

IN THE COURT OF THE FINANCIAL COMMISSIONER, DELHI

Case No. 222/2014

Appeal under Section 112(a) of Delhi
Co-Operative Societies Act, 2003

In the matter of :

Money Plus (Urban) T/C Cooperative Society Ltd.,
(Proposed) Office at A-417 through its
Managing Director Shri Suraj Pratap Singh,
R/o A-417, Durga Gali, Mandawali, Delhi-110092 Petitioner

V E R S U S

The Special Registrar,
Office of Registrar Co-operative Societies,
Parliament Street, New Delhi Respondent

NAINI JAYASEELAN, FINANCIAL COMMISSIONER

Order dated 29.05.2015

1. This order will dispose of the appeal filed by the appellant namely Money Plus (Urban) T/C Coop. Society Ltd. under Section 112(a) of Delhi Co-operative Societies Act, 2003 against the impugned order dated 04/11/2013 passed by the Special Registrar of Cooperative Societies vide which Special Registrar ordered that :

“Thrift and Credit society registered in NCT of Delhi have whole of NCT of Delhi as their area of operation and as such the number of Thrift and Credit societies operating in NCT of Delhi as well as in the area in question appears to be adequate. In view of the above, there appears to be no justification for allowing fresh registration of Thrift and Credit society in the area in question. Accordingly, the application for registration of new society titled as “Money Plus (Urban) Thrift & Credit Society Ltd.” is rejected.”

This order was conveyed to the petitioner by the Assistant Registrar (East) vide letter dated 07/01/2014.

2. Appellant has filed the appeal u/s 112 (a) of the DCS Act, 2003 and made the mainly following averments :

(i) The impugned order dated 04.11.2013 passed by the Ld. Registrar of Cooperative Societies wholly illegal, unlawful and arbitrary without any justification and against the law and facts on record and same are liable to be set aside by this Hon’ble Court.

- (ii) The impugned order passed by Ld. Registrar of Cooperative Societies is not a reasoned order and the same is vague and against the provisions of law and facts on the record.
- (iii) The Ld. Registrar of Cooperative Societies has failed to comply the provisions of Section 9 (2) of the Act.
- (iv) The Ld. Registrar of Cooperative Societies has failed to appreciate that an application for registration of the society cannot be rejected arbitrarily, illegally and unjustifiably.
- (v) The impugned order passed by the Ld. Registrar of Cooperative Societies is based on the surmises and conjectures.

3. Notices dated 10/12/2014 and 07/05/2015 were issued to RCS but no one appeared on behalf of the RCS.

4. I have decided to proceed further on the basis of facts and documents available on record.

5. I have considered all the facts and documents on record and it has been observed that in the impugned order it has not been mentioned that whether in pursuance of any section or rule of Delhi Co-Operative Societies Act, 2003 or Delhi Cooperative Societies Rules, 2007 any restriction on the number of societies to be registered in Delhi has been laid down. However, Rule 9 of Delhi Co-Operative Societies Rules, 2007 has vested powers with the Registrar for refusing to register a Co-operative Societies on the following grounds :

“(1) The name of the proposed Co-operative Society is identified with or which nearly resembles the name of an already registered co-operative society or the name is in contravention of any law for the time being in force;

(2) In the opinion of the Registrar, the name of the proposed co-operative society, is likely to deceive or mislead the members of the public as to its nature or identity;

(3) In the opinion of the Registrar, the aims and objects of the co-operative society are similar to those of a co-operative society already functioning in that particular area satisfactorily and other co-operative society in the same area may not be viable.

(4) Except otherwise permitted, the members of a co-operative society do not reside within the area of its operation or in the opinion of the Registrar are drawn from heterogeneous elements.

(5) If in the opinion of the Registrar, area of operation of a co-operative society extends over an un-manageable area.

(6) The proposal of registration of a co-operative society is against the principles of co-operation.

(7) Any other ground considered just and equitable by the Registrar.”

6. In the impugned order dated 04.11.2013, the Department has not furnished any cogent basis for rejecting the application of appellant.

7. In view of above, it is clearly evident that there is an element of arbitrariness in the rejection of the appellant's application for registration of the thrift and credit societies. The impugned order is therefore set aside. The matter is remanded back to the RCS with the direction to pass a well reasoned order after hearing the concerned parties as per the provision of Delhi Cooperative Societies Act and Rules within a period of one month, from the date of issue (pronouncement) of this order.

8. Announced in the open Court.

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(NAINI JAYASEELAN)
Financial Commissioner
29th May, 2015.