(2026) 08 DEL CK 4233

In the Delhi High Court, Principal Bench, New Delhi

Case No : CO.APP. 1/2026

Sh. V.K. Sharma APPELLANT

Vs

Ms. Shobha Joshi & Ors. RESPONDENT

Date of Decision : 03-08-2026

Acts Referred:
Companies Act, 1956 — Section 483, 531
Land Revenue Code

Citation : (2026) 08 DEL CK 4233

Hon'ble Judges : Nitin Wasudeo Sambre, J;Amit Sharma, J

Bench : Division Bench

Advocate : Mr. Jayant Mehta, Senior Advocate with Mr. Dheeraj Gupta, Advocate, Ms. Tanya Chowdhary, Ms. Manisha Singh, Advocates, Ms. Ruchi Sindhwani, Senior Standing Counsel with Ms. Megha Bharara, Advocate for Official Liquidator, Mr. Ashutosh Dubey, Mr. Akshat Vachher, Mr. Amit Kumar, Mr. Aman Vachher, Ms. Abhiti Vachher, Mr. Dhiraj, Advocates, Mr. Rishabh Jain, Advocate for Creditors

Judgement

Nitin Wasudeo Sambre, J.

1. This Appeal is preferred under Section 483 of the Companies Act, 1956, questioning the judgment and order dated 1stJuly, 2026 passed by the Learned Single Judge of this Court, wherein the Learned Single Judge has arrived at following conclusion:

> *"I. The 7 Buyers' orders dated 02nd August 2018 and the order dated 12thOctober 2018 have attained finality, the appeal preferred by the ex-management having been dismissed by the Division Bench. Accordingly, the 14 applicants herein stand on the same footing as discussed in paragraphs 22 to 38.*
>
> *II. OMC, in its reports, has concluded that the transactions in favour of applicants were bona fide, for valuable consideration, and did not constitute fraudulent preference under Section 531 of the Companies Act, 1956. Accordingly, the claims of applicants have been duly verified by the OMC, and the OMC has concluded that the claimants are entitled to allotment and possession and has recommended the same to the Official Liquidator, as*

discussed in paragraphs 39 to 41.

III. Sale deeds were executed and registered prior to winding-up of proceedings, and there is no material to establish any fraudulent preference under Section 531 of the Companies Act, 1956.

IV. Col. Ganapathy as recorded in the 7 Buyers' order also, was the authorised representative of the Company in liquidation.

V. Affidavits and documents placed on record substantiate the applicants' claims and establish the genuineness of the transactions, as discussed in paragraph 42.

VI. SFIO Report corroborates the applicants' case by confirming that the project was launched prior to the winding-up order and the authorised representatives were duly empowered to execute sale deeds, as discussed in paragraphs 43 to 49.

VII. The Official Liquidator, in OLR No. 36/2025, has categorically stated that she has 'no objection' to the release of the plots in favour of the present applicants, as discussed in paragraphs 34 and 35.

VIII. Objections raised by the ex-management are unmerited and have been also addressed by earlier decisions of this Court and the Division Bench. The same has been extensively discussed hereinabove in paragraphs 50 to 53.5.

IX. Ms. Aneeta Sharma does not have any independent locus standi to maintain the present review petition. She was neither a party to the original proceedings nor an appellant in the appeal proceedings. Besides, her attempt to reopen issues which have already attained finality is just to prolong the proceedings and is severely detrimental to the interests of bona fide investors. The same has been dealt in detail by this Court in paragraphs 54-71 hereinabove. The review petition, i.e. CO. APPL.1374/2018, is devoid of any merit and is accordingly dismissed and CO. APPL.928/2024 is rendered infructuous."

2. Learned counsel appearing for the respondents has raised a preliminary objection as to the maintainability of the present appeal, urging that the statutory remedy of appeal, as provided under Section 483 of the Companies Act 1956, is not available to the present appellant. So as to substantiate the said contention, learned counsel for the respondents has invited our attention to the order dated 16thNovember, 2018 passed by the Division Bench of this Court in Company Appeal No. 24 of 2018 titled as '*V.K. Sharma v. Official Liquidator & Ors'*. According to learned counsel for the respondents, the appeal, at the behest of the appellant, is not maintainable. The learned counsel has drawn our attention to the relevant observations from the said order, particularly, paragraphs 4, 5 6 and 7 which reads thus:

'4. Mr. Neeraj Malhotra, learned Senior Counsel, who is appearing on behalf of the Appellant, is unable to show any provision of law, either in the Companies Act or elsewhere permitting a former Director to question in his individual capacity the order passed by Company Court in winding up proceedings, dealing with the claims of creditors. In other words, this Court is not shown what the locus standi of the Appellant is in preferring this appeal.

5. *Way back on 29th August 2003, the winding up order was passed with reference to the company in question. The Official Liquidator (OL) had taken over the entire assets of the company in question many years ago. Thereafter, the learned Single Judge has been*

dealing with the claims of creditors.

6. *To entertain, at this stage, any appeal by one of the former Directors on the basis that he was a major shareholder, cannot be legally countenanced.*

7. *In these circumstances, the Court is not inclined to entertain this appeal.'*

3. The learned counsel further invited our attention to the judgment pronounced on 16th January, 2026 delivered in Companies Appeal No. 29 of 2023 titled as '*V.K. Sharma v. JVG Finance Limited (In Liquidation)'*and connected matter so as to urge that the appellant has taken out the present proceedings in order to prolong the winding-up proceedings.

4. Apart from the above, it is the contention of the counsel for respondents that the aforesaid judgment dated 16thJanuary, 2026 is already affirmed by the Apex Court *vide* Order dated 16th March, 2026 passed in *SLP (C) No. 6139/2026*. In addition to the above, our attention is also invited to the Apex Court judgment dated 11th April, 2016 passed in the matter of ***'VK Jain v. KSL & Industries Ltd. & Ors.***'*[Criminal Appeal No. 663 of 2016]* so as to substantiate the contention that the present appeal is not maintainable. Reliance is placed on the observations made in *paragraphs* 11 and 12 of the said judgment.

5. It is further urged that a similar order was already passed on an earlier occasion which has led to the passing of order referred above in Company Appeal No. 24 of 2018. The order in Company Appeal No. 24 of 2018 has attained finality as the appellant has not questioned the same.

6. In such an eventuality, it is urged that not only the present appeal is not maintainable, but it is the contention of the respondents that appellant has moved the appeal with a *mala fide* intention not only to prolong the proceedings, but also to ensure that the respondents do not get the relief which was ordered by the learned Single Judge *vide* the Impugned Order and Judgment dated 1st July, 2026.

7. As against above, the learned Senior Counsel appearing for the appellant would oppose this contention, as according to him, the appeal is very much maintainable, it being a statutory right. According to him, no embargo can be read in the language of Section 483 of the Companies Act, 1956, to infer that the appeal is not maintainable. He would urge that the judgment referred to by the respondents is in the facts and circumstances of the case, as were existing at that relevant time. The learned counsel, so as to substantiate his claim that the appeal is maintainable, has drawn support from the judgment of the Apex Court in the matter of '*Phatu Rochiram Mulchandani v. Karnataka Industrial Areas Development Board And Others'* reported in (2015) 5 SCC 244, particularly, *paragraph* 17 which reads thus:-

'17. We have given our considered thoughts to the various issues involved on which arguments were addressed by the counsel for the parties. We would like to point out at the outset, that we are not venturing into detailed discussion on the question of maintainability of the appeal filed by the appellant before the Division Bench of the High

Court against the order of the Company Judge. Prima facie, we are of the opinion that this appeal was maintainable and should not have been dismissed on the ground that the appellant did not have the locus standi to prefer the said appeal.The appellant is very much concerned with the outcome of the proceedings inasmuch as, if the ownership of the land in question vests with the Company and proceeds from the sale of this land comes into the kitty of the Company, the effect of that would be to reduce the liability of the creditors, particularly the financial institutions. In turn, it may result in reducing the personal liability of the appellant who has given guarantees to the financial institutions for the loan advances to the Company. However, we leave the matter at that as the counsel for the respondents did not press the issue of maintainability very seriously.'

8. According to him, since the appellant was one of the promoters, the appeal is very much maintainable. Apart from above, it is urged that the maintainability of appeal is the matter which is *sub judice* before the Apex Court.

9. We having considered the aforesaid contentions and the order of this Court dated 16thNovember, 2018 delivered in Company Appeal No. 24 of 2018, which was between the very same parties and in the very same facts and circumstances. The Division Bench of this Court has already held that the objections raised by Ex-Director, in his individual capacity, could not be entertained for want of *locus standi*.

10. Once the order dated 16thNovember, 2018 referred above has attained finality *inter se* the appellant and the official liquidator on the identical issue, we see no reason to entertain the present appeal by taking a different view.

11. The learned Single Judge has, in detail, dealt with the conduct of the appellant by referring to the various orders passed by this Court in the winding up proceedings. In paragraph 71, the learned Single Judge has observed thus:

'71. The scathing observations which the Courts have made repeatedly against Mr. V.K. Sharma and their repeated obstructive tactics are noted. The ex-management's obstruction, either directly or through the proxy of Ms. Aneeta Sharma, militates against the crystalized rights of the buyers. Mr. Kalra's reliance on this judgment does not give them any legal crutch.'

12. As such, the contention has been raised by the respondents that the appellant has moved the present appeal with *mala fide* intention not only to stall the winding up proceedings, but also to deprive the parties from reaping the fruits of the orders of this Court.

13. In such an eventuality, the claim of the respondents for award of the costs in the present commercial proceedings is quite justified. In that view of the matter, we deem it appropriate to award costs of Rs. 1,00,000/-, which shall be deposited within a period of one month from today with the Registry of this Court. In case, the cost is not deposited by the appellant within the stipulated period, the same be recovered from the appellant as land revenue dues.

14. If the costs are so deposited by the appellant, same be transferred in the account of Delhi High Court Advocates Welfare Trust, *i.e.,* Current Account No.

15530210002995 (IFSC-UCBA0001553), Bank Name- UCO Bank, Branch – Delhi High Court.

15. We further direct that in case if the amount of costs is not deposited within the period referred above, copy of this order be sent to the Collector of the concerned revenue district immediately, who shall ensure that the costs are recovered from the present appellant by taking recourse to the provisions of Land Revenue Code and same be deposited in this Court expeditiously, and the report to that effect be placed by the Collector, under his own affidavit, within a period of three months from today.

16. The appeal, as such, stands dismissed in above terms.

17. Pending applications also stand disposed of.

18. A copy of this Judgment be uploaded on the website of this Court.