

Case No. 359 of 2024

07.11.2025

Present : Shri Atul Chauhan, Proxy Counsel for Petitioner.
: Shri A.F. Rana, Proxy Counsel for Respondent, RCS.

1. Today Petitioner is represented through proxy counsel as the main counsel is out of station. Proxy counsel for Petitioner sought time to appear and argue on the next date of hearing. Allowed.
2. Respondent, RCS is not represented adequately as it is represented only by proxy counsel and also failed to deposit the cost of Rs.500/- imposed on the last date of hearing, yet again RCS has failed to file reply. The amount of costs imposed is doubled to Rs.1,000/- to be deposited before the next date of hearing.
3. Adj. to 04.12.2025 for reply/ final arguments.



**Financial Commissioner
Delhi**

07.11.2025

Present : None for Petitioner.

: Ms. Vasu Singh, Counsel along with Shri Dhananjay, Jr. Assistant for Respondent, RCS.

: None for the Respondent, Society.

1. None appeared for Petitioner and Respondent Society.
Issue notice to the parties as a final opportunity to appear and lead the case on the next date of hearing.
2. No further recovery is to be made from the Petitioner by the R-2, Society, till the T/C society appears before the Court and explain the rationale of exorbitant rate of interest and penal interest.
3. Adj. to 27.11.2025 for final arguments.



**Financial Commissioner
Delhi**

Shri Rajiv Gupta

Vs.

The Jeevan Sanchay Coop(U) T/C Society Ltd. & Ors.

07.11.2025

Present : None for Petitioner.
: Shri Suresh Agarwal, Counsel for R-1, Society.
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Jr.
Asstt. for R-5, RCS.

1. Heard both the sides.
2. None for Petitioner and hence the case is decided on merits as exist before this Court.
3. Counsel for R-1, T/C Society filed the loan bond, statement of account and loan agreement/application which is taken on record. He contended that the petition is not maintainable as it discloses no valid material facts. The petitioner has obtained several loans and stood surety in multiple societies, making him a wilful defaulter. Execution and attachment proceedings are already pending against him, and hence the petition deserves dismissal. He further contended that the principal borrower is legally bound to repay the society dues, and R-1, T/C Society is within its rights to recover the same from him and/ or the sureties.
4. The petitioner nearing retirement, has filed this petition to evade repayment of Rs.8,13,574/- as principal borrower and Rs.8,77,643/- as surety in another case i.e. 74/2025. Recovery actions and attachment orders have been lawfully carried out under the Co-operative Societies Act. The order dated 20.12.2024 to withhold gratuity was issued legally to secure recovery, and no violation of natural justice is made out. The petition is frivolous, vexatious, and devoid of merit, liable to be dismissed with heavy costs in favour of R-1, T/C Society.

5. Counsel for R-5, RCS filed reply with a copy to both the sides and further stated in its reply that the petition has challenged Execution Case Nos. 836/2018-2019 and 837/2018-2019 and seek stay of attachment orders. The petitioner Rajiv Gupta availed a loan of Rs.4,00,000/- from the R-1, T/C society in 2016 and defaulted in repayment. An award dated 07.03.2018 under Section 71 of the DCS Act, 2003 directed recovery of Rs.4,91,571/-. In execution proceedings were initiated, and Rs.8,61,495/- remains due as on date. The awards are valid, and no legal infirmity exists and the petitioner is bound to repay the loan.
6. After hearing the arguments of both the respondents, it is noted that the petitioner has taken loan or stood surety in more than twenty societies. This shows that he is trying to game the system in collusion and avoid paying his legal dues. Hence, the petitioner is given one final opportunity to pay the remaining loan amount @ the specified 13.20% simple interest within three months from this order. The penal interest is waived off and the society is also agreeable for this. However, @5% of execution charges is to be deposited by Petitioner to the RCS as per 124(b) of DCS Rules, 2007.
7. Accordingly, the case bearing no. 73/2025 titled ***Shri Rajiv Gupta Vs. The Jeevan Sanchay Coop.(U) T/C Society Ltd. & Ors.*** is disposed in terms of the above.
8. File be consigned to record room after completion.


(PRASHANT GOYAL)
Financial Commissioner
Delhi

07.11.2025

Present : None for Petitioner.
: Shri Suresh Agarwal, Counsel for R-1, Society.
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Jr.
Asstt. for R-5, RCS.

1. Heard both R-1, T/C Society and R-5, RCS.
2. None appeared for the Petitioner and hence the case is decided on merits as exist before this Court.
3. Counsel for R-1, T/C Society contended in its reply that the petition is not maintainable as it discloses no valid cause of action. The petitioner has concealed material facts, including multiple loans taken and his role as surety in other societies where he has defaulted. Execution proceedings and attachment orders are already pending against him. The petitioner, being a surety, is liable to pay the dues of the society under Section 128 of the Indian Contract Act. The R-1, T/C Society has every legal right to recover dues from either the principal borrower or the surety. Proceedings under Section 138 of the Negotiable Instruments Act are also pending against the petitioner by R-1, T/C Society. The allegations of fraud and cheating made by the petitioner are false and unsupported by evidence.
4. The R-1, T/C Society further argued that Society reserves the right to take appropriate legal action under Section 340 CrPC against the petitioner. The petition has been filed deliberately to evade repayment of society dues before the petitioner's retirement on 31.10.2026. The petitioner owes significant sums in his own loan account and as a surety for others. The petitioner's claims regarding insurance schemes, irregular recoveries, and procedural lapses are false. The recovery process followed due procedure under the DCS Act. Attachments and salary deductions were made lawfully, and all necessary opportunities for redress were available to the petitioner. The order dated 20.12.2024 was passed by Assistant Collector Gr. I, RCS legally to secure recovery of dues and prevent evasion by premature retirement. No

insurance taken by society on loans extended by it but a Death Relief Fund exists for benefit of borrowers who die naturally before re-paying loan. The withholding of gratuity of Shri Rajiv Kumar is justified and with a legal authority.

5. Counsel for R-5, RCS filed reply with a copy to both the sides and further stated that in its reply that the late Mani Bhushan Khalkho had taken a similar loan in 2016. After his death, an award dated 26.03.2018 was passed against his legal heir Shashi Bala and sureties, including Rajiv Gupta the present petitioner for Rs.5,09,860/-. In Execution Case No. 837/2018-2019, Rs.9,16,340/- remains due. The loan bonds and awards lawfully provide interest @ 13.2% + 3% as per society bye-laws. The awards are valid, and no legal infirmity exists. The petitioner is liable to repay the loan and accordingly petition is liable to be dismissed.
6. After hearing the arguments of both the respondents, it is noted that since the award has not been challenged, it has become final. Hence, the petitioner is given one final opportunity to pay the remaining loan amount @ the specified 13.20% simple interest within three months from this order. The penal interest is waived off and the society is agreeable for this. Since, the borrower died before repaying loan dues; even if that was by way of suicide, the society may extend the relief of waiving interest claims on the loan. Further, @5% of execution charges is to be deposited by Petitioner to the RCS as per 124(b) of DCS Rules, 2007. The society will accordingly share final claims dues to surety to enable Petitioner to pay the same.
7. Accordingly, the case bearing no. 74/2025 titled **Shri Rajiv Gupta Vs. The Jeevan Sanchay Coop.(U) T/C Society Ltd. & Ors.** is disposed in view of the above facts.
8. File be consigned to record room after completion.



(PRASHANT GOYAL)
Financial Commissioner
Delhi

Case No.02 of 2025 & 03 of 2025

07.11.2025

Present : Shri Gopi Chand Chawla, Petitioner in person in case no. 02/2025 and representative in case no. 03/2025.

: Ms. Vasu Singh, Counsel along with Shri Dhananjay, Jr. Assistant for R-1, RCS.

: Shri Amit Tayal, Counsel for R-2 (in both cases).

1. Petitioner appeared in person and contended that he is principal borrower and had taken a loan of Rs.3,00,000/- , these facts differ from the fact stated in his revision petition.
2. Counsel for R-2, Society contended that Petitioner made last payment of loan till 20.02.2024 and no further payment has been made thereafter. Counsel further contended that ample opportunities were given to Petitioner and as per settlement agreement made between the parties before mediation centre, the Petitioner did not make payments as per settlement. Counsel further pointed out the para 3 of the settlement wherein it was mentioned that in case of default, the amount already paid shall be forfeited and the case shall proceed as per law.
3. Counsel for R-1, RCS contended that Petitioner has approached this Court after receiving the summons only and Petitioner did not inform the RCS regarding settlement made before the Mediation forum.
4. Counsel for R-2, society is directed to file entire loan agreement, entire arbitration order and details of amount received from the Petitioner, on the next date of hearing.

5. Counsel for RCS to clarify how society received payment directly after initiating recovery proceedings before the RCS. Moreover, how any revenue loss occurs to the government exchequer in recovery proceedings made for recovery of loan amount taken from a thrift and credit society. The Assistant Collector, Gr.I, RCS (Surinder Narang) is directed to appear and explain in person on the next date of hearing failing which, heavy penalty may be imposed on RCS.

6. Adj. to 13.11.2025.


**Financial Commissioner
Delhi**

Shri Subhash Chand

Vs.

The Bharat Cooperative T/C Society Ltd. & Ors. through its AR

07.11.2025

Present : Shri Subhash Chand, Petitioner/Surety in person.
: Shri Rajender Singh, R-2/P.D. in person
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Sr.
Assistant for R-7, RCS.

1. Petitioner in person contended that he is the surety in this case and Shri Rajender Singh, R-2 who is Principal Debtor in this case has taken loan for an amount of Rs.4,40,000/- in March, 2019. The Petitioner further submitted that he has already paid an amount of Rs.2,36,000/-.
2. On query by this court regarding the balance loan amount, the Petitioner submitted that he is ready to pay the balance loan amount with simple interest.
3. R-7, RCS filed reply and copy of the same is taken on record. As per reply of R-7, RCS, Shri Rajender Singh took loan of Rs.4,40,000/- from Bharat Cooperative U T/c Society in 2019 and Petitioner Shri Subhash Chand stood his surety. On default in payment the case was referred to RCS by the Society and an arbitral Award was passed on 16.11.2022 against the Petitioner and other Judgment Debtors for amount of Rs.4,20,220/- upto 30.09.2021 and thereafter certificate of award was issued on 06.10.2023 and execution proceedings were also initiated against the Principal Debtor and his sureties. The summon/attachment/warrant order was issued as per provision of DCS Act and Rules. The Bond signed by J.D. interest loan is 16% per annum and 3% penal interest. The Interest rate in Award is mentioned as 16+3%.
4. The Petitioner further prayed for setting aside the impugned salary attachment order dated 19.02.2025 of Assistant Collector, Gr.I, RCS.
5. The Petitioner is directed to pay the balance loan amount with simple interest @ 16%. The interest rate of 16% is per-se much higher than prevailing rates of interest and

also much higher than rate of 13.20 % being charged by DCHFC, a Government owned Cooperative Society (Apex Body) into business of lending for Housing Societies. Hence, there is no need to recover the penal interest of 3% over and above as held by the Hon'ble Supreme Court of India in case titled "*Central Bank of India Vs. Ravindra & Ors.*" The arbitration fee of Rs.5,000/- will be paid equally by both the parties. The cost of Rs.25,390/- (as mentioned in arbitration order) imposed upon the Principal Debtor for overdue instalments is waived of.

6. Further, Respondent is also directed to submit the calculation sheet of balance loan amount to the surety at the earliest, whereafter the P.D. shall pay the remaining amount within next four months.
7. Accordingly, the revision petition bearing No.76/2025 is disposed of in terms of the above.
8. File be consigned to record room after completion.



(PRASHANT GOYAL)
Financial Commissioner
Delhi

**Mohinder Pal Singh
Vs.
Delhi State Taxi Operators' Cooperative T/C & Service Society
Ltd. & Anr.**

07.11.2025

Present : Shri Vijay Mishra, Proxy Counsel for Petitioner.
: None for R-1, Society.
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Sr.
Assistant for R-2, RCS.

1. The Counsel for Petitioner contended that he has filed revision petition under Section 116 of DCS Act, 2003 against the impugned order dated 06.04.2018 and order dated 03.11.2024 issued by Assistant Collector, Gr-I in execution recovery case.
2. The Petitioner also contended that he had never taken loan from the society and submitted that he had filed RTI application to get the information from the society about the loan and he came to know that the society had issued cheques to the Petitioner but the amount of cheques were never credited in the account of the Petitioner instead the amount was encashed by the society itself.
3. The Petitioner further prayed for setting aside the execution recovery case No.1529/06-07 and warrant of attachment issued by R-2 herein.
4. R-2, RCS filed reply and copy of the same is taken on record. As per reply of RCS, the Petitioner Mohinder Singh and his wife are members of the said society and took loan from the society and defaulted in payment. Thereafter, society initiated arbitration/recovery proceedings to recover the defaulted loan amount. Both are the habitual litigant and filed pleadings in different forums in around 15 cases throughout previous years. It is habit of Mohinder Pal Singh to file pleading before the Hon'ble Courts of Law wherein similar grounds are being filed repeatedly. Evidently, Mohinder Pal Singh & Amarjeet Kaur have availed loans from the said society. The society has already initiated arbitration proceedings in four cases against them. Further, the Petitioner has also filed WPC No.11786/2025 in Hon'ble

High Court of Delhi against execution case No.1529/2006-07.

5. The R-1, Society is not represented and despite directions the copy of loan agreement and recoveries made as yet not furnished the same. This raises some doubts about the merits of its claim on the Petitioner.
6. There may be some merit in the contention of the Petitioner that the amount paid was not credited into account of Petitioner. The Petitioner has also claimed that he made some payments under duress. Hence, it would be in the fitness of things that the revision petition bearing No.28/2025 title "Mohinder Pal Singh Vs. Delhi State Taxi Operators' Cooperative T/C & Service Society Ltd. & Anr." is remanded back to the R-2, RCS who will appoint an Inquiry Officer to get the accounts of society audited and to decide if there is any criminal fraud involved. Prosecution sanction also may be considered against the defaulting members of the ex- management committee of the society if they are found guilty and it may be reassessed whether any amount is payable by the Petitioner. Accordingly, the case is disposed of in terms of the above.
7. File be consigned to record room after completion.



(PRASHANT GOYAL)
Financial Commissioner
Delhi

Case No. 55 of 2025

Santosh Kumar & Ors

Vs.

The Ashirwad Coop (U) T/C Society Ltd. through its A.R. & Ors.

07.11.2025

Present : Shri Santosh Kumar, Petitioner No.1 in person.
: Smt.Sunita, Petitioner No.3 in person.
: Shri Sandeep Kumar, Counsel for R-1, Society.
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Sr.
Assistant for R-4, RCS.

1. The Petitioner No.1 & Petitioner No.3 contended that they are sureties in this case and the Prem Kumar Jha, R-2 is a Principal Debtor and the Principal Debtor has passed away in August, 2024. They felt aggrieved that the legal heirs of Principal Debtor have not been impleaded as party and no attempt made to recover loan amount from them.
2. R-4, RCS filed reply and the same is taken on record.
3. As per R-4, RCS's reply, Prem Kumar Jha availed loan of Rs.2 lakh from said society in the year 2019 and the Petitioners stood his sureties. Thereafter, on default of payment, case was referred to RCS by the society and an arbitral award was passed on 06.07.2022 against the Petitioner and Principal Debtor. Execution Proceedings were subsequently initiated against the Principal Debtor and his surety. Summon/attachment/warrant order has been issued. Further, an amount of Rs.2,91,982 is still due to be paid.
4. The Counsel for R-1, Society submitted that the Society had not knowledge of the LR's. Further, the Hon'ble DCT has power to waive of the penalty, arbitration fees and decide appropriate rate of interest, etc. it being the appellate court against the arbitral award. The Petitioner may approach the appropriate forum to file the appeal against arbitration award before the DCT and could also file petition before the DCT to implead LR's as party.

5. The Petitioners agreed to the submissions made by the Counsel for R-1 and wish to withdraw the present petition.
6. The petition is, therefore, dismissed as withdrawn, with liberty to approach the appropriate forum of law.
7. File be consigned to record room after completion.


(PRASHANT GOYAL)
Financial Commissioner
Delhi