



2025 INSC 1291

REPORTABLE

**IN THE SUPREME COURT OF INDIA
EXTRA ORDINARY APPELLATE JURISDICTION**

SPECIAL LEAVE PETITION (CIVIL) NO(S). 9792 OF 2017

**RAVI PRAKASH
SRIVASTAVA & ORS.**

....PETITIONER(S)

VERSUS

**STATE OF UTTAR
PRADESH & ORS.**

....RESPONDENT(S)

WITH

SPECIAL LEAVE PETITION (CIVIL) NO(S). 15548 OF 2017

ORDER

Mehta, J.

1. Heard.

2. The present special leave petitions¹ have been preferred against the impugned judgment and final order dated 17th May, 2016 passed by the High Court of Judicature at Allahabad² in Writ-C No. 22576 of 2016. *Vide* the said order, the High Court disposed of the writ petition without granting any substantive relief as sought for by the petitioners. However, the petitioners were given liberty to approach the Housing Commissioner in respect of the affairs of the Housing Society and to file a civil suit in respect of the loan availed by the petitioners to finance the purchase of the flats.

3. Succinctly stated, facts of the case are that the petitioners claim to be the allottees in a Group Housing Project undertaken by Golf Course Sahkari

¹ Petitioners in **Special Leave Petition (Civil) No. 9792 of 2017** were also the petitioners in Writ-C No. 22576 of 2016 filed before the High Court of Judicature at Allahabad whereas Petitioners in **Special Leave Petition (Civil) No. 15548 of 2017** were not party to the above-stated writ petition.

² Hereinafter, being referred to as the “High Court”.

Awas Samiti³ (previously, JP Greens Employees Sahkari Awas Samiti), which was formed in 2004 and registered as a housing co-operative society under Section 7 of Uttar Pradesh Cooperative Societies Act, 1965. The Samiti filed an application with Greater Noida Industrial Development Authority⁴ seeking allotment of land. GNIDA *vide* letter dated 9th September, 2004 allotted Plot No. 7, Sector PI-2, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh, 201308 admeasuring 10,000 sq. meters @ Rs. 2975/- per sq. meter in favour of the Samiti, for flat-based development, stipulating payment of 30% of the lease amount within 60 days and the balance 70% in eight half-yearly instalments.

4. Pursuant thereto, GNIDA executed a lease deed dated 29th March, 2005 in favour of the Samiti which

³ Hereinafter, being referred to as the “Samiti” or “Society”.

⁴ For short “GNIDA”.

in turn, submitted a layout plan which was approved by GNIDA in 2005 itself. The approved plan of the Housing Society envisaged four towers (Ground+10 floors) with two towers (1st and 4th) having 4 flats on each floor and other two towers (2nd and 3rd) having 3 flats on each floor. In total, the Housing Society was to comprise approximately 140 (±5%) flats along with 2 shops.

5. Thereafter, the construction of the project was purportedly entrusted to M/s Shiv Kala Developers Pvt. Ltd., of which Mr. Mahim Mittal (respondent No. 20) is the Director. Advertisements were issued in the newspapers and brochures were circulated, projecting the development of a luxury residential complex under the name of “Shiv Kala Charms”⁵ on the aforesaid plot. The petitioners herein applied for the allotment of flats in the said project. It is stated

⁵ Hereinafter, being referred to as the “Housing Project”.

that although cheques were collected from prospective allottees in the name of the Samiti, the corresponding receipts were issued in the name of either M/s Shiv Kala Developers Pvt. Ltd. or M/s Advantage Engineers and Developers Pvt. Ltd⁶.

6. The Housing Project was pre-approved for housing loan by various banks. Influenced thereby, the petitioners availed housing loan facilities, pursuant to which, tri-partite agreements were executed between the petitioners, the Samiti/developer, and the respective banks. Under the said agreements, the sanctioned loan amount was directly disbursed to the Samiti.

7. It is stated that after 14th October, 2007, no payment in respect of lease amount was received by GNIDA. Consequently, GNIDA issued a letter in July, 2010, calling upon the Samiti to pay Rs.

⁶ Hereinafter, being referred to as the “Developer”.

3,14,42,238/- (Rupees Three Crore Fourteen Lakh Forty Two Thousand Two Hundred and Thirty Eight only) by 31st July, 2010. Since the Samiti failed to comply, GNIDA issued a final show cause notice dated 21st February, 2011, requiring the Samiti to explain why the lease deed should not be cancelled. Ultimately, *vide* order dated 9th September, 2011, GNIDA cancelled the lease deed executed in favour of the Samiti.

8. Several complaints were lodged by the homebuyers with the authorities alleging large-scale siphoning and diversion of funds by the office bearers of the Samiti in collusion with the developer. Taking cognizance of the said complaints, District Magistrate, Gautam Buddha Nagar *vide* order dated 2nd December, 2011 constituted an inquiry committee to examine the affairs of the Samiti. The committee submitted its report on 5th March, 2012

highlighting grave irregularities in the affairs of the Samiti and recording, *inter alia*, the following findings: -

- The construction of the Housing Society is not complete and at present, the entire work has been stopped due to cancellation of lease deed.
- The lease deed was cancelled owing to the failure of Mr. SU Jafar⁷ and Mr. Mahim Mittal⁸ to make the requisite payment to GNIDA.
- It is clear that the funds received by the Samiti from the homebuyers have been misappropriated.
- The office bearers of the Samiti have failed to furnish the information sought by the Committee regarding the list of allottees and the amounts deposited by each of them towards their

⁷ Respondent No. 22- Secretary of the Samiti

⁸ Respondent No. 20- Director of M/s Shiv Kala Developers Pvt. Ltd.

respective flats, thereby deliberately withholding material information.

- The Samiti was being run in an arbitrary manner and in contravention of the provisions of the UP Cooperative Societies Act, 1965; the UP Cooperative Societies Rules, 1968; and bye-laws framed thereunder.
- It was found that the same flat has been allotted multiple times to more than one allottee/s and in many cases, multiple loans have been availed in respect of the same flat.
- It has also been found that Mr. SU Jafar and Mr. Mahim Mittal have allotted fictitious flats which have never existed to certain allottees, and loans have also been sanctioned in respect of the said flats.

9. Based on the aforesaid conclusions/findings, the committee made the following recommendations:-

1. That a letter shall be forwarded to Governor, Reserve Bank of India for initiating an inquiry into the involvement of banks/financial institutions in the fraud committed by the office bearers of the Samiti.
2. That an enquiry be conducted by the Housing Commissioner, UP Awas Evam Vikas Parishad in respect of the Housing Project.
3. That legal action/proceedings shall be initiated against all those persons who were involved in the fraudulent housing scheme.

10. The homebuyers filed a criminal complaint against the office bearers of the Shiv Kala Group and the Samiti before the Economic Offences Wing, Delhi. The said complaint led to the registration of FIR No.

62 of 2012 against SU Jafar, Mahim Mittal and 8 other co-accused persons. After investigation, chargesheet came to be filed by the Economic Offences Wing, Delhi for offences punishable under Sections 409, 420, 467, 468, 472 and 120B of the Indian Penal Code, 1860.

11. On 27th December 2013, UP Awas Evam Vikas Parishad appointed an administrator to look into the affairs of the society. Additional Housing Commissioner, UP Awas Evam Vikas Parishad *vide* letters dated 7th April, 2014 and 27th May, 2015, directed the Cooperative Officers (Housing) to lodge an FIR against Mahim Mittal and other concerned persons.

12. Petitioners claiming to be the allottees of the Housing Project filed writ petition⁹ before the High Court seeking several reliefs/directions against the

⁹ Writ-C No. 22576 of 2016.

Samiti, the developer and the financial institutions/banks. For sake of ready reference, the reliefs sought in the writ petition are reproduced hereinbelow:

“It is, therefore, most respectfully prayed that this Hon’ble Court may graciously be pleased to allow this petition and issue;

- a) **An appropriate Writ, Order or direction in the nature of Certiorari to quash the order dated 09.09.2011 (Annexure 9 to the writ petition) issued by the Greater Noida Industrial Development Authority whereby the lease deed of Plot No.7, Sector PI-2, Greater Noida, Gautam Budh Nagar, U.P.- 201308 was terminated;**
- b) **An appropriate Writ, Order or direction in the nature of Mandamus to the Authorities to take appropriate action in terms of letter dated 04.02.2014 and 27.05.2015 (Annexure 16 to the writ petition) issued by UP Awas Evam Vikas Parishad against GCSAS Society office bearer;**
- c) An appropriate Writ, Order or direction in the nature of Mandamus to the Housing Commissioner of UP Awas Evam Vikas Parishad, Lucknow to form a committee till the conduction of fresh society elections;
- d) An appropriate Writ, Order or direction in the nature of Mandamus to the Housing Commissioner of UP Awas Evam Vikas Parishad, Lucknow, to identify the genuine members in the GCSAS society and direct UP Sahkari Samiti Nirvachan Ayog to conduct fresh society election;

- e) **An appropriate Writ, Order or direction in the nature of Mandamus to the Respondent Authorities to recover the amount misappropriated/diverted by Mr. Mahim Mittal, Mr. Asit Mittal, Mr. SU Zaffar, Mr. Pankaj Jindal and Mr. Umesh Garg from the coffers of the Golf Course Sahkari Awas Samiti and to return the same to the samiti;**
- f) **An appropriate Writ, Order or direction in the nature of Mandamus to the Greater Noida Industrial Development Authority to restore the lease deed dated 29.03.2005 with respect to Plot No. 7, Sector PI-2, Greater Noida, Gautam Budh Nagar, U.P.- 201308;**
- g) **An appropriate Writ, Order to restore the lease deed dated 29.03.2.005 with respect to Plot No. 7, Sector PI-2, Greater Noida, Gautam Budh Nagar, U.P.- 201308;**
- h) An appropriate Writ, Order or direction to the National Housing Bank and Reserve Bank of India to conduct an enquiry against the bank/financial institution involved in the project GCSAS;
- i) **An appropriate Writ, Order or direction to the Respondents LICHFL, HDFC Bank, AXIS Bank, India Bulls HFL, DHFL, PNBHFL, Indian Bank, Oriental Bank of Commerce, and Syndicate Bank prohibiting them to recover the loan from the petitioners till the possession of the respective flats in question is not handed over to the petitioners;**
- j) Any other writ, order or direction in the circumstances of the case that this Hon'ble Court may deem fit and proper; and
- k) award the costs of the writ petition."

(Emphasis supplied)

13. The High Court, *vide* final order dated 17th May, 2016, disposed of the writ petition without granting any substantive relief as sought for by the petitioners. The High Court took note of the fact that the lease deed has already been cancelled due to the non-payment of lease rent and criminal proceedings have also been initiated and chargesheet has been filed against the office bearers of the Samiti and the developer whereas the role played by the officers of the bank is still under investigation. In this view of the matter, the High Court expressed its disinclination to issue any writ or pass any substantive directions in the writ petition. Nevertheless, it was observed that if any adverse report is submitted to the concerned authority, i.e., the Reserve Bank of India and National Housing Bank by the Economic Offences Wing, Delhi, appropriate action, as permissible in law, shall be

taken against the concerned individuals. The High Court further granted liberty to the petitioners to approach the Housing Commissioner for redressal of the grievances concerning the affairs of the Housing Society and to file civil suits seeking appropriate relief in relation to repayment of the loans availed by the petitioners for financing the purchase of the flats. For ease of reference, operative portion of the order passed by the High Court is reproduced hereinbelow:

“The records reflect that the petitioners have taken loan from the respondent banks for the purposes of purchase of flats offered by a Housing Cooperative Society.

From the records we find that the land, subject matter of controversy, was provided to the Housing Society by Greater Noida Industrial Development Authority (respondent no. 4) and because of non-payment of lease rent and other dues, the allotment was cancelled as early as on 09.09.2011. We further find that a first information report has already been registered against the Directors of the Housing Society and further that the role played by financial institutions is under examination of the Economic Offences Wing, final report whereof is still to be submitted. It has been stated that the Economic Offences Wing has submitted a charge-sheet against the Directors of the Housing Society while the role of the officers of the bank is still under consideration. We, in the facts of the present case, do not find any

good ground to interfere with the order dated 09.09.2011 cancelling the lease of the land settled with the Housing Society specifically when there is hardly any deposit of lease rent and other dues by the Housing Society. Since a first information report has already been lodged against the Housing Society, no further direction against the office bearers of the Housing Society is called for at this stage nor is this Court required to issue any other mandamus in the matter of running of the said Housing Society. The petitioners are at liberty to approach the Housing Commissioner for the said purpose.

So far as the enquiry against the officers of the bank and other officers is concerned, the matter is already under examination of the Economic Offences Wing. If any adverse report is submitted to the concerned authority namely the Reserve Bank of India and National Housing Bank by the Economic Offences Wing, all action as permissible under law, shall be taken against them. We do not find any good reason to interfere with the repayment of the loan which has been availed of by the petitioners from the bank.

However, it is always open to the petitioners to file a civil suit for avoiding the agreement. We hope and trust that the proceedings in respect of involvement of the officers of the banks shall be concluded at the earliest by the agency concerned.

With the aforesaid observations the present writ petition is disposed of.”

14. The aforesaid order passed by the High Court is the subject matter of challenge in the instant batch of special leave petitions filed at the instance of the members of the society claiming to be the original allottees of the flats-in-question.

15. This Court *vide* order dated 14th July, 2021 observed that the primary issue to be dealt with in the present proceedings is in reference to prayer Clause (f) of the writ petition. The said clause is reproduced hereinbelow:

“(f) An appropriate writ, order or direction in the nature of mandamus to the Greater Noida Industrial Development Authority to restore the lease deed dated 29.03.2005 with respect to plot No. 7, Sector PI-2, Greater Noida, Gautam Budh Nagar, U.P.- 201308.”

(Emphasis supplied)

16. During the pendency of the special leave petitions before this Court, several intervention applications came to be filed by individuals claiming to be the allottees in the Housing Project. Considering the same, this Court *vide* order dated 29th July, 2021 directed Registrar, Cooperative Societies to disclose by way of an affidavit, the details of the genuine members of the Society along with their known postal

addresses/contact numbers/email addresses and whether the proceedings for winding up of the Society had been taken to its logical end and stage thereof.

17. In compliance of the aforesaid order, an affidavit dated 11th August, 2021 came to be filed by Housing Commissioner-cum-Registrar, Cooperative Societies, Uttar Pradesh (respondent No. 5)¹⁰. The petitioners were granted an opportunity to file their response to the said affidavit.¹¹

18. On 1st September, 2021, when the case came up for consideration, this Court, upon perusing the said affidavit and the response filed by the petitioners, placing on record details about the membership and allotment of the concerned flat(s) to them, was of the opinion that the claims of petitioners as well as the applicants have to be verified by respondent No. 5-

¹⁰ Hereinafter, being referred to as the “respondent No. 5-Commissioner”.

¹¹ Order dated 17th August, 2021.

Commissioner. Hence, respondent No. 5-Commissioner was directed to conduct a limited enquiry regarding the genuineness of the documents and the claims set up by the concerned petitioners/applicants and to place on record list of such members whose claims were found to be genuine. The relevant extract of the said order is reproduced hereinbelow:

“We have perused the affidavit dated 11.08.2021 filed by respondent No.5-Housing Commissioner-cum-Registrar, Cooperative Housing Society, Uttar Pradesh.

In response to that affidavit, the petitioners/applicants have filed further affidavit placing on record details about the membership and allotment of the concerned flat(s) to the respective petitioners/applicants. That claim will have to be verified by the Housing Commissioner-cum-Registrar, in the first place within four weeks from today.

We permit the Housing Commissioner-cum-Registrar to conduct that limited enquiry about the genuineness of the documents and the claim set up by the concerned petitioners/applicants and if satisfied, that they were bonafide members of the society, list of such members can be produced along with affidavit before the next date of hearing.

The petitioners/applicants who have not furnished the documents are free to do so within one week from today. They shall submit their claim

documents to respondent No. 5 directly within one week.”

(Emphasis supplied)

19. Respondent No. 5-Commissioner filed an affidavit dated 3rd October, 2021 stating that in total 53 applications had been received from the concerned allottees. A chart was annexed to the said affidavit detailing: **(i)** the amounts deposited by each applicant in the account of the Samiti; **(ii)** the flat number against which such deposits were made; and **(iii)** the particulars of the bank/financial institutions from which loan had been taken by the respective applicants. However, respondent No. 5-Commissioner sought further time to place on record a comprehensive affidavit after due verification of the claims of the aforesaid 53 applicants, in view of the fact that additional information had been requisitioned from the concerned banks/financial institutions, which was essential for ascertaining the

genuineness of the documents/claims furnished by the applicants.

20. This Court, *vide* order dated 19th May, 2022 recorded that respondent No. 5-Commissioner had identified 42 allottees having credible documentary evidence to indicate that they were original members of the Housing Project and further noted that the claim of two additional persons had also been verified. In view of the same, respondent No. 5-Commissioner was directed to file a revised report. The Court further recorded that Tower-1, in respect of which the petitioners had set up their claim, is occupying around 3243.92 sq. meters approximately whereas the total area of the plot was about 9731.76 sq. meters. Counsel for GNIDA submitted that a sum of Rs. 12 Crores remained outstanding in respect of price of the plot. This Court observed that in the event, GNIDA were to restore the lease in respect of

the portion of land on which the said tower stands, the outstanding dues would stand proportionately reduced with reference to the area occupied by the subject tower. Counsel for the petitioners submitted that the petitioners are willing to abide by all the conditions to be specified by GNIDA, especially regarding payment of outstanding dues. Accordingly, GNIDA was directed to submit a plan concerning the restoration of the lease upon payment of the outstanding dues. Liberty was also granted to all persons claiming to be the original allottees to submit their claims before respondent No. 5-Commissioner for due verification. The relevant extract of the said order is reproduced hereinbelow:

“Pursuant to the directions issued by this Court, the Registrar has verified the claim of the petitioners and other persons who had submitted to such verification. The Registrar has identified 42 applicants having sufficient documentary evidence to indicate that they were original members in respect of the subject project.

The tower has been constructed on plot No. 7 admeasuring 9731.76 square meters; lease

whereof has been cancelled by the authority. The structure standing on the said plot, in respect of which the petitioners have set up their claim, is occupying around 3243.92 square meters approximately. In all, 44 flats have been constructed, whereas only 35 petitioners are before this Court. The Registrar has identified 42 persons as original members while making it clear that 10 applications could not be verified due to non-cooperation by the bank and other agencies.

Today, during the course of hearing, learned counsel appearing for respondent No. 13 (India Bulls Housing Finance Ltd.) has confirmed payment made by Ravi Prakash Shrivastava. Similarly, in the case of Jamila Ansari, the Housing Commissioner (respondent No.5) submits that confirmation has been received from the concerned Agency.

The Registrar may submit a revised report giving further break-up of eligible persons before the next date of hearing.

Mr. Ravindra Kumar, learned senior counsel appearing for the respondent No.4 (Greater NOIDA) submits that as per his instructions around Rs.12 crore amount had remained outstanding in respect of plot No. 7.

In the event, the said authority has to restore the lease in respect of land on which subject tower is standing being plot No. 7, the outstanding amount would stand proportionately reduced in the context of area underneath the subject tower. The authority shall produce a plan in respect of which lease can be restored on payment of such outstanding dues. That be placed on record along with affidavit of authorized official.

Ms. Meenakshi Arora, learned senior counsel appearing for the petitioner(s), on instructions, submits that the petitioners are willing to abide by all the conditions to be specified by the

Greater NOIDA, especially regarding payment of outstanding dues.

For the time being, we do not wish to dilate on the manner in which the 44 flats can be allotted — as the number of claimants seem to be more than 44. That issue can be deliberated on the next date.

It will be open to the concerned applicants and interested persons to furnish further documents/evidence before the Registrar for confirmation of their original membership.”

(Emphasis supplied)

21. On 22nd July, 2022, when the matter was placed before the Court, it was noted that respondent No. 5-Commissioner filed a compliance report stating that he had verified the claims of 52 applicants and also found that 50 applicants (including the petitioners herein) were able to substantiate their claims of having made the payment to developer/society for flats in the Housing Project. It was further submitted by learned counsel for India Bulls Housing Finance Ltd. (respondent No. 13) as well as by counsel for the intervenors that there exist more individuals who have not yet approached respondent No. 5-

Commissioner for the verification of their claims. Accordingly, respondent No. 5-Commissioner was directed to verify the claims of all such persons and submit a fresh status report as to their eligibility or otherwise. It was also clarified that until the outstanding dues pertaining to the plot are fully discharged, GNIDA cannot be compelled either to revive the lease or to grant any further permissions, including permissions for construction in deviation of the prevailing regulations and building bye-laws.

22. Respondent No. 5-Commissioner submitted compliance report dated 8th August, 2022 wherein it was stated that that in terms of order dated 22nd July, 2022, claims of 15 more applicants were scrutinized and it was found that 7 of the said applicants were able to substantiate their claims. It was further stated that out of 67 applicants/allottees, claims of 57 applicants could be verified by way of

documentary evidence. However, it was stated that out of the said 67 applicants, names of only 19 applicants had been found included in the detailed list of members prepared in the year 2010 by the Secretary/President, Sahkari Awas Samiti and furnished to respondent No. 5-Commissioner for the purpose of election to the office of the management committee. Hence, only 19 applicants were entitled to be considered as the actual members of the Samiti/Society. The petitioners were afforded an opportunity to submit their objections to the said affidavit.¹²

23. This Court *vide* order dated 9th January, 2024, noted the submissions advanced by the counsel appearing for GNIDA and UP Awas Evam Vikas Parishad regarding the need for a structural audit, to be conducted by an expert agency and granted eight

¹² Order dated 17th August, 2022.

weeks' time for the conduct of audit of the structure constructed thus far. The relevant extract of the said order is reproduced hereinbelow:

“Pursuant to our order 18.10.2023 and the subsequent order dated 21.11.2023, extending the time, Mr. Ravindra Kumar and Mr. Vishwajit Singh, learned Senior Advocates appearing on behalf of the Greater NOIDA and Uttar Pradesh Awas Vikas Parishad, respectively, have stated that the said respondents have already inspected the site, and technically, they feel it appropriate that there should be a structural audit to be conducted by an expert agency, like Indian Institute of Technology, Delhi or any other institute of equal competence for that matter, and for the said purpose, they would require eight weeks' time.

Although, there is opposition by Ms. Meenakshi Arora, learned Senior Advocate appearing on behalf of the petitioner(s) with respect to the time sought before us, but considering the nature of expert report, which is sought to be obtained, we deem it appropriate to grant eight weeks' time to the respondents.

It is ensured by the learned counsel for the aforesaid respondents that the respondents will immediately start the exercise of getting the structural audit, and they further assured the Court that they would submit the report by the next date of hearing.

We would also request the agency engaged by the respondents for the purpose of structural audit to make endeavour to submit the report within time as fixed by this Court.”

(Emphasis supplied)

24. Thereafter, on the request of counsel for the petitioners, this Court granted 2 weeks' time to the petitioners to place on record the list of 40 allottees, who were willing to join together for the development and completion of one tower comprising of 40 apartments, specifying the details regarding the floor and the apartment number proposed to be allotted to each of such 40 allottees.¹³

25. In compliance of the aforesaid order, the petitioners, along with other allottees filed Interlocutory Application Nos. 103839 and 103703 of 2024 annexing therewith the list of 40 allottees, who were willing to join together for the development and completion of Tower-1 comprising of 40 apartments. The said interlocutory applications came up for hearing before this Court on 30th April, 2024 and on the said date, counsel for the applicants submitted

¹³ Order dated 16th April, 2024.

that the 33 applicants who were originally the petitioners, had been duly verified by respondent No. 5-Commissioner whereas only three of the remaining seven applicants could be verified. This Court directed that the details of the four unverified applicants and any other individual whose claim was yet to be verified, be provided to the counsel for respondent No. 5-Commissioner along with the supporting documents for due verification. This Court further noted that number of impleadment applications had been filed by the allottees, some of whom were keen to join the afore-mentioned group of 40 applicants but declined to permit such claims at that stage. However, it was observed that it will always be open for such applicants/allottee to join together and if all the remaining 100 allottees joined together in groups of 40 and 60, their claims could be considered for the remaining two towers, one of 40

apartments and other of 60 apartments. The parties were also granted liberty to conduct a joint inspection in respect of the existing construction. The Court also recorded the submission of the counsel for GNIDA that if all the three towers are taken up together for occupation, then there shall be no issue of division of land and other complicated issues of separating and dividing common areas, including parking in the basement. The relevant extract of the said order is reproduced hereinbelow:

“Pursuant to order dated 16th April, 2023 I.A. No. 103839 of 2024 has been filed by the petitioners giving a list of 39 allottees.

Ms. Meenakshi Arora, learned senior counsel appearing for the petitioners submits that 40th gentleman has also been identified as Mr. Sanjeev Kumar Singh. **Impleadment Application No. 103703/2024 has been independently filed by Mr. Singh. Thus, the chart given as Annexure A-1 to the aforesaid IA takes care of the 40 applicants who are joining together.**

Ms. Arora requested for an inspection of the site by a technical team. She further submits that all 33 applicants who were originally the petitioners are duly verified by the Registrar-Housing Commissioner. However, out of the seven who are newly added, three were only verified and four remain to be verified. **The details of these four**

allottees along with supporting documents may be provided to learned counsel for the Registrar-Housing Commissioner within a week whereupon the Housing Commissioner may get the same verified and submit a report within the next four weeks.

Further any other claims now made before the Housing Commissioner which claims may either be pending before this Court by way of impleadment application(s) or even otherwise, to be provided to learned counsel for the Registrar-Housing Commissioner, such claims may also be verified.

... ..
There are number of impleadment applications filed by the allottees, some of whom are very keen to join the team of 40 applicants represented by Ms. Arora, learned senior counsel. **However, we are not permitting such claims to be considered at this stage. It will always be open for the remaining parties to join together and if all the remaining 100 allottees join together in groups of 40 and 60 their claims would be considered for the remaining two towers one of 40 apartments and other of 60 apartments.**

Mr. Ravindra Kumar, learned senior counsel has also pointed out that it will be in the interest of all the parties that a joint inspection be made with regard to the existing construction issues like common areas, basements and other common amenities will stand sorted, to which Ms. Arora, learned senior counsel has no objection. As such, they may decide amongst themselves to make this inspection. General Manager, Greater NOIDA, Planning and Architecture may take care of this.

Mr. Ravindra Kumar, learned senior counsel further submitted that if all the three towers are taken up together for occupation, then there shall be no issue of division of land and other complicated issues of separating and dividing

common areas, including parking in the basement.”

(Emphasis supplied)

26. When the matter came up for hearing on 22nd October, 2024, this Court recorded that structural audit report of Tower-1, conducted by M/s. Architect Harish Tripathi & Associates, had been placed on record and that the said report opined that Tower-1 could be rendered fit for habitation upon strengthening and making certain modifications. On the strength of this report, counsel for the petitioners submitted that the 40 applicants/allottees who have come together for developing and completing Tower-1, may be permitted to do so. It was further submitted that the said 40 applicants/allottees are willing to discharge all their liabilities towards GNIDA as well as any other taxes, dues, fees or charges, as may be applicable under law. It was finally submitted that out of these 40 applicants/allottees, any of the

allottee who was originally allotted three-bedroom flat would also duly compensate to an allottee who was allotted four-bedroom flat, who is deprived of getting a four-bedroom apartment, though it was pointed out that Tower-4 also consists of 40 four-bedroom apartments. Accordingly, the Court directed GNIDA to provide the details of the proportional charges due to it from these allottees with respect to Tower-1. However, counsel for GNIDA contended that the main hurdle in allowing the said applicants/allottees to start with the construction work is that the lease, being for a single plot, had been cancelled in 2011, and as such, partial restoration of the lease with respect to Tower-1 alone is not in the domain of GNIDA, as the lease could either be cancelled in entirety or restored in *toto*.

27. Taking note of the aforesaid submissions, the Court directed GNIDA to examine, as a special case, the feasibility of restoring the lease partially in respect of Tower-1 and the adjoining areas necessary for its use and utility. It was made clear that upon such restoration, the allottees must first pay all outstanding dues, and only thereafter could the construction work commence. No construction would be permitted without full clearance of such dues. This Court also recorded that certain other allottees had filed interlocutory applications seeking similar reliefs as sought for by aforesaid 40 applicants/allottees. In respect of the same, it was observed that such allottees could also be permitted to proceed with construction, provided that they make a unified effort to complete the Tower as is existing, i.e., either Tower-2 or 3, which have 30 apartments each of three-bedroom or Tower-4, which has 40 apartments

of four-bedroom. In case, the required number of allottees joined together, the Court would consider the grant of permission to such allottees to commence with the construction. The relevant extract of the said order is reproduced hereinbelow:

“1. Pursuant to order dated 30.07.2024, learned counsel for the petitioners has filed a very detailed report, by M/s. Architect Harish Tripathi and Associates (Arhta) (running into 636 pages) related to structural safety audit and strengthening for residential Tower-1 of Shivkala Charm Society, Greater Noida.

2. According to the said report, after strengthening and making required other changes in the existing form, Tower-1 can be made fit to be used as habitable.

3. In view of the findings given in the said report, Ms. Meenakshi Arora, learned senior counsel, appearing for the petitioners, submits that the allottees who have joined together and are now 40 in number, may be allowed to continue with the construction work of Tower-1 as they are interested in getting the said Tower to be completed.

4. Learned senior counsel further submits that these 40 allottees will discharge all their liabilities towards the Greater NOIDA (for short, the Authority) as may be communicated to them by the Authority and any other taxes, dues, fees or charges, as may be admissible under law, to be collected from them, would also be paid.

5. It is also submitted by learned senior counsel, that out of these present 40 allottees, any of the allottee who was originally allotted three-bedroom apartment would also duly compensate

to a four-bedroom allottee, who is deprived of getting a four-bedroom apartment, although, according to learned senior counsel, Tower-4 also consist of 40 apartments of four-bedroom.

6. In view of the above, we require the Authority to provide the details of the proportional charges due to it from these allottees with respect to Tower-1 within a month.

7. Mr. Ravindra Kumar, learned senior counsel appearing for the Authority, however, submits that there is one hurdle before these allottees start with the work after making due payment. The hurdle is that the entire lease which was for a single plot was cancelled in the year 2011, as such partial restoration of the lease with respect to Tower-1 alone is, apparently, not in the domain of the Authority as it will either cancel the entire lease or restore the lease in toto.

8. Considering the facts and circumstances of the case, we require the Authority to examine this aspect, as a special case that it may restore partial lease with respect to Tower-1 and the required adjoining areas which may be necessary for its use and utility.

9. After the dues are communicated and the partial lease is restored, these allottees would make the required payment to the Authority and only thereafter they will start with the construction work. They would also file appropriate undertaking with respect to the compensation, which they have promised to make, with respect to the allottees having three-bedroom apartment allotments. The said undertaking may be filed on or before the next date.

10. After payment is raised by the Authority, four weeks' time is granted to these 40 allottees to make the deposits.

11. We make it clear that no construction work will start without being dues fully paid.

12. The applications, details of which given below, have been pressed by the respective

counsel, claiming that these applicants are also the allottees and their allotment and payment have been verified by U.P. Avas Evam Vikas Parishad. As such, these applicants may also be allowed to be considered for carrying out the construction work with respect to Tower No.4 or the other two Towers being Tower Nos. 2 and 3, as the case may be.

IA NO.53283/2024
IA NO.103703/2024
IA NO.98909/2022
IA NO.103089/2022
IA NO.112130/2022
IA No.101087/2021
IA NO.124741/2021
IA NO.183601/2023
IA NO.74439/2024
IA NO.134469/2022
IA NO.14612/2022
IA NO.92267/2023
IA NO.266400/2023
IA NO.142809/2021

13. This Court has no difficulty in permitting these allottees to proceed with the construction, however, they have to make a unified effort to take one complete Tower as is existing, either Tower 2 or 3, which have 30 apartments each of three-bedroom or Tower 4, which has 40 apartments of four-bedroom. In case, the required number of allottees join together, the Court would be more than happy to permit them to continue with construction. In such case, one of the applicants to take the lead till required number of allottees join together.”

(Emphasis supplied)

28. It may be noted herein that despite repeated opportunities¹⁴ having been granted to GNIDA to place on record a response or propose a plan indicating the manner in which the Housing Project is to be dealt with, or to suggest a viable mechanism keeping in view the peculiar dynamics of the case, GNIDA has utterly failed to do so.

29. The dissatisfaction of this Court *qua* the conduct of GNIDA was recorded in the order dated 18th March, 2025 and another opportunity was granted to GNIDA to file an affidavit providing the details of demand which it would have raised in case the original builders had completed the project so that the proportional charges of each of the allottee could be determined. By the self-same order, the Court directed that the details of 10 applicants in I.A.

¹⁴ Orders dated 19th May, 2022; 5th April, 2023; 18th October, 2023; 21st November, 2023; and 22nd October, 2024.

No. 56220 of 2025, who claimed to be the allottees of flats in the Housing Project, be provided to the counsel representing respondent No.5-Commissioner for verification. The relevant extract of the said order is reproduced hereinbelow:

“We are not happy with the fact that the Greater Noida Industrial Development Authority (hereafter referred to as ‘Authority’) is not cooperating in the entire exercise of reviving a dead project where the home buyers have been cheated by the builder who has vanished decades ago and some of the home buyers have joined together to revive the entire project in part and also other home buyers are coming in for revival of the remaining part of the Project. The 40 home buyers who have joined together to complete one Tower containing 40 apartments of four-bedroom each have been continuously in touch with the Authority requesting them to provide the details and also to find out solutions as to how they can go ahead with their aspirations of owning their apartments. Further they are more than willing to pay their proportionate share of the charges due to the Authority but despite the same the Authority is not coming up with the details of the demand/solutions nor is it cooperating in and allowing them to continue with their joint venture of completing one Tower of 40 apartments.

Today Mr. Ravindra Kumar, learned senior counsel appearing for the Authority has prayed for a week’s time to provide the details of the demand which the Authority would have raised in case the original builders had completed the project so that the proportional charges of each

of the home buyers can be decided depending upon the size of the apartments they are taking.

Let an affidavit be filed by the competent officer of the Authority within a week.

List the matter again on 25th March, 2025.

In the meantime, I.A. No. 56220 of 2025 has been filed by 10 applicants. Copy of the same be provided to Mr. Abhishek Kumar Singh, AOR representing Respondent no. 5-Housing Commissioner, UP Awas Vikas Parishad who will verify as to whether these 10 applicants in the said application are genuine or not and also about the payments made by them as claimed in the application by supporting documents. For the said verification four weeks' time is granted."

(Emphasis supplied)

30. At this stage, it is pertinent to note that Interlocutory Application No. 55798 of 2025 has been filed by another group of 30 allottees who have joined together for the development and completion of Tower-2 of the Housing Project, with reliefs analogous to those claimed by the earlier group of 40 allottees referred to *supra*.

31. Finally, the matter came up before this Court on 13th May, 2025, on which date, extensive arguments were urged on behalf of the parties, and the matters

were closed for orders. Liberty was granted to allottees to approach the counsel for respondent No. 5-Commissioner with the details of their claims, so that the same could be verified. The relevant extract of the said order is reproduced hereinbelow:

“1. Arguments concluded.

2. Order reserved.

3. In the meantime, all the request received by Mr. Abhishek Kumar Singh, Advocate-on-Record for the Awas Vikas Parishad/Housing Board, the same would be verified and report be submitted within next eight weeks. No specific orders are required. The allottees are free to approach Mr. Abhishek Kumar Singh, Advocate-on-Record through their respective counsel.”

(Emphasis supplied)

32. We have heard and considered the submissions advanced by learned counsel for the parties at bar and have gone through the material available on record.

33. The preceding facts and circumstances would clearly indicate that the original allottees who dreamt of a roof over their heads have been struggling in a

losing cause for the last nearly 20 years. It is apparent that the petitioners/applicants/allottees have endured immense hardship for all this time apart from losing their hard-earned money and have been embroiled in administrative log-jam and prolonged litigation. Despite pursuing remedies before various *fora*, their grievances remain unredressed. Even after nearly two decades of booking their flats and making payments, some by taking loans from financial institutions, the allottees have been unable to take possession, as construction has remained stalled since 9th September, 2011, i.e., from the date of cancelling of lease deed by GNIDA, owing to the fraudulent acts and irregularities committed by the office bearers of the Samiti/Society and the developer.

34. Adding to the complexity of the situation is the fact that during the pendency of the special leave

petitions before this Court, numerous intervention applications have been filed by persons claiming to be original allottees of the Housing Project. It is pertinent to note that respondent No. 5-Commissioner has verified most of these claims, though several such claims are yet to be verified. Furthermore, it is evident from the record that all the original allottees are not before this Court, thereby impeding the formulation of a comprehensive plan of action in respect of the development and completion of the Housing Project comprising of four towers on the entire chunk of land.

35. We are of the considered view that this unsavoury state of affairs cannot be allowed to continue indefinitely, and the issue has to be taken to its logical conclusion. While it is imperative to ensure some measure of relief to the genuine allottees, it is equally important to guard against any

fraudster or imposter staking a false claim on the legitimate entitlement of the genuine allottees, thereby, taking undue advantage of the prevailing uncertainty.

36. Having regard to the protracted pendency of these proceedings spanning over several years, during which numerous interlocutory and impleadment applications have been filed by persons asserting claims as original allottees of the Housing Project, coupled with the complexities arising from verification of such claims and the need to coordinate between multiple statutory authorities and agencies, this Court is of the opinion that the matter has assumed considerable administrative magnitude and intricacy. The overlapping issues of restoration of lease, identification of genuine allottees, proportional determination of land dues, and feasibility of completing the stalled construction necessitate a

comprehensive, structured, and impartial examination under the supervision of an independent fact-finding authority. Resolution of all these issues seems unlikely if not impossible in the proceedings under Article 136 of the Constitution of India.

37. In view of the aforesaid circumstances and to ensure an expeditious and efficacious resolution, constitution of an independent Committee under the aegis of a former Judge has become indispensable. Hence, we are inclined to form a one-Judge Committee, headed by Hon'ble Retd. Judge of High Court of Judicature at Allahabad, to undertake a detailed enquiry into the entire factual matrix and give suggestions for a suitable resolution.

38. On our request, Hon'ble Mr. Justice Pankaj Naqvi, Judge (Retd.), High Court of Judicature at

Allahabad, has graciously agreed to conduct the requisite enquiry.

39. The broad parameters of the Enquiry would be as below:

- I.** Committee shall scrutinize all records, agreements, correspondences, approvals, and other materials pertinent to the issue including the affidavits filed by concerned authorities before this Court and identify the genuine allottees of the Housing Project.
- II.** Identify and prepare a list of such allottees who are willing to join together for the development and completion of the Housing Project.
- III.** Consult with GNIDA and if required, cull out a solution in respect of partial restoration of the lease deed for Plot No. 7, Sector PI-2, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh, 201308 which was terminated *vide* order dated

9th September, 2011 issued by GNIDA, in case the entire Housing Project is not being developed and constructed by the allottees identified in terms of **Clause (II)**.

- IV.** In case partial lease of the plot can be duly restored upon payment of outstanding dues of GNIDA, the Committee shall devise a fair mechanism/formula for determining the liability of each allottee identified in terms of **Clause (II)**.
- V.** Prepare a comprehensive plan in consultation with all the stakeholders, for the development and completion of the Housing Project in a time-bound manner.
- VI.** Any other matter which the Committee may deem relevant for a complete and just resolution of the controversy.
- VII.** In the eventuality that the original allottees of the flats in Towers 3 and 4 are found to be

unidentifiable or unverifiable, the Committee may also examine the feasibility and viability of auctioning Towers 3 and 4 of the Housing Project by way of an open lottery or such other transparent mechanism as may be deemed appropriate, so as to ensure recovery of the entire expenditure towards construction; discharge of all land dues payable to GNIDA and any other financial obligations in respect of the land appurtenant thereto. The said exercise shall be undertaken keeping in view the objective of enabling completion of the remaining towers and protecting the interests of genuine allottees who have joined together to undertake the construction and development of Towers 1 and 2.

40. Upon completion of the enquiry, the Committee shall submit a detailed report setting out its findings,

conclusions, and recommendations, thereby facilitating the final resolution of the matter. The Committee would endeavor to submit its report to this Court in a sealed cover within a period of four months from the date of the commencement of its effective functioning. The State of Uttar Pradesh; GNIDA; Housing Commissioner, UP Awas Evam Vikas Parishad; District Magistrate, Gautam Buddha Nagar, Uttar Pradesh; all banks/financial institutions, i.e., respondent Nos. 10 to 19 and all the petitioners as well as other allottees who have filed intervention applications before this Court or otherwise, shall extend full assistance and cooperation to the Committee for facilitating the enquiry and to ensure timely submission of the report. The expenses for travel and incidental expenses for the sittings of the Committee shall be

borne equally by the allottees on the one hand and State of Uttar Pradesh on the other.

41. The Committee shall be provided secretarial assistance comprising of: one Personal Assistant (PA), one Lower Division Clerk (LDC), and one Law Clerk, who may be assigned at the discretion of the Hon'ble Chairperson. The Committee may hold its proceedings in New Delhi or Noida, Uttar Pradesh, as deemed appropriate, with the concerned State(s) and/or Union Territory making suitable arrangements for its sittings.

42. The Committee shall be entitled to formulate its own modalities and procedure for conducting the enquiry.

43. The Chairperson of the Committee shall be entitled to a fixed honorarium to the tune of Rs. 15 lakhs (Rupees Fifteen Lakhs only) which shall be paid

in three equal tranches spread over a period of four months.

44. The expenses for the aforesaid enquiry proceedings shall be equally borne by the allottees on the one hand and State of Uttar Pradesh on the other. The parties shall ensure that appropriate facilities are provided for the conduct of the enquiry.

45. The logistic arrangements for the Committee shall be completed on or before 21st November, 2025.

46. The parties shall be entitled to appropriate representation in the proceedings to be conducted by the Committee.

47. The State of Uttar Pradesh and GNIDA shall publish a public notice regarding the constitution and functioning of the Committee in two national dailies, one in English and one in Hindi so as to apprise all allottees, particularly those who have not yet approached this Court. The notice shall specify

that such allottees may submit their claims before the Committee, which shall examine and verify the claims through respondent No. 5-Commissioner.

48. List on 24th March, 2026 for receiving the Enquiry Committee's report.

.....**J.**
(VIKRAM NATH)

.....**J.**
(SANDEEP MEHTA)

NEW DELHI;
NOVEMBER 07, 2025.