

16.10.2025

Present : Shri Ashutosh Anand, Counsel for Petitioner.
: Ms. Vasu Singh, Counsel for R-2, RCS.
: None for R-1, Co-operative Bank.

1. Counsel for Petitioner contended that he is aggrieved by the order dated 15.04.2025 issued by Assistant Collector raising again recovery of Rs.52,16,009/- upto 20.06.2024, despite full and final payment made of Rs. 25 lacs through DD in 2024 under one time settlement scheme in addition to of Rs.17,19,890/- against the award. Petitioner filed documentary proof of having paid both these amounts. Petitioner went on to aver that despite making full and final payment of the of Rs.17,19,890/-, petitioner did not receive No Dues Certificate/ closure certificate till date, is being harassed by the local administration.
2. Counsel for RCS submitted that a letter dated 17.09.2025 written by advocate for Petitioner to the Manager, Cooperative Bank, (R-1 herein) for issuance of a formal No Dues Certificate/ Loan closure confirmation at the earliest.
3. R-1, Parishad Co-operative Bank is absent today. Issue notice to the same with a direction to the President and Secretary of the Society to be personally present before the Court on the next date of hearing, failing which adverse order may be passed against it.
4. Respondent RCS is directed that no further recovery shall be made from the Petitioner.
5. Adj. to 13.11.2025.

16.10.2025

Present : Shri Rajiv Vig, Counsel for Petitioner.
: Ms. Vasu Singh, Counsel alongwith Sh. Dhananjay,
Jr. Asstt. for R-1, RCS.
: Shri Siddharth Tripathi, Counsel for R-2.
: Shri Abhinav Singh, Counsel for R-3, DCHFC.

1. Counsel for Petitioner stated that petitioner Society came to know about the fee of the auditor only through impugned order. Counsel contended that the issue of payment of professional fee ought to be decided by the Assistant Collector who was conducting the execution proceedings and not by AR (Audit) to whom the society never asked for any appointment of any CA. Counsel further contended that R-1/RCS has passed the impugned order without examining and understanding the litigation amongst the parties, and failed to appreciate that the petitioner society never requested for appointment of CA. Counsel also stated that the CA was appointed at the request of the DCHFC, hence there is no question of Society bearing the alleged professional fee of the CA. The report of the CA was not accepted either by the respondent No.2, who is borrower, or by the DCHFC. The CA appointed from the panel of the RCS has done nothing to justify such an exorbitant professional fee. Counsel referred to audit report placed on record and stated that it does not speak about the audit of the Society. The petitioner would also provide documentary proof on how much annual audit fee it is paying.
2. Counsel for R-3, DCHFC submitted that the respondent no.2 herein went before the Hon'ble High Court of Delhi in WP (C) 4361/2017 & CM No.19015/2017 against the order dated 01.03.2017 passed by the Assistant Collector Grade I in

execution case preferred by the DCHFC. The Hon'ble High Court vide order dated 01.11.2018 permitted the Assistant Collector to take the assistance of a qualified Chartered Accountant for arriving at the amount due from the petitioner, if any.

3. Counsel for R-1, RCS submitted that the audit report is not a full-fledged one and the Hon'ble High Court has not mentioned the word "audit' and examining the accounts". The RCS to clarify on next date the basis for fixation of fees when the only inspection of account w.r.t. R-2 was to be done and the report can't be called a full-fledged audit report. Also, whether Cooperative law provides for payment of fees in context thereto by the Society.
4. Adj. to 20.11.2025 for further arguments.

**Financial Commissioner
Delhi**

Case No. 135 of 2025

Smt. Reena Shrivastava & Anr.
Vs.
Registrar Cooperative Societies & Anr.

16.10.2025

Present : Shri M. K. Jha, Counsel for Petitioner.
: Ms. Vasu Singh, Counsel alongwith Sh. Dhananjay,
Jr. Asstt. for R-1, RCS.
: Shri Rajiv Vig, Counsel for R-2, Society.

1. The present revision petition has been filed by the petitioner under Section 116 of the Delhi Cooperative Societies Act, 2003 challenging the impugned order dated 03.05.2024 and dated 09.08.2024 (on review application) passed by the Id. Registrar Cooperative Societies (RCS). However, the perusal of record reveals that order dated 09.08.2024 has not been filed before this Court and the document filed with the petitioner pertain to another case.
2. Brief facts of the case are that the petitioners were enrolled as members by R-2, Society in the year 2013. On a complaint received by the Society that the petitioners were already having residential property bearing A-82, Seema Apartment, Dwarka, New Delhi, the Society through the RCS initiated proceedings for cessation of their membership on account of disqualification for holding another property. The RCS vide order dated 03.05.2024 ceased the membership of the petitioners herein for having attracted the provisions of Rule-20(1)(c)(i) and (iii) of DCS Rules, 2007 read with Section 87 and 41(1) of DCS Act, 2003.
3. Counsel for petitioner contended that the joint membership of respondent Society was acquired in the year 2013. The petitioners have opted for 3 bed room flat and paid sum of Rs.99,59,744/- towards

the cost of the flat. As the Society failed to hand over possession of flat, therefore, the petitioner no.1 was forced to buy flat A-82, 8th floor, Seema Apartment, Dwarka, New Delhi having plinth area of 123.915 sq. meter in the year 2016. Therefore, the share of the petitioner no.1 in the said building is less than 66.72 sq. meter. The said flat was purchased in resale at prevailing market value without availing any benefit under the DCS Act. Therefore, the provisions of Rule-20(1)(c)(i) and (iii) of DCS Rules, 2007 are not attracted in the present case as the share of petitioner in a building of 8 floors having area of 123 sq. meter or so is less than the permitted limit of 66.72 sq. meter.

4. Counsels for R-1, RCS and R-2, Society both submitted that there have been several cases of similar nature wherein membership of members of the Bhagwati CGHS were ceased by the RCS on similar grounds. Moreover, the predecessor Financial Commissioner had remanded such cases to the RCS for revisiting the cases as in none of the cases, disqualification of membership was attracted. Accordingly, both the counsels agreed that similar decision may kindly be taken in the present case also and case may be remanded back to the RCS.
5. In the light of the above, this Court is of the considered view that the share of the petitioner no.1 in the property which was acquired through open market in the year 2016, i.e. after obtaining membership in the Society in the year 2013, is less than 66.72 sq. meter which is the permissible limit prescribed under Proviso to Rule-20(1) of DCS Rules, 2007. Therefore, in the present case, *prima facie* it appears that there is no disqualification of petitioners herein. The RCS is free to confirm the facts in field inspection.

6. Keeping in view the averments made by the Counsel for R-1, RCS and R-2, Society, the matter is remanded back to the Id. RCS to take into consideration the provisions of law as well as the judgements relied upon by the petitioners i.e. ***DDA Vs. Jitender Pal Bhardwaj*** (2010) 1SCC 146, ***Kalu Ram Sharma Vs. the Financial Commissioner, Delhi***, WPC No.794/2012 and ***Bindiya Aggarwal Vs. RCS & Anr.*** WPC No.2550/2011. The Id. RCS shall pass a speaking and reasoned order after hearing all the parties preferably within next three months.
7. The case bearing No.135 of 2025 titled "***Smt. Reena Shrivastava & Anr. Vs. Registrar Cooperative Societies & Anr.***" is disposed of in terms of above.
8. File be consigned to record room after completion.

(Prashant Goyal)
Financial Commissioner
Delhi

16.10.2025

Present : Shri S. P. Das, Counsel for Petitioner.
: Shri Manish Jethl, AR for R-1, T/C Society.
: Ms. Vasu Singh, Counsel for R-2, RCS.

1. Counsel for Petitioner contended that he has filed revision petition under Section 116 of DCS Act to set aside attachment notice to recover the debt from petitioner being a principal borrower and consequential relief.
2. He added that the petitioner, an employee of the Supreme Court of India working as a Junior Court Attendant, had availed a loan of Rs. 2,00,000/- from Respondent No.1, a Co-operative T/C Society, on 17.07.2018 and the arbitration proceedings initiated by R-2, RCS under the DCS Act were conducted in violation of mandatory procedural safeguards, rendering the proceedings void ab initio. Pursuant to the ex-parte arbitral award, attachment orders were issued to the petitioner's salary disbursing authority, and deductions amounting to Rs.3,48,921/- were made between January 2019 and December 2020, thereby satisfying the alleged award amount. Despite full satisfaction of the purported dues, Respondent continued recovery by issuing a subsequent attachment notice dated 29.11.2022 to the petitioner's banker (UCO Bank), leading to further deductions of Rs.10,000/- per month from November 2022 to April 2024, aggregating Rs.1,69,800/-. The petitioner has alleged that a compound interest of 19.80% per annum was wrongfully applied quarterly, contrary to the agreed annual compounding and unlawful imposition of penal interest.
3. Representative for R-1, T/C Society submitted that the petitioner had taken a loan of Rs.3 lacs instead of Rs.2 lacs as contended by Petitioner and in the affidavit, the sureties affirmed and declared that our particulars are correct and we are severally and jointly responsible for

payment of this loan. R-1, Society further submitted in its reply filed a loan bond signed by the principal borrower.

4. Counsel for R-2, Asstt. Collector, RCS filed reply and supplied a copy of the same to the both parties. R-2, RCS in its reply contended that the petitioner has sought to set aside the bank attachment notice dated 29.11.2022 issued to his banker in Execution Case No. 950/2018-2019 titled Bestway Cooperative U T/C Society Ltd. vs Shabbir Husain. The petitioner had availed a loan of Rs. 3,00,000 from the respondent society in the year 2017. Upon default in repayment, proceedings were initiated before the RCS under Section 70 of the Delhi Cooperative Societies Act, resulting in an award dated 10.08.2018 against the petitioner and his sureties for Rs. 3,48,921/- . Consequently, execution proceedings were undertaken in Execution Case No. 950/2018-2019, wherein an amount of Rs.2,57,308/- remains due and payable by the petitioner.
5. In compliance with the FC Court's order dated 22.08.2024, the salary and bank attachment orders against the petitioner were cancelled vide order dated 27.08.2024. As per the loan bond, the interest was 16.8% per annum with an additional 3% penal interest, though the award and recovery certificate mention monthly compounding at the same rate. Under Rule 151 of the DCS Rules, 2007, the Recovery Officer has no jurisdiction to alter, question, or review the legality or validity of the decree or recovery certificate in execution proceedings. Counsel for R-2, RCS submitted that in view of the above facts and legal position, the petition be dismissed as the petitioner remains liable to discharge his loan obligations in accordance with the award.
6. In view of the submissions made, it is directed that:
 - i. No further deduction shall be made by the DDO.
 - ii. RCS to justify why such a high rate of interest is levied in the execution proceedings by the RCS office upon application of Thrift & Credit

Cooperative Societies in recovery of loan amount. Further, how a default penal interest rate of 3% has been permitted and that also capitalized.

- iii. The society will submit a certificate from its auditing Charted Accountant on weighted average cost of its borrowings, its cost of operations and any other related documents to help assess the reasonability of interest being charged by it.
- iv. Both the Asstt. Collector, RCS as well as the borrower shall be present in person before the Court on the next date of hearing to explain the matter elucidated above.

7. Counsel for R-2, RCS is directed to come prepared for arguments with clear guidelines for Thrift & Credit Society on the next date of hearing.

8. Adj. to 20.11.2025 for arguments.



**Financial Commissioner
Delhi**

16.10.2025

Present : Shri Ojas Nirula, Proxy Counsel for Petitioner, Society.
: Shri Sangeeta Singh, GPA for R-1.
: Ms. Vasu Singh, Counsel for R-2, RCS.

1. Proxy Counsel for Petitioner requested for adjournment as the main counsel is unwell. Request is allowed with the direction to appear and lead the case adequately on the next date of hearing failing which, cost shall be imposed.
2. GPA for R-1 who is now the co-owner of the property filed review petition u/s 115 of DCS Act, 2003 against Court proceeding dated 27.08.2025 and 04.04.2025 for correction of an error in referring residential property of R-1 as 'impugned premises' and prayed for correction of the same.
3. All other parties i.e. Petitioner, Society and R-2, RCS have 'No Objection' if the corrections sought by the R-1 are carried out.
4. Having considered the review application filed by the R-1 and also the no objection offered by other concerned parties to the case, the word 'impugned premises' mentioned in this Court proceedings dated 27.08.2025 and 04.04.2025 are corrected as 'premises' and accordingly, the word 'impugned' is dropped from the said proceedings.
5. Counsel for R-2, RCS filed reply and supplied a copy of the same to other sides.
6. Adj. to 13.11.2025 for arguments on the merits of the case.

Financial Commissioner
Delhi

16.10.2025

Present : Ms. Sakarwal and Ms Aparna Vishal, Counsels for Petitioner.
: Shri Anil Kumar, Counsel alongwith Shri Ravinder Krishan, A.R. for R-1 Bank.
: Ms. Vasu Singh, Counsel for R-2, RCS.
: Ms. Purnima Jain, Counsel for R-3, NDMC.

1. Counsel for Petitioner contended that she seeks more time for out of Court and further informed that Petitioner is working as Jr. Assistant in NDMC and taken a loan of Rs. 10 Lakh from R-1, Bank on 27.09.2010 and she has already paid Rs. 12,14,650/- and the same was deducted from the salary of the Petitioner. The Petitioner further admitted that last deduction was made in November 2021.
2. Counsel for R-1, Bank submitted that the Petitioner is not approaching the Bank for settlement despite direction given by this Court on 12.09.2025 and requested to this Court that a particular time and date be given to the Petitioner to settle the matter.
3. Counsel for R-1 further submitted that the Petitioner has clubbed two issues in the present petition. In the first matter, a loan of Rs.5 lakh was taken by the Principal Borrower Shri Anand Ballabh and his first Surety is the Petitioner herein and the second Surety is Shri Raj Kumar. Secondly, the Petitioner herein is the Principal Borrower and taken loan of Rs.10 lakh and her First Surety is Shri Chandan Singh Negi and Second surety is Smt. Pushpa. The Counsel for R-1 further submitted that the present petition is time-barred.
4. Counsel for R-2, RCS submitted that the Petitioner herein had taken a loan of Rs.10 lakh on 29.06.2010 as Principal Borrower from R-1, Bank and later on she defaulted in payment and subsequently R-1 filed arbitration case and in consequence of that, an Award was passed against the Petitioner on 22.02.2013, which was undertaken for

execution proceedings by the Assistant Collector who passed the impugned orders dated 31.07.2017 and 02.03.2021.

5. The Petitioner is given one final opportunity to appear before the R-1, Bank on or before 27.10.2025 to settle the matter and file the status of settlement, if any, on the next date of hearing.
6. Adj. to 14.11.2025 for further arguments.

**Financial Commissioner,
Delhi**

16.10.2025

Present : None for Petitioner.
: Shri Arun Lal, Counsel R-1, T/C Society.
: Ms. Vasu Singh, Counsel alongwith Shri Dhananjay, Jr.
Assistant for R-2, RCS.
: Shri Vivek Kumar, Proxy Counsel alongwith Ms. Prachi
Bhardwaj, Dy.Branch Manager for R-3, ICICI Bank.

1. None appeared for Petitioner.
2. Counsel for R-1, T/C Society submitted that the Petitioner is an employee of Delhi Tansco Ltd. and stood surety of Shri Raj Kishore Mahto who had taken a loan of Rs.2,00,000/- on 07.07.2022. The Counsel for R-1 further submitted that only four instalments of Rs.5,500/- p.m. have been deduced from his salary. Now, the total outstanding amount against the Petitioner is Rs.3,48,000/- till date and he has also taken loan from many T/C Society. He also informed the Court that he has not received a copy of present petition yet.
3. R-3 is directed to release the 50% of the salary of the Petitioner from the date from which it has been frozen and file a proof of the same in this court before the next date of hearing to permit the Petitioner to sustain his livelihood.
4. Issue notice to the Petitioner to appear and lead his case on the next date of hearing failing which the matter may be dismissed for non-prosecution.
5. Adj. to 20.11.2025 for further arguments.

Financial Commissioner,
Delhi

Case No. 132 of 2025

16.10.2025

Present : Shri Vidhya Bhushan, Counsel for Petitioner.
: Ms. Vasu Singh, Counsel along with Shri Dhananjay, Jr.
Assistant, for Respondent, RCS.
: None for R-2, Rohini, Coop.T & C Society

1. Petitioner is directed to file amended petition mentioning the correct provision of law related to revision instead of appeal, as only revision lies before this Court, in execution matters.
2. Counsel for Petitioner submitted that he is aggrieved by the impugned order dated 21.10.2020 whereby his salary was attached against the loan amount of Rs.1,00,000/- taken by the Petitioner on 15.03.2007. R-2, T&C Society issued notice on 20.11.2011 showing due amount of Rs.2,69,069/- with interest. Another notice was issued on 14.09.2018 wherein showing total due amount of Rs.7,51,132/-.
3. Petitioner claims that till now he has paid total due amount of Rs.7,51,132/- against the loan of Rs.1,00,000/-, but as per statement of R-1 total amount due was still shown as Rs.13,64,592/- even after recovering the amount of Rs.7,51,132/-.
4. Counsel for R-1, RCS filed reply and copy given to the Petitioner. She submitted that petition's copy has not been provided by Petitioner and based on the averments made by the Petitioner argued that Petitioner did not challenge the award which was passed long ago as the attachment orders were passed on the basis of the award. RCS further contended that Petitioner has not filed any documentary proof showing payment of loan amount of Rs.7,51,132/-.
5. Based on the averments by the Petitioner, it is directed that no further recovery shall be made henceforth.

6. R-2, Rohini Coop. T & C Society is absent today. Issue notice for same to appear and lead the case on the next date of hearing.
7. R-2, Society is also directed to explain on the next date of hearing why excess amount paid by the Petitioner should not be attached from their account.
8. Petitioner is directed to supply the copy of the petition immediately to the Respondent, RCS and also to file on record proof of payment showing Rs.7,51,132/-.
9. Interim protection is granted to the Petitioner subject to submission of calculation/ documents relates to payments already made, till the next date of hearing.
10. Adj. to 13.11.2025.

**Financial Commissioner
Delhi**