting on the portal of Respondent No. 1;*
> *(iii) Direct Respondent No. 2 to investigate into the serious fraud that has been committed;*
> *(iv) Any other order that this Hon'ble Court may deem appropriate in the facts of the instant case."*

2. The petitioner i.e., Nishit Badola, is a financial creditor/ claimant of Three C Shelters Pvt Ltd. ("***Three C***"), a company incorporated on

31.12.2010, under the Companies Act, 1956.

FACTUAL MATRIX AS PER THE PETITIONER

3. The relevant facts, as borne out from the pleadings and the documents placed on record, are set out hereunder:-

a) Straight Edge Contracts Pvt. Ltd. ("***Straight Edge***") filed a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("***IBC***") against Three C, wherein National Company Law Tribunal ("***NCLT***") *vide* order dated 20.07.2020 allowed the said petition and later *vide* a detailed order dated 16.10.2020 declared commencement of Corporate Insolvency Resolution Process ("***CIRP***") against Three C. Consequently, an Interim Resolution Professional ("***IRP***") namely Mr. Amarpal, was appointed and moratorium was imposed on Three C.

b) During the CIRP, disputes arose between Three C's IRP/RP and Orris Infrastructure Pvt. Ltd., on whose land project 'Greenopolis' units were to be constructed. Since the dispute travelled to the Hon'ble Supreme Court, the Hon'ble Supreme Court in SLP (C) No. 7712/2021, *vide* order dated 01.07.2021 directed that NCLT would decide all-issues with respect to the Greenopolis project. Accordingly, NCLT *vide* order dated 29.03.2022 held that Three C and Straight Edge schemed the insolvency proceedings and Mr. Rajiv Baisoya and Mr. Girish Chander Joshi representing Three C were mere pantry boys/ office boys and that Three C siphoned money to its sister concerns. Later, appeals were filed against the said order and the National Company Law Appellate Tribunal ("***NCLAT***") *vide* order dated 28.08.2023 noted the collusion in insolvency proceedings and recalled the admissions orders dated 20.07.2020 and 16.10.2020 of the CIRP of Three C.

c) Mr. Girish Chander Joshi, sent a letter dated 02.09.2023 to the Court appointed IRP i.e., Mr. Pradeep Kumar Kaushik (respondent No. 3) seeking possession of documents and premises acquired by IRP. Later, Greenopolis Welfare Confederation ("***GWC***") i.e., respondent No. 5, a homebuyers association, also filed applications in pending writ petitions, alleging investigation into siphoning off of funds by Three C.

d) As per the company master data, on Ministry of Corporate Affairs' site, as on 20.09.2023 Three C's status was "Under Corporate Insolvency Resolution Process" and it had no director, as Mr. Anand Ram's tenure ended on 16.08.2019 and Mr. Girish Chander Joshi, appointed as additional director could have been a director only till 30.09.2019. However, Mr. Girish Chander Joshi, addressed an email dated 26.09.2023 in the capacity of a Director, to Mr. Pradeep Kumar Kaushik, IRP of Three C, seeking filing of Form-INC 28 for withdrawal, as CIRP of Three C had been set aside.

e) Meantime, appeals were filed challenging the order dated 28.08.2023, wherein the Hon'ble Supreme Court *vide* order dated 13.10.2023 directed to maintain *status quo* including assets.

f) As per the company master data, on the Ministry of Corporate Affairs' site, as on 28.11.2023, Three C had no director and the status remained same as before and only the name of Mr. Anand Ram was showing.

g) Later, a Civil Appeal No. 7704/2023 was filed in the name of Three C, accompanied by an affidavit of Mr. Rajiv Baisoya and the Hon'ble Supreme Court *vide* order dated 04.12.2023 directed Mr. Rajiv Baisoya to produce authorization for filling the appeals, since the IRP has not authorised the same.

h) In the meanwhile, status on the company master data of Three C changed and reflected Mr. Rajeev Baisoya as an additional director of Three C on 14.09.2023, as on 02.01.2024.

i) Hence, the present petition.

4. During the pendency of the present petition, this Court passed an order dated 22.10.2024 in CM APPL. No. 826/2024, wherein it was directed as under: -

> *"20. Secondly, this Court is the of the considered view that in compliance with the letter and spirit of the directions passed by the Supreme Court, the status quo has to be maintained with regard to the assets of the corporate debtor and appropriate direction can be passed so as to safeguard the interest of the stakeholders including the investors/home buyers and it goes without saying that the latter parties are victims of the entire nefarious activities on the part of the previous management of the corporate debtor.*
> *21. Accordingly, the respondent no. 1/Ministry of Corporate Affairs is directed to ensure that the company status of M/s Three C Shelters Pvt. Ltd. should be disclosed/notified as 'under CIRP' on its website within two weeks from today failing which the Registrar of Companies shall appear in person on the next date of hearing at 2.15 pm through VC.*
>
> ***xxxxxxxx***
>
> *25. It is urged by Mr. Kohli, learned senior counsel for the IRP that he has come to know of instances where the*

properties belonging to the corporate debtor are being sold or pilfered away which is detailed in the updated status report placed in a sealed envelope on the record. It is urged that the IRP is not doing anything inconsistent with the directions of the Supreme Court.

26. He has suggested that the IRP may be allowed to take the following steps:-

> *"1. Increasing the security guards at the identified assets, and dispossessing the trespassers who have entered possession after the IRP had taken possession of assets which have been identified by the IRP in Status Report-2. The details of such assets are once again reproduced as under:*
>
> *i. Hotel Plot No. A-3a, Nehru Place, New Delhi admeasuring 3546 sq. mtrs. situated at Nehru Place, New Delhi- Chaspa Notice by IRP affixed on 16.04.2023;*
>
> *ii. Units in the Project Ace Palms Floors, Sector-89, Gurgaon- Chaspa Notice by IRP affixed on 17.04.2023.*
>
> *Necessary steps are also to be taken urgently to take appropriate action against the concerned persons as it is learnt that the defaulting parties are executing and registering Sale Deeds of flats/units in the 2nd asset mentioned above i.e. Project Ace Palms Floors, Sector-89, Gurgaon, so as to create third-party rights and defeat the Court proceedings.*
>
> *Further, liquidating the said assets to generate cash flows to realize the claims of the genuine financial claimants of the Corporate Debtor is also an essential step in this direction.*
>
> *2. Deploying security guards on the assets which have been subsequently identified by the IRP which have been mentioned in the Status Report-4 [filed in sealed cover before this Hon'ble Court), as such assets have been*

created from the monies of the claimants whose claims have been accepted in the Status Report-1 prepared by the IRP.

Further, these assets will be liquidated to generate cash flows to realize the claim of the genuine financial claimants of the Corporate Debtor.

3. Mutation of all the identified laundered assets in the name of Three C. Shelters Pvt. Ltd. as such assets have been created by the siphoned off monies from Three C Shelters Pvt Ltd.

4. Inviting Expression of Interest ["EOI"] with respect to the assets which have been identified by the IRP, for better valuation so that the claims of the genuine financial claimants are realized.

5. Publicizing the laundering of assets to spread awareness among the public at large that such assets have been created from the siphoned off monies of Three C. Shelters Pvt Ltd. Any transaction with respect to such assets would entitle the IRP to take necessary action against the concerned persons.

6. Necessary steps to identify more assets, in addition to those which have already been identified in the Four Status Reports prepared by the IRP.

Further taking steps to initiate action against the concerned persons who are indulged in diversion of assets and have entered upon sale deeds with respect to the laundered assets post 23.01.2019 [when these assets were dedicated for Greenopolis by Three C before Ld. HRERA] and 26.05.2023 [wherein the Ld. NCLT directed verification of all claims and to prepare Status Reports].

7. Taking over the books of accounts of Three C Shelters Pvt. Ltd which have been withheld from the IRP by the *erstwhile management and the erstwhile suspended RP as also stated in the Status Report-2.*

8. Getting a forensic audit by an independent private agency for each entity within the Three C group. Only through a thorough and impartial audit can the full scope of the fraudulent activities be exposed, ensuring accountability and revealing the true extent of the misappropriated monies hidden within the group's operations.

9. Filing a claim in the CIRP of Three C Universal Developers Pvt Ltd. as hundreds of crores has been siphoned off from Three C Shelters Pvt Ltd to Three C Universal Developers Pvt Ltd.

10. Identifying all the debit transactions that have been done from the bank accounts of Three C Shelters Pvt Ltd in order to trace the siphoning of funds. Further tracing the concealed bank accounts which were operated in order to siphon off monies from Three C Shelters Pvt Ltd.

11. Filing of an intervention application before the Hon'ble Supreme Court in C.A. No. 7762 of 2023, titled as "Gyan Chand Mishra v. Three C Universal Developers Pvt Ltd & Ors." placing on record the large-scale siphoning off funds from Three C Shelters Pvt Ltd to Three C Universal Developers Pvt Ltd. and the illegalities committed by Three C Group.

12. Conducting a meeting of the financial claimants / creditors of the Three C Shelters Pvt Ltd., as identified in the Status Report."

27. Having heard the learned counsel for the parties and in order to safeguard the assets of the corporate debtor, for now, the IRP is allowed to take measures which are indicative above vide serial no. 1, 2, 3, 5, 6 and 12. In the consideration of this Court, such measures are necessary so *as to safeguard the assets of the company and also the interest of the stakeholders."*

5. The said order dated 22.10.2024 was challenged before the Hon'ble Division Bench by Lavender Infra Projects Pvt. Ltd. ("***Lavender***") i.e., respondent No. 9, Bright Buildtech Pvt. Ltd. ("***Bright Buildtech***") i.e., respondent No. 8, Greenopolis Welfare Association ("***GWA***") i.e., respondent No. 7 and Delhi Brass and Metal Works Pvt. Ltd. and others i.e., respondent No. 10. The Hon'ble Division Bench *vide* order dated 11.11.2024 directed parties to not take any steps in pursuance of the order dated 22.10.2024 *qua* the subject properties. Later, *vide* order dated 17.03.2025, disposing of the LPAs, the Hon'ble Division Bench directed the parties to approach Single Judge for recall of the order dated 22.10.2024 and directed to maintain *status quo* including assets, till the Single Judge disposes of the applications.

6. Pursuant to the said order, the following applications for recall of the order dated 22.10.2024 were filed: -

a) CM APPL. No. 18080/2025 by Bright Buildtech.

b) CM APPL. No. 19005/2025 by Lavender.

c) CM APPL. No. 19004/2025 by Delhi Brass & Metal Works Pvt. Ltd. and others.

7. The order dated 28.08.2023 was challenged and the Hon'ble Supreme Court *vide* order dated 19.11.2024 stayed the operation of the said order and direct that the CIRP of Three C shall proceed.

8. Subsequently, the petitioner has filed an application i.e., CM APPL. No 7700/2026 in the present writ petition seeking disposal of the writ petition as the reliefs and concerns forming subject matter of the petition stood addressed in view of subsequent developments and undertaking furnished by the IRP of Three C before the Hon'ble Supreme Court *vide* order dated 20.11.2025.

CM APPL. No. 18080/2025, CM APPL. No. 19004/2025 & CM APPL. No 19005/2025

9. These are applications filed under Section 151 of CPC, 1908 seeking recall/setting aside of the order dated 22.10.2024 ("***impugned order")*** passed in CM APPL. No. 826/2024 in the main writ petition.

10. The application being CM APPL. No. 18080/2025 preferred by Bright Buildtech, seeks recall of the impugned order as it affects its property being the units in the housing project namely Ace Palm Floors ("***Ace Palm Project***") developed on the project land situated at revenue estate of village Hayatpur, Sector 89-90, Gurugram, Haryana. The application being CM APPL. No. 19005/2025 has been filed by Lavender, seeking recall of the impugned order as it affects its property being Hotel Plot bearing No. A-3a, Phase II, Distt. Central, Nehru Place, New Delhi ("***Nehru Place Property***"). The applicants in CM APPL. No. 19004/2025 are respondent No. 10.

SUBMISSIONS ON BEHALF OF THE APPLICANT IN CM APPL. NO. 18080/2025

11. The applicant/Bright Buildtech seeks recall of the impugned order on the following grounds:-

a) Impugned order has no nexus with the prayers sought in the main petition.

b) Impugned order was passed without impleading Bright Buildtech and affects its immoveable properties and many third party homebuyers in Ace Palm Project.

c) Impugned order is a based on IRP Status Report dated 09.08.2023 submitted before Adjudicating Authority in relation to CIRP of Three C, which is pending consideration and is only IRP's opinion and IRP lacks adjudicative powers, reliance is placed upon ***Swiss Ribbons (P) Ltd. v. Union of India, (2019) 4 SCC 17.***

d) Under IBC, IRP needs to approach competent court/ forum to determine claims over third party's properties. The Adjudicating Authority lacks jurisdiction to liquidate third party's assets that are not of the Corporate Debtor, reliance is placed on ***Embassy Property Development Pvt. Limited v. State of Karnataka and Ors., (2020) 13 SCC 308.***

e) No competent court/forum has determined that transactions involving the applicant amounts to siphoning of assets from Three C.

f) Ace Group is not related to the Three C Group, except some past transactions. Bright Buildtech has been acquired by the Ace Group and no one from Ace Group has been a director/ shareholder in any Three C Group companies.

g) Allegation that hundreds of crores worth companies were transferred by Three C at only Rs. 1 lakh to Ace Group are false.

h) Order dated 02.02.2024 passed in W.P.(C) No. 1567/2024, wherein relying upon the same IRP Report, the Court directed the Ministry of Corporate Affairs to investigate into the affairs of Three C. However, subsequently, this Court returned a finding that the parties had failed to establish any direct connection or link of the applicant to the ex-promoters and directors of Three C Shelters.

i) Proceedings under Prevention of Money Laundering Act, ("***PMLA***") 2002 and the action taken by the Enforcement Directorate ("***ED***") against Three C are independent proceedings and ED has neither attached any applicant's assets in the Provisional Attachment Orders ("***PAO***") dated 28.03.2025 or 08.07.2025 nor named the applicant as an accused.

<u>SUBMISSIONS ON BEHALF OF THE APPLICANT IN CM APPL. No. 19005/2025</u>

12. The applicant/ Lavender seeks recall of the impugned order on the following grounds:-

a) The Nehru Place Property is owned by Lavender *vide* Conveyance Deed dated 19.09.2011 and has no relation to 'Greenopolis' residential project for which Development Agreement dated 02.11.2011 was executed.

b) Based on the said Conveyance Deed, the title of Nehru Place Property was held in favour of Lavender by Haryana Real Estate Regulatory Authority ("***HRERA***") *vide* order dated 25.03.2022 passed in E/659/2020/255/2018/2019 and Haryana Real Estate Appellate Tribunal's ("***HREAT***") order dated 03.05.2023 passed in Appeal No. 422/2022, which has not been challenged and attained finality.

c) The issue of possession of Nehru Place Property is *sub-judice* in following proceedings:-

(i) CIRP proceedings of Three C before NCLT in Application No. 3688/2023 in CP (IB) No. 2721/2019, urged by GWC;

(ii) Against non-grant of relief by NCLT, GWC preferred applications bearing CRL. M.A. No. 24369/2023 in W.P. (Crl.) 1952/2022 and CRL. M.A. No. 24367/2023 in W.P. (Crl.) 1004/2021;

(iii) GWC filed a Civil Appeal No. 6792/2023 before the Hon'ble Supreme Court assailing order dated 28.08.2023 setting aside the CIRP of Three C and brought the same issue before the Hon'ble Supreme Court *vide* I.A. No. 248115/2023.

d) The impugned order adversely affects peaceful and vacant possession of Nehru Place Property held by Lavender and allows it liquidation without issuing notice to Lavender, which is done to generate funds for 'Greenopolis' project. The IRP of Three C has baselessly linked the property with Greenopolis project.

e) The IRP of Three C claim on Nehru Place property is based on its own Status Report No. 2 dated 08.08.2023, which is void of any recognition, verification or ratification by the NCLT.

f) The said Status Report is in contravention of the order dated 25.03.2022 of HRERA and order dated 03.05.2023 of HREAT.

g) At the time of passing of the impugned order, the IRP of Three C was *functus officio* in light of the setting aside the CIRP of Three C *vide* order dated 28.08.2023 of NCLAT in C.A. (AT) (INS) No. 444/2022, which was challenged before the Hon'ble Supreme Court and the Hon'ble Supreme Court *vide* order dated 13.10.2023 directed all the parties to maintain *status quo* including assets.

h) Under Section 18(f)(vi) of the IBC, an IRP could take possession of asset owned by Corporate Debtor, when the ownership is determined in Corporate Debtor's favour by the competent Authority. However, in the present matter, the Nehru Place Property's ownership is determined in favour of Lavender and not Three C. Reliance is placed on ***Victory Iron Works Limited v. Jitendra Lohia and Anr., (2023) 7 SCC 227***; ***State of Maharashtra v. Anil Kohil, 2021 (2) Mh.L.J***; ***Union of India v. Association of Unified Telecom Service Providers of India and Ors., (2020) 9 SCC 748***; ***Embassy Property Developments Pvt. Ltd. v. State of Karnataka & Ors., (2020) 13 SCC 308*** and ***BRS Ventures Investments Ltd. v. SREI Infrastructure Finance Ltd., (2025) 1 SCC 456***.

i) A monitoring committee has been appointed by the NCLT to overlook IRP's conduct *vide* order dated 17.12.2024 passed in CP (IB) 2721/ND/2019 and the said committee in its Report dated 08.02.2025 has found IRP of Three C biased and unfit to continue as a resolution professional.

j) The Affidavit dated 23.01.2019 by Three C's representative before HRERA wrongly showed Nehru Place Property for infusion of funds for completion of Greenopolis Project. After considering the said Affidavit, the HRERA and HREAT *vide* order dated 25.03.2022 and 03.05.2023, respectively, held that Lavender is the owner of Nehru Place Property, thereby, rendering the said Affidavit infructuous.

k) Since 2015 there exists prior charge over the Nehru Place Property by creation of an equitable mortgage. The same is also recognized by HRERA, Gurugram in order dated 14.12.2021 passed in

E/659/2020/225/2018/2019.

l) The impugned order was passed without affording an opportunity to Lavender of being heard and is in violation of principle of natural justice. Reliance is placed on ***National Textile Workers' Union v. P.R. Ramakrishnan, (1983) 1 SCC 228*** and ***Veena Gupta & Anr. v. Central Pollution Control Board & Ors. Civil Appeal No. 1865-1866/2022***.

SUBMISSIONS ON BEHALF OF THE APPLICANTS IN CM APPL. NO. 19004/2025

13. The present application is filled on behalf of the following companies:- (i) Delhi Brass and Metal Works Pvt. Ltd.; (ii) Yugal Chit Fund and Trading Company Pvt. Ltd.; (iii) Positive Securities Pvt. Ltd.; (iv) Span India Pvt. Ltd.; (v) Span Holdings Pvt. Ltd.; and (vi) Citland Commercial Credit Pvt. Ltd.. and they also seek recall of the impugned order on the following grounds:-

a) The applicants are the security owners, with prior beneficial interest over the Nehru Place Property, created before CIRP commenced and they acquired the Nehru Place Property before Greenopolis Project even commenced.

b) The IRP's case in Status Report No. 2 regarding allegation of siphoning funds from Corporate Debtor to Lavender in 2015 cannot be about the acquisition of a property in 2011. Even, otherwise the allegations are of siphoning off of Rs. 2.87 crores, whereas the property was acquired for Rs. 81 crores.

c) HRERA being the appropriate judicial authority, has already affirmed applicants' prior beneficial interest over the Nehru Place

Property.

d) The impugned order defeats the ongoing proceedings before NCLT, Delhi and is beyond the scope of the main writ petition. Relief sought in the main writ petition was limited to change of status of the Corporate Debtor's and its directors' status on Ministry of Corporate Affairs' website. However, just on IRP's suggestions, he was granted power to take control of assets involved in insolvency proceedings pending before NCLT, Delhi, while the applicants were not even parties to the petition.

e) The impugned order is in violation of *audi alteram partem*, as the applicants were not given any opportunity of being heard.

f) The impugned order directs disposal of the Nehru Place Property, which does not belong to Three C and is beyond the scope of alleged CIRP under Section 18 of the IBC.

g) Under Section 18(f) of IBC, IRP can take control of Corporate Debtor's assets over which the Corporate Debtor has ownership. However, the property is *ex facie* not under Corporate Debtor's control/custody and allegations that the property was acquired through homebuyers fund is false. Reliance is placed on ***Embassy Property Developments Private Limited v. State of Karnataka, (2020) 13 SCC 308***.

h) The Nehru Place Property was allotted to Lavender *vide* Allotment Letter dated 09.12.2010 and a Conveyance Deed dated 19.09.2011 was executed. Hence, Lavender acquired the Property in 2011, and it could not have been acquired by homebuyer funds of the Greenopolis project, which began thereafter.

i) The applicants extended a loan to Lavender in August 2015 and a mortgage over the Nehru Place Property was created in favour of the Applicant. *Vide* Agreement to Sell dated 24.08.2015, Lavender agreed to convey the Nehru Place Property to the applicants, if the loan with the agreed interest is not repaid.

j) HRERA *vide* order dated 03.10.2019 attached the Nehru Place Property and aggrieved by the same the applicants and Lavender approached the HRERA and *vide* order dated 14.12.2021, taking cognizance of applicants' mortgage rights over the property, it was directed that their amount be realised first. This order was never challenged and has attained finality.

k) The petitioner in the main petition claims that the Nehru Place Property was acquired through siphoned funds from the Corporate Debtor, based on IRP's Status Report dated 08.08.2023, which relied on the Affidavit but never adverted to the proceedings before HRERA.

l) While proceedings were pending before HRERA, CIRP was invoked against Corporate Debtor by NCLT, Delhi and Mr. Pradeep Kaushik was appointed as IRP. He affixed an attachment notice dated 16.04.2023 contending that the Nehru Place Property belonged to Corporate Debtor and submitted a Status Report dated 08.08.2023 to NCLT, Delhi alleging that an amount of Rs. 2,87,48,867/- was transferred from Corporate Debtor to Lavender and also took note of the Affidavit dated 23.01.2019. The said action of attachment is in teeth of orders dated 25.05.2022 and 03.05.2023 of HRERA and HREAT, respectively. Reliance is placed on ***Rajender Singh v. Ramdhar Singh and Ors., (2001) 6 SCC 213***.

m) *Vide* order dated 19.11.2024, the Hon'ble Supreme Court stayed the order dated 28.08.2023 of the NCLAT and revived the CIRP *qua* the Corporate Debtor. Therefore, the appropriate forum being NCLT, Delhi is already seized of the matter.

SUBMISSIONS ON BEHALF OF THE PETITIONER

14. Mr. Mehta, learned counsel for the petitioner, states that the impugned order was passed in furtherance of prayers of the main writ petition and hence, this Court should entertain the continuation of the impugned order and makes the following submissions.

Scope Of Article 226 Of The Constitution Of India

15. It is submitted that Three C has committed large scale fraud hurting innumerable homebuyers, including the petitioner, and in such a scenario this Court has jurisdiction under Article 226 of the Constitution to pass apposite remedial directions. The same cannot be denied on mere technical grounds, especially when it is a matter of public interest and a systemic fraud. The impugned order dated 22.10.2024, secures the interests of affected stakeholders and is intrinsically connected with the main petition's subject matter. If the said order is recalled/ vacated, the same would risk irreparable prejudice and depletion of assets that are supposed to be preserved for restitution. If the order is modified/ vacated the hundreds of affected homebuyers' claims would be prejudiced. The reliefs sought in the main petition are broad enough to embrace necessary directions to safeguard defrauded homebuyers' interest.

16. In furtherance of his contentions, reliance has been placed on the following judgments:-

a) ***Nur Islam & Ors. v. State of Assam & Ors., 2025 SCC OnLine SC 3051.***

b) ***M/s Shiv Shankar Dal Mills & Ors. v. State of Haryana & Ors., (1980) 2 SCC 437.***

c) ***Andi Mukta Sadguru Shree Muktajee Vandas Swami Suvarna Jayanti Mahotsav Smarak Trust v. V.R. Rudani, (1989) 2 SCC 691.***

d) ***Roshan Deen v. Preeti Lal, (2002) 1 SCC 100.***

e) ***Pramod v. State of Maharashtra, 2019 (4) MhLJ.***

Large Scale Fraud Committed By Three C

17. It is submitted that Three C is part of Three C Group managed by Mr. Nirmal Singh, Mr. Surpreet Singh Suri, and Mr. Vidur Bhardwaj. Three C has defrauded homebuyers by advertising deceptive image of its financial stability and operational capability to take money and then abandoning the project and siphoning off monies to related entities and thereafter, commence insolvency proceedings against itself to save itself using moratorium and consequently, dodge its liabilities. Such methods of Three C group were duly recognized by NCLT Principal Bench *vide* order dated 30.04.2024 in CP IB No. 1248/2018. The impugned order dated 22.10.2024 was passed to safeguard stakeholders' interest of Three C and the promoters' fraudulent acts are already under judicial scrutiny before the Hon'ble Supreme Court in relation to another group entity, namely M/s Hacienda Projects Pvt. Ltd.

18. It is submitted that the Status Reports of the IRP, prepared in compliance of order dated 26.05.2023 passed in CP IB No. 2721/2019 and upheld by NCLAT *vide* order dated 19.07.2023, states that Three C siphoned off monies to related entities including, Bright Buildtech and Lavender and from such siphoned off monies, assets were generated. The IRP has taken possession of two laundered assets namely: (i) Hotel Plot No. A-3a, Nehru Place, New Delhi admeasuring 3546 sq. mtrs. situated at Nehru Place, New Delhi; and (ii) Units in the Project Ace Palms Floors, Sector-89, Gurgaon.

Bright Buildtech Close Nexus With Three C Group

19. It is submitted that Bright Buildtech (respondent No. 8) part of Ace Group, is a related entity of Three C Group and monies have been siphoned off to it by Three C, as also established by PAO dated 28.03.2025 passed by the ED. Further, the forensic audit conducted in Granite Gate Properties Pvt. Ltd., a company of Three C Group, states that Bright Buildtech is a related party to the Three C Group. It is further submitted that Ace Group is a proxy of Three C Group and Status Report-3 of IRP states that three companies of Three C Group were taken over by Ace Group, and this includes holding company of Bright Buildtech, which was acquired for only Rs. 1 lakh (though assets were to the tune of Rs. 700 crores approximately).

20. Further, there are contempt proceedings being Contempt Case (C) No. 1381/2025 against the directors of Bright Buildtech, due to violation of order dated 17.03.2025 passed by the Hon’ble Division Bench of this Court. Reliance is placed on ***Prestige Lights Ltd. v. State Bank of India, (2007) 8 SCC 449***, to urge that a party in contempt of court cannot seek indulgence from the court until cleared of contempt.

<u>Lavender Close Nexus With Three C Group</u>

21. It is submitted that Lavender is a related entity of Three C Group and is under control of Mr. Nirmal Singh, ex-promoter of Three C and his close allies. In the PAO dated 28.03.2025 by the ED, the relationship between Three C and Lavender has been detailed and the Nehru Place Property has already been attached. Additionally, the Special Court *vide* order dated 27.11.2025 has directed that the properties attached in PAO dated 28.03.2025 shall be disposed of and restituted to realise Three C financial creditors' claims. Even the recall application against the order dated 27.11.2025 has been dismissed.

22. Further, the relationship between Lavender and Three C Group has been established in the Forensic Audit conducted in Granite Gate Properties Pvt Ltd., which reports that Lavender is a related party to Three C Group. Lavender is just a façade by Mr. Nirmal Singh, ex-promoter of Three C, and even the IRP of Three C has detailed in its Status Report that Lavender is a related entity of Three C Group.

<u>Delhi Brass & Metals Works Pvt Ltd And Earthz Urban Spaces Pvt Ltd. Relation</u>

23. It is submitted that while Delhi Brass Pvt Ltd. asserts that it has a prior charge over the Nehru Place Property, however, the said property is a laundered asset of Three C and has been attached by the ED. Even, the Earthz Urban Spaces Pvt/ Ltd. claims development rights over the Nehru Place Property, however, a similar application filed by it before the Hon'ble Supreme Court was dismissed as withdrawn.

24. Lastly, it is submitted that the restitution of attached assets of Three C is ongoing *vide* orders dated 20.11.2025 and 06.02.2026 passed by the Hon'ble Supreme Court; the PMLA Court order dated 27.11.2025 and other orders upheld by this Court *vide* order dated 03.01.2026 and 21.01.2026 in W.P. (Crl) No. 2/2026. All these proceedings and order show that directions to secure and monetize the attached assets of Three C, passed in impugned order dated 22.10.2024 was right.

SUBMISSIONS ON BEHALF OF GWC/ RESPONDENT NO. 5

25. It is submitted that the present case is of a large-scale fraud affecting numerous homebuyers' investments and the directions passed in the impugned order were necessary to protect the homebuyers' interest. The applications seeking recall of the impugned order are based on procedural objections and the same cannot be above substantive justice. The vacation of the impugned order would enable dissipation of assets, which are products of fraud and diversion of public monies and if permitted would frustrate the restitution framework. Writ courts can grant effective remedies to do complete justice, especially matters involving public interest and systemic fraud. Prayers sought in the main writ petition are wide enough to warrant relevant reliefs. Reliance has been placed on ***Nur Islam & Ors. v. State of Assam & Ors., 2025 SCC OnLine SC 3051; Roshan Deen v. Preeti Lal, (2002) 1 SCC 100*** and ***M/s Shiv Shankar Dal Mills & Ors. v. State of Haryana & Ors., (1980) 2 SCC 437.***

26. It is submitted that subsequent events further shows that directions given in the impugned order are compatible with other judicial orders related to the matter. The said subsequent events being: (i) orders dated 20.11.2025 and 06.02.2026 by the Hon'ble Supreme Court directing assets' restitution for realisation of Three C's financial creditors' claims; (ii) order dated 27.11.2025 by the Special Court (PMLA) mandating restoration and monetisation of attached assets; and (iii) orders dated 03.01.2026 and 21.01.2026 of this Court, towards implementation of the order dated 20.11.2025 passed by the Hon'ble Supreme Court and order dated 27.11.2025 passed by the Special Court, (PMLA), which were challenged before the Hon'ble Supreme Court by way of SLP (Crl.) Diary No. 11510/2026 and *vide* order dated 10.04.2026, the same was disposed of without interfering with orders of this Court. These events shows that restitution process is ongoing and the impugned order further facilitates monetisation of assets for the benefit of stakeholders and recall of such order would create the risk of dissipation of assets.

27. It is submitted that applicants i.e., Lavender and Bright Buildtech are proxies/related entities of the Three C Group. The Nehru Place Property is already attached by ED *vide* PAO dated 28.03.2025 and has been confirmed by the Adjudicating Authority on 23.09.2025. Further, the Special Court (PMLA) *vide* order dated 27.11.2025 directed that Nehru Place Property be liquidated, and the asset claimed by Bright Buildtech be investigated and secured. The applications seeking recall of the said order were dismissed by the Special Court (PMLA) *vide* order dated 24.04.2026. It is submitted that *status quo* granted by the Hon'ble Division Bench *vide* orders 11.11.2024 and 17.03.2025 be extended until orders are given by appropriate forum. It is submitted that even an FIR No. 137/2017 has been filed against the promoters of Three C, arising from the same fraud charges.

SUBMISSIONS ON BEHALF OF THE IRP OF THREE C

28. It is submitted that the recall applications are misconceived and baseless and the impugned order is necessary to safeguard the assets of Three C and stakeholders' interest. After, the IRP of Three C was appointed, anomalies irregularities surfaced regarding admission claims of erstwhile the IRP/RP, who was suspended by the Insolvency and Bankruptcy Board of India ("***IBBI***"). During hearing, NCLT *vide* order dated 26.05.2023, directed the re-verification of all claims and the said order was upheld by the NCLAT *vide* order dated 19.07.2023. Thereafter, IRP submitted three detailed status reports (also placed on record before this Court) which have received judicial recognition right up to the Hon'ble Supreme Court. Pursuant to directions of this Court in order dated 23.07.2024, the IRP proposed a plan of action supported by another Status Report-4, forming the basis of the impugned order.

29. In response to the contention that the IRP was *functus-officio* at the time of passing of the impugned order it is submitted that IRP was not *functus-officio* and only the IRP was in control of the management of Three C, even after the order dated 28.08.2023 of NCLAT. Order dated 28.08.2023 was challenged before the Hon'ble Supreme Court and it was IRP who represented Three C and also while recording the appearance of IRP in order dated 13.10.2023, the Hon'ble Supreme Court directed that status quo be maintained. Further, when civil appeal being C.A. No. 7704/2023 was filed by Three C through Mr. Rajeev Baisoya, the Hon'ble Supreme Court *vide* order dated 04.12.2023 directed Mr. Rajiv Baisoya to be personally present to produce authorization for preferring the appeal. Thereafter, when fraud was clearly made out the appeals were dismissed as withdrawn *vide* order dated 11.03.2024, thereby making it clear that it was only IRP who could have represented the company. Furthermore, pursuant to order dated 19.11.2024 of the Hon'ble Supreme Court, the NCLT in its order dated 17.12.2024 observed that "*On the face of various judicial orders and there being nobody to take responsibility of the Corporate Debtor, the IRP acted with required responsibility and magnanimity.*"

30. In response to the contention that the Status Reports of the IRP have not been accepted by the adjudicating authority i.e., NCLT and hence, cannot be relied upon, it is submitted that Status Reports of IRP have been considered even by the Hon'ble Supreme Court in C.A. 6792/2023 and appeals and on the basis of the Status Reports the order dated 13.10.2023 was passed. The Hon'ble Supreme Court in its order dated 11.03.2024 even dismissed the relief sought by Three C in I.A. No. 240498/2023 in C.A. 7704/2023 to restrain IRP from representing as AR of Three C. Pursuant to the order dated 19.11.2024 of the Hon'ble Supreme Court in C.A. No. 6792/2023, the NCLT *vide* order dated 17.12.2024 upheld the Status Reports of the IRP. Further, as per Section 20(1) of IBC, IRP is required to make all endeavours to protect the property and manage the operations of Three C (Corporate Debtor).

31. In response to the contention that order has been reserved in I.A No. 11516/24 in W.P. 1567/2024 seeking recall of order dated 02.02.2024, as the said order was also passed on the basis of IRP report, it is submitted that that the same does not imply that the Status reports were set aside. The IRP of Three C following directions of this Court in order dated 23.07.2024 proposed his Plan of Action, which was necessary to safeguard company's assets and stakeholders' interests.

32. Lastly, in response to the contention that on revival of CIRP, applications have been filed inter-alia seeking removal of IRP and setting aside of the Chaspa notice, it is submitted that pursuant to order dated 19.11.2024 of the Hon'ble Supreme Court of India in C.A. No. 6792/2023, GWA filed an application raising objections against the status reports of IRP and seeking removal of IRP. NCLT *vide* its order dated 17.12.2024 rejected the application for removal of IRP and upheld the Status Reports of the IRP.

ANALYSIS AND FINDINGS

33. I have heard the learned counsels for the parties on the main petition as well as on the applications, and carefully perused the pleadings and documents annexed with the petition and the applications.

34. The respondent No. 1 filed a Compliance Affidavit dated 27.02.2024 pursuant to orders dated 05.01.2024 and 09.01.2024, wherein the explanation to change in the status of Three C on the Ministry of Corporate Affairs' website has been provided. The relevant paragraphs from the said Compliance Affidavit read as under:-

> *"4. That the Hon'ble High Court vide its order dated 05.01.2024 has directed the Respondent No. 1 to provide an explanation with respect to the change of status of the company M/s Three C Shelters Private Limited bearing CIN U70200DL2010PTC212015 having its registered office at C-23 Greater Kailash Enclave, Part-I NA, New Delhi, South*

Delhi, Delhi on the Ministry of Corporate Affairs portal. It is submitted that the Ministry of Corporate Affairs vide its General Circular No. 08/2020 dated 06.03.2020 has empowered the Insolvency and Bankruptcy Board of India (IBBI) to change the status of a company from "Active"/"Inactive" to "CIRP"/"Liquidation" or vice versa. The relevant extract of the forementioned circular is reproduced herein as: ...

It is pertinent to mention herein in view of the above mentioned notification, IBBI is the only competent authority to make a request for change of status of the company.

5. That the e-governance cell of the Ministry of Corporate Affairs vide email dated 22.02.2024 has clarified that the "Change Request Form" for change of status of the company to "Active" was submitted by the IBBI vide request dated 22.09.2023. It is submitted the averment of the Petitioner stating IRP alone has the power to submit a request for the change in status of the Company is misleading, the same can be inferred from the abovementioned circular dated 06.03.2020.

6. That Respondent No.1 in compliance of para 19 of the order dated 05.01.2024 passed by this Hon'ble Court has carried out the necessary amendment/modification and as such the MCA Master Data of M/s Three C Shelters Pvt. Ltd. no longer shows Mr. Rajiv Baisoya & Mr Girish Chandra Joshi as Director and Additional Director, of the aforementioned Company, respectively. ...

7. That Respondent No.1 incompliance of para 19 of the order dated 09.01.2024 passed by this Hon'ble Court, Respondent No.1 has taken the necessary steps and vide email dated 11.01.2024 Mr. Pradeep Kumar Kaushik has been provided with a copy of the e-form DIR-12 submitted *by Mr. Girish Chander Joshi for appointment of Mr. Rajiv Baisoya as a Director in the abovementioned Company."*

35. A perusal of the paragraph No. 6, reproduced above, clearly shows that the name of Mr. Rajiv Baisoya and Mr. Girish Chandra Joshi has been removed as Director and Additional Director, respectively, for Three C. Further, in the order dated 22.10.2024, particularly paragraph No. 21 (as reproduced above), respondent No. 1 was directed that the company status of Three C shall show as 'under CIRP' on its website.

36. In this view of the matter and more particularly in view of paragraph No. 6 of the Compliance Affidavit dated 27.02.2024 and paragraph No. 21 of the order dated 22.10.2024, the prayer Nos. (i) and (ii) sought in the present writ petition stands satisfied.

37. As for prayer No. (iii), wherein the petitioner is seeking direction to the respondent No. 2 to investigate the frauds committed, has become infructuous in view of the application i.e., CM APPL. No 7700/2026, wherein the petitioner seeks that present petition be disposed of as the reliefs forming subject matter of the petition stand addressed through various order passed by the Hon'ble Supreme Court and Special Court (PMLA). The relevant paragraphs from the said application read as under: -

"15. Thus, the restitution of the attached assets of Three C Shelters Pvt. Ltd. for the benefit of its financial creditors stands expressly recognised and directed by the Hon'ble Supreme Court of India as well as by the Ld Special Court under the PMLA, and the IRP stands bound by a solemn undertaking recorded by the Hon'ble Supreme Court which has also been observed by this Hon'ble Court.

16. In view of the aforesaid subsequent developments, the principal reliefs and concerns forming the subject matter of the present writ petition stand effectively addressed, and no further adjudication survives in the present proceedings.
17. The continuation of the present writ petition in the face of binding undertakings recorded by the Hon'ble Supreme Court would serve no useful purpose and would amount to a purely academic exercise.

PRAYER

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a. Dispose of the present writ petition bearing W.P. (C) No. 174 of 2024, in view of the subsequent developments and particularly the undertaking furnished by the Interim Resolution Professional of Three C Shelters Pvt Ltd before the Hon'ble Supreme Court vide order dated 20.11.2025…".

38. Additionally, I am also of the view that as far as prayer no. (iii) of the main petition is concerned, the petitioner has equally efficacious remedy under the provisions of the IBC, PMLA, and the Companies Act, 2013. Under the provisions of PMLA, the ED has already issued PAO dated 28.03.2025 and 08.07.2025.

39. Further, the matter as raised in the present petition is already pending before various competent fora, especially before NCLT in pursuance of the order dated 19.11.2024 of the Hon'ble Supreme Court whereby CIRP of Three C has been revived.

40. Most importantly, a Coordinate Bench of this Court in order/judgment dated 20.02.2025 passed in CM APPL. Nos. 10599/2024 and 11516/2024 in W.P. (C) No. 1567/2024, wherein the applications were seeking recall of the interim order dated 02.02.2024, directed the

Central Government to investigate into the affairs of Three C. The operative portion of the said order/judgement reads as under:-

"FINAL ORDER/DIRECTIONS

75. In view of the foregoing discussion, in modification of earlier order dated 02.02.2024, the following directions are passed:

(i) CM APPL. 10599/2024 moved on behalf of the applicant/respondent No.7, Mr. Vidur Bhardwaj, for recalling of order dated 02.02.2024 is hereby dismissed;

(ii) The Central Government is hereby directed that the investigation be conducted into the affairs of the respondent No.3/Three C Shelters Pvt. Ltd. besides its Ex-Promoters and Directors/Management viz. respondent No.6/Mr. Nirmal Singh, respondent No.7/Mr. Vidur Bhardwaj, respondent No.8/Mr. Surpreet Suri and respondent No.9/Mr. Rajeev Bisoya besides respondent No.10/Mr. Girish Chander Joshi through the SFIO to unearth the manner in which the funds generated from the petitioner and other homebuyers have been siphoned off to the detriment of its secured and unsecured creditors including the homebuyers;

(iii) In so far as respondent No.11/Orris, as well as ACE Group of Companies represented by applicants/respondents No. 12 and 13 are concerned, the said companies shall be outside the purview of investigation by the SFIO;

(iv) However, respondents No.1 & 2 shall continue to investigate the matter with regard to ascertaining the genuineness of the transactions between respondent No. 11/Orris and respondent No. 3/TCSPL in accordance Sections 206, 209, 216, 217, 219 and 224 of the Companies Act, 2013, and take the matter to its logical end;

(v) As regards respondent No. 11/Orris, respondent Nos. 1& 2 while conducting investigation shall have due deference to various judgments/orders/directions passed on the judicial side as well by the quasi-judicial authorities;

(vi) As regards ACE Group of Companies too, respondent Nos. 1 & 2 shall have due deference to various judgments/orders/directions passed on the judicial side as well by the quasi-judicial authorities

(vii) Respondent Nos. 1 & 2 shall investigate the matter against the ACE Group of Companies uninfluenced by the findings in the report of the IRP dated 09.08.2023 in accordance with Sections 206, 209, 216, 217 and 224 of the Companies Act, 2013;

(viii) In case the Investigating Officer appointed by respondent Nos. 1 & 2 finds that there has been any connection between the Management of respondent No3/TCSPL as well as ACE Group of Companies with regard to M/s. Bright Buildtech Pvt. Ltd.; M/s. Mega Town Planners Pvt. Ltd.; Three C Residency Pvt. Ltd; Three C City Developers Pvt. Ltd., he shall be empowered to inquire into the same and examine and satisfy himself about the genuineness of such acquisitions in accordance with law, except for those companies where recourse could be taken under section 65 & 66 of the IBC before the NCLT."

(Emphasis added)

41. The review petition being REVIEW PET. 143/2025 against the said order also came to be dismissed *vide* order/judgment dated 30.05.2025.

42. It is well settled law that when there is an efficacious alternative remedy available, invocation of writ jurisdiction of High Court under

Article 226 of the Constitution is discretionary. The Hon'ble Supreme Court has time and again reaffirmed the said legal position, reliance has been placed on the judgment of ***Radha Krishan Industries v. State of H.P., (2021) 6 SCC 771***, wherein it was observed as under:-

> *"C.1. Maintainability of the writ petition before the High Court*
>
> *24. The High Court has dealt with the maintainability of the petition under Article 226 of the Constitution. Relying on the decision of this Court in CCT v. Glaxo Smith Kline Consumer Health Care Ltd. [CCT v. Glaxo Smith Kline Consumer Health Care Ltd., (2020) 19 SCC 681 : 2020 SCC OnLine SC 440] , <u>the High Court noted that although it can entertain a petition under Article 226 of the Constitution, it must not do so when the aggrieved person has an effective alternate remedy available in law.</u> However, certain exceptions to this "rule of alternate remedy" include where, the statutory authority has not acted in accordance with the provisions of the law or acted in defiance of the fundamental principles of judicial procedure; or has resorted to invoke provisions, which are repealed; or where an order has been passed in violation of the principles of natural justice. Applying this formulation, the High Court noted that the appellant has an alternate remedy available under the GST Act and thus, the petition was not maintainable.*
>
> ***xxxxxxxx***
>
> *27. The principles of law which emerge are that:*
>
> *27.1. The power under Article 226 of the Constitution to issue writs can be exercised not only for the enforcement of fundamental rights, but for any other purpose as well.*
>
> *27.2. <u>The High Court has the discretion not to entertain a writ petition. One of the restrictions placed on the power of</u>*

the High Court is where an effective alternate remedy is available to the aggrieved person.

27.3. Exceptions to the rule of alternate remedy arise where: (a) the writ petition has been filed for the enforcement of a fundamental right protected by Part III of the Constitution; (b) there has been a violation of the principles of natural justice; (c) the order or proceedings are wholly without jurisdiction; or (d) the vires of a legislation is challenged.

27.4. An alternate remedy by itself does not divest the High Court of its powers under Article 226 of the Constitution in an appropriate case though ordinarily, a writ petition should not be entertained when an efficacious alternate remedy is provided by law.

27.5. When a right is created by a statute, which itself prescribes the remedy or procedure for enforcing the right or liability, resort must be had to that particular statutory remedy before invoking the discretionary remedy under Article 226 of the Constitution. This rule of exhaustion of statutory remedies is a rule of policy, convenience and discretion.

27.6. In cases where there are disputed questions of fact, the High Court may decide to decline jurisdiction in a writ petition. However, if the High Court is objectively of the view that the nature of the controversy requires the exercise of its writ jurisdiction, such a view would not readily be interfered with."

(Emphasis added)

43. The said legal position has also been reiterated time and again by this Court as well, reliance has been placed on the judgment of ***Ambika Traders v. Commr., 2025:DHC:6181-DB,*** wherein it was observed as under:-

> *"60. <u>Moreover, the scope of writ jurisdiction is quite limited when an efficacious and adequate alternative remedy is available to the litigant. Where a statutory remedy exists that is both efficacious and adequate, the invocation of the writ jurisdiction of the High Court under article 226 is generally not warranted. While the existence of such alternative remedy does not divest the High Court of its jurisdiction to issue writs, it remains a material consideration in the exercise of its discretionary jurisdiction. Where such alternate remedy exists, it would be a sound exercise of judicial discretion to decline interference under article 226, unless compelling circumstances and grounds are demonstrated to justify such invocation.</u> This legal position stands affirmed by the Supreme Court way back in the case of Union of India v. T.R. Varma [1957 SCC OnLine SC 30.] ...."*
>
> ***(Emphasis added)***

44. I am of the view that the petitioner has equally efficacious remedy under the provisions of IBC, PMLA and the Companies Act, 2013, and the provisions are efficacious enough to investigate into the serious fraud that has been alleged by the petitioner and provides remedy under the said statues. Hence, I am not inclined to exercise the writ jurisdiction under Article 226 of the Constitution. Though the judgments relied upon by the petitioner and respondent No.5, in furtherance of their contention that prayers sought in the main petitioner are wide enough to grant relevant reliefs in the impugned order, are binding upon this Court, however, the exercise of restrain in cases where equally efficacious remedy is available, is the norm. In view of the order dated 19.11.2024 by the Hon'ble Supreme Court the CIRP of Three C has been revived and the NCLT is already seized of the matter. Hence, the petitioner and other parties in favour of the impugned order have an alternative and equally efficacious remedy/forum to address their grievances.

45. Now, coming to the applications filed seeking recall of the impugned order dated 22.10.2024, it is an undisputed fact that the applicants seeking recall of the impugned order were not parties to the main writ petition at the time of the passing of the impugned order and hence, they were not provided with the opportunity of being heard. Hence, the impugned order dated 22.10.2024 is in violation of principles of natural justice as it was passed without hearing the applicants.

46. Mr. Mehta, learned counsel for the petitioner, urges that since the impugned order has been continuing for so long, the Court may allow its continuance for some more time till the petitioner moves the appropriate forum. I am of the view, that since the prayers made in the main petition have either become infructuous or cannot be granted, relying on the order/judgment of the Hon'ble Supreme Court dated 20.02.2026 in ***Mangal Rajendra Kamthe v. Tahsildar, Purandhar, 2026 INSC 185,*** the impugned order dated 22.10.2024 cannot be extended any further. The relevant paragraphs from ***Mangal Rajendra Kamthe (supra)*** reads as under:-

> *"6. It is settled law that once the high court, upon application of mind, declines to entertain a writ petition in the exercise of its discretionary jurisdiction on the ground that an efficacious alternative remedy for grant of relief is available but such remedy has not been pursued by the petitioner, the proceedings do not survive and must draw to an end then and there; however, in such a circumstance*

when no final relief can effectively be granted on the petition, it is impermissible to pass an order in the nature of an interim relief [either by granting stay of operation of the order under challenge or by directing status quo to be maintained] till such time the aggrieved petitioner approaches the alternative forum. Such an order, as and when passed, would be in the teeth of a Constitution Bench decision of this Court in State of Orissa v. Madan Gopal Rungta[1]*.*

7. At the dawn of the Constitution, this is what the learned Chief Justice speaking for the bench in Madan Gopal Rungta (supra) had ruled:

> *13. ... the existence of the rights is the foundation of the exercise of jurisdiction of the Court under this article. The judgment of the Orissa High Court under appeal, however, shows that the Judges have decided nothing at all in respect of the rights of the parties. Indeed they have expressly stated that their observations should not in any way be considered as deciding any of the rights or contentions of the parties raised in the petitions. The whole judgment shows that because of the requirement of Section 80 of the Civil Procedure Code the present respondents could not file a suit against the Government for at least sixty days, the respondent's position should not in the interval be disturbed and accordingly the Court gave the directions in its order of 2-8-1951. If there was any doubt about the nature of the relief desired to be granted by the order of 2nd August the same Judges have made it perfectly clear by their order of 6th of August, wherein they have stated that except for these directions they were not prepared to make any other order on the petitions. The result therefore is that while the Judges declined to investigate and pronounce on the rights of the*

parties and expressly kept the determination thereof in abeyance in the suit proposed to be filed by the present respondents, they gave directions for interim relief till such suit was filed. It must be noted that with the passing of the order of 2-8-1951, containing directions in the nature of interim relief the petitions were completely disposed of and have not been kept pending for disposal. Those directions embody therefore the final order passed by the Court on these petitions. A preliminary objection was raised about the maintainability of the appeals on the ground that no final orders were passed on the petitions. That objection must fail in view of the fact that with these orders the petitions were disposed of finally and nothing further remained to be done in respect of the petitions. The fact that the operation of the order is limited to three months or a week after the filing of the intended suit does not prevent the order from being final.

14. On behalf of the appellant it was urged that the Court had no jurisdiction to pass such orders under Article 226 under the circumstances of the case. This is not a case where the Court before finally disposing of a petition under Article 226 gave directions in the nature of interim relief for the purpose of maintaining the status quo. The question which we have to determine is whether directions in the nature of interim relief only could be granted under Article 226, when the Court expressly stated that it refrained from determining the rights of the parties on which a writ of mandamus or directions of a like nature could be issued.

15. In our opinion, Article 226 cannot be used for the purpose of giving interim relief as the only and final relief on the application as the High Court has purported to do. The directions have been given here only to circumvent *the provisions of Section 80 of the Civil Procedure Code, and in our opinion that is not within the scope of Article 226. An interim relief can be granted only in aid of and as ancillary to the main relief which may be available to the party on final determination of his rights in a suit for (sic, or) proceeding. If the Court was of opinion that there was no other convenient or adequate remedy open to the petitioners, it might have proceeded to investigate the case on its merits and come to a decision as to whether the petitioners succeeded in establishing that there was an infringement of any of their legal rights which entitled them to a writ of mandamus or any other directions of a like nature; and pending such determination it might have made a suitable interim order for maintaining the status quo ante. But when the Court declined to decide on the rights of the parties and expressly held that they should be investigated more properly in a civil suit, it could not, for the purpose of facilitating the institution of such suit, issue directions in the nature of temporary injunctions, under Article 226 of the Constitution. In our opinion, the language of Article 226 does not permit such an action. On that short ground the judgment of the Orissa High Court under appeal cannot be upheld."*

(Emphasis added)

<u>CONCLUSION IN W.P.(C) 174/2024, CM APPL. No 7700/2026 CM APPL. No. 18080/2025, CM APPL. No. 19005/2025, CM APPL. No 19004/2025</u>

47. Without going into the merits of the matter, in view of the aforesaid discussion and in view of the application being CM APPL. No 7700/2026 preferred by the petitioner, the writ petition stands disposed of. This Court in the present petition has not adjudicated on the merits or demerits of the matter, the petitioner, the IRP of Three C and respondent No. 5 are at liberty to initiate any/all legal action in accordance with law, which shall be adjudicated on its own merits and demerits. This court has neither modified nor vacated any order passed any competent Court of jurisdiction.

48. Since the main writ petition has been disposed of and in view of the aforesaid discussion, the impugned order dated 22.10.2024 is hereby vacated.

49. Consequently, pending applications, if any, also stands disposed of.

<u>CM APPL. No. 50797/2025</u>

50. This is an application filed under Section 151 of CPC, 1908 seeking recall of the order dated 22.04.2024 passed in C.M. APPL. No. 22897/2024 in the main writ petition.

51. Since the main writ petition has been disposed of, the order dated 22.04.2024 does not survive. Consequently, the present application has become infructuous and is accordingly disposed of.

<u>CM APPL. No. 7585/2026 & 7760/2026</u>

52. These are applications filed under Section 151 of CPC, 1908 seeking stay of public auction notice dated 25.01.2026 purportedly issued under the authority of Mr. Pradeep Kumar Kaushik, IRP of Three C.

53. In view of the disposal of the main petition, the present applications have become infructuous and are accordingly disposed of.

<u>CM APPL. No. 7759/2026</u>

54. This is an application filed under Order I Rule 10(2) read Section 151 of CPC, 1908 on behalf of Earthz Urban Spaces Pvt. Ltd. seeking impleadment as respondent in the main writ petition.

55. In view of the disposal of the main petition, the present application has become infructuous and is accordingly disposed of.

JASMEET SINGH, J.

JULY 20th, 2026/ (HG)