

05.12.2025

Present : Shri Piyush Goyal, Proxy Counsel for Petitioner, Society.
: Ms.Vasu Singh, Counsel for Respondent, RCS.

1. The Counsel for Petitioner contended that the order dated 09.01.2025 passed by the Respondent, RCS has imposed a penalty of Rs.1500/- upon the Petitioner society for delay beyond stipulated 120 days in filing the audit report.
2. On query of this court regarding the dates on which the audit reports for the year 2021-2022, 2022-23 & 2023-24 were accepted/approved, the Counsel for Petitioner and RCS could not reply satisfactorily in spite of submissions of chronological orders of events (bearing typographical errors). The Counsel for both sides sought time to explain the same on the next date of hearing.
3. The Petitioner is directed to explain on the next date of hearing as to why the Petitioner has applied for appointment of Auditor on 02.05.2024, when he could have applied on 01.04.2024, so that audit could be initiated immediately on approval of audit report of 2022-23.
4. On the specific query to the RCS by this court as to when did the society submitted the previous year (2022-23) report before the RCS. The Counsel for RCS submitted that it was received vide email in the O/o the RCS on 29.02.2024.
5. The Respondent, RCS is also directed to explain as to how much time does RCS take to appoint auditor generally and whether that intervening period is counted within the 120 days timeline to get previous year's accounts of society audited.
6. Adj. to 12.12.2025 for further arguments.

**Financial Commissioner,
Delhi**

Vidya Vihar CGHS Ltd. Vs. Dharam Singh Yadav & Ors.

05.12.2025

Present : Shri Rajesh Kumar Dudani, Counsel for Petitioner.
: Ms. Vasu Singh, Counsel for Respondent, RCS.
: Shri Dharam Singh Yadav, R-1 alongwith Shri Makhan Singh, R-3 in person.

1. The Counsel for the Petitioner society contended that the present petition has been filed under section 116 of Delhi Co-operative Society Act, 2003 against the impugned orders dated 21.03.2025 and 22.05.2025 passed by Registrar of Cooperative Societies, RCS wherein prosecution sanction against the Ex-Managing Committee has been denied.
2. The petitioner-society alleges that the former President, Secretary, and Treasurer (2011-2018) committed serious financial irregularities, forged records, misused society funds, and caused major monetary loss. The society filed a complaint under Sections 118/121 of the DCS Act on 06.01.2020. Despite repeated reminders, re-submission of documents, and even orders of the Hon'ble High Court dated 28.02.2024 directing the Registrar to decide the complaints within 12 weeks, no action was taken. After the society filed a contempt petition, the Registrar's office sought documents but without granting any hearing, RCS passed an order dated 21.03.2025 rejecting the society's complaint. The Review Petition under Section 115 was also dismissed on 22.05.2025.
3. The Court pointed out that the RCS in its impugned order has informed the society about other means to bring out alleged financial mismanagement, including

inspection u/s 61 and subsequent inquiry u/s 62 of DCS Act.

4. During the hearing, it has been informed by the Counsel for RCS that on complaint of one Shri K.C. Mittal, an inquiry u/s 62 has been ordered by the RCS and Shri R.S. Krishanan, Dy. Secretary, CM office has been appointed as inquiry officer.
5. During hearing it transpired that inquiry officer has been appointed by the RCS but inquiry proceedings have not yet been initiated u/s 62 of DCS Act.
6. Accordingly the matter is remanded back to RCS who shall direct the inquiry officer to complete the inquiry, including on complaint of Petitioner here, in a time bound manner after hearing all the parties concerned. Subsequently, RCS may take its decision on the report submitted by the Inquiry Officer after again hearing the Petitioner.
7. The revision petition bearing no.70/2025 titled is disposed of accordingly in terms of above.
8. File be consigned to record room after completion.



(PRASHANT GOYAL)
Financial Commissioner
Delhi

Case No. 70 of 2025

Sondeep Shankar & Ors. Vs. RCS & Anr.

05.12.2025

Present : Shri Piyush Goel, Associate Counsel for Petitioner.
: Ms. Vasu Singh, Counsel for Respondent, RCS.
: Shri Jatin Handa, Associate Counsel for R-2.

1. Counsel for Petitioner contended that the Registrar passed the impugned order dated 27.12.2024 against the Petitioners only on the basis of two inquiry reports dated 29.06.2021 given by Shri M.C. Jha and dated 06.05.2022 given by Shri Vinay Kaushik who conducted the said inquiry without giving any notice or opportunity of hearing to Petitioners. This shows a clear violation of natural justice. The Counsel further contended that Petitioners were already cleared under Section 66(2) by Registrar of Cooperative Societies on the same facts, yet were convicted under Section 118. Such contradictory findings show non-application of mind.
2. Counsel for Petitioner also submits that the allegation of tampering with GBM minutes of 2012 and 2013 is incorrect. The original handwritten minutes in the official register are intact and duly signed. The typed emails sent later were only draft summaries prepared by staff and may not match exactly. Respondent No. 2 attended both meetings and never objected at that time. The allegation of two different audit reports for FY 2013-14 is also baseless. The Chartered Accountant explained that the only difference was minor transfer of entries between heads and Rs.109 difference in audit fees. There was no misappropriation, which is confirmed by the Section 66(2) order of Delhi Cooperatives Societies Act, 2003.
3. Counsel for Petitioner further submitted Show cause notice was served upon the Petitioners only in 2023, when RCS had taken cognizance of inquiry reports. When certified copies of inquiry reports were obtained, it was

seen that the replies of Petitioners filed before RCS were missing from the RCS record, showing serious irregularity. The Registrar also acted arbitrarily by convicting some members of the 2014-17 Committee even though the allegations relate only to 2012-14, while wrongly excluding another member without any reason. Respondent No. 2 has been filing repeated complaints and RTIs out of personal vendetta after being debarred from elections. This background was ignored.

4. Counsel for Petitioner submitted that if notice was served on Managing Committee, it should have been duly served on the Petitioner as well, as there was no Managing Committee functioning and Administrator had been running the affairs of the society. The Petitioner no.1 & 2 had sold the flat in the year 2019 and were not aware of any notice. The notices were all the more justified in view of specific allegation against them.
5. Counsel for R-1, RCS quoted Rule 82 (5) of DCS Rules, 2007 and denied the contention of the Petitioner that their reply was not considered by the RCS while passing the impugned order. However, she admitted that both the Inquiry Officers did not serve any notice on Petitioners.
6. Counsel for R-2, Shri Umesh Joshi, the complainant also referred to impugned order wherein it was mentioned that the complainant submitted his written submissions dated 09.10.2024 reiterating the allegations levelled by him against the then Managing Committee of the Society regarding tampering of minutes of SGBM dated 22.09.2013 as well as balance sheet for the Financial year 2013-14, the complainant further submitted relevant minutes of SGBM and the balance sheet for the financial year 2013-14.
7. Counsel for R-2, Shri Umesh Joshi, the complainant submitted that Inquiry Officer, Shri M.C. Jha duly served the notices to the Managing Committee and the new address of the Petitioner was not available with them.

8. This Court has observed that two inquiries were conducted and no show cause notices were ever issued to Petitioners. The Respondent RCS as well as the complainant/ R-2, Shri Umesh Joshi could not adduce any evidence rebutting the same.
9. In light of above, this Court is of the considered view that in the interest of justice a fair opportunity of being heard should have been given to Petitioners before granting prosecution sanction against them u/s 116, of the DCS Act. Hence, it is directed that a fresh inquiry be ordered by RCS as per DCS Act & Rules. The issue as to who shall bear the cost of inquiry shall be decided as per Rule 82 of DCS Rules. Accordingly, the matter is remanded back to RCS to appoint an inquiry officer in the matter who shall do the inquiry de-novo without taking cognizance of earlier inquiries. Subsequently, RCS shall take a decision as per DCS Act & Rules.
10. The revision petition bearing no. 70/2025 titled is disposed of accordingly, in terms of above.
11. File be consigned to record room after completion.


(PRASHANT GOYAL)
Financial Commissioner
Delhi

***The Ashish Balaji Cooperative Urban T/C Society Ltd.
Vs.
The Registrar Cooperative Societies (RCS)***

05.12.2025

Present : Shri R. P. Sahoo, Counsel for Appellant.
: Ms. Vasu Singh, Counsel alongwith Shri Shahid, Sr.
Asstt. for Respondent, RCS.

1. Counsel for Appellant requested to waive off the cost of Rs.5000/- which was imposed on him on the last date of hearing i.e. 21.11.2025 as he could not be present due to sudden demise of his relative. Request is considered, accordingly cost is waived off.
2. Counsel for Appellant contended that Appellant, a registered Cooperative Society, applied to the Respondent (Assistant Registrar) on 03.11.2023 to register an amendment to its bye-laws under Section 12 of the Delhi Cooperative Societies Act, 2003. When the Respondent first rejected this application on 24.01.2024, the Appellant filed an appeal (No. 78/2024) with this Hon'ble Court. The matter was settled by the Court's order dated 06.12.2024, following which the Appellant re-submitted the proposal for necessary approval. Despite the Court's previous order, the Respondent issued the Impugned Order dated 21.05.2025, rejecting the amendment again, citing that the amendment constitutes an "unregulated scheme." This order was passed ex-parte exports without giving the Appellant an opportunity to be heard, thus denying a fair procedure as required by law. The Appellant contends that the rejection is unlawful because the subject of the amendment (loan against property) is already governed by statutory provisions (Sections

45 and 104) r/w Rule 63, DCS Rules, 2007 of the Act hence challenge to the Impugned Order passed.

3. Counsel for Respondent, RCS contended that the rejection is grounded in the fact that the amendment sought pertains to an unregulated scheme which does not conform to the regulatory framework governing cooperative societies under applicable laws and rules. Such unregulated schemes fall outside the ambit of permissible activities and breach the statutory mandate ensuring transparency, oversight, and protection of members' interests. But she did not have any counter to the arguments made by the Counsel for Appellant, regarding passing of the impugned order ex-parte and in a cryptic manner, without adducing any reasons for it being in violation of regulatory framework.
4. Keeping the submissions in view, this Court is of considered view that the impugned order passed by the ARCS is yet again non-speaking and it has failed to fulfil legal basis and application of mind despite the clear directions from this Court. Hence, the case is again remanded back to the RCS with a clear direction to hear the Petitioner and pass a speaking order accordingly preferably within two weeks from this order.
5. The appeal bearing case no. 147/2025 titled ***The Ashish Balaji Cooperative Urban T/C Society Ltd. Vs. RCS*** is disposed of accordingly in terms of the above.
6. File be consigned to record room after completion.


(PRASHANT GOYAL)
Financial Commissioner
Delhi

**Mohinder Pal Singh
Vs.
Delhi State Taxi Operators Coop T/C Society Ltd. & Ors.**

05.12.2025

Present : Shri Vijay Mishra, Counsel for Petitioner.
: Shri Akshay Bhardwaj, Counsel for Review Applicant/R-1, Society.
: Ms.Vasli Singh, Counsel for R-2, RCS.

1. The Counsel for Review Applicant/R-1 Society contended that as per Para 6 of the impugned order dated 07.11.2025 passed by this court in case bearing No.28/2025 in case titled "*Mohinder Pal Singh Vs. Delhi State Tax Operators' Cooperative T/C Society Ltd. & Anr.*", the matter was remanded back to R-2 RCS to appoint an Inquiry Officer to get the accounts of the society audited without mentioning the period of audit and the section under which the inquiry is to be conducted by the Inquiry Officer.
2. The Counsel for Review Applicant/R-1 further contended that the original Petitioner herein had filed writ petition bearing WPC No.11786/2025 before the Hon'ble High Court of Delhi against execution case No.1529/2006-07 wherein the Petitioner has not impleaded the Review Applicant in the array of parties and the Petitioner has also not apprised the Hon'ble High Court that he has filed the present revision petition before this Court. Hence, multiplicity of litigations should not be allowed.
3. In rebuttal, the Counsel for Petitioner submitted that issues are different and different kind of relief has been sought in the Hon'ble High Court of Delhi. The Counsel for Petitioner also submitted that this court had provided more than five opportunities to the R-1 to file the reply before passing the impugned order, but he failed to do so.
4. The Counsel for R-2, RCS submitted that the RCS has not received copy of the present review application.

5. On perusal of records, facts of the case and arguments forwarded, it is noted that the review applicant failed to disclose new additional fact or any error apparent in the said impugned order dated 07.11.2025. He however raised an issue about lack of clarity on the inquiry to be conducted by the RCS. Accordingly, it is clarified that an inquiry u/s 62 of DCS Act, 2003 be conducted by the RCS on the limited issues raised by the petitioner regarding the exact loan, if any, taken by him, and the accounting of repayment of the same by the Society. The Inquiry Officer shall inspect all the relevant records in this context. The fee of Inquiry Officer shall be settled as per Rule 82(5) of the Delhi Cooperative Societies Rules, 2007.
6. Accordingly, the review application bearing No.212/2025 titled **"Mohinder Pal Singh Vs. Delhi State Taxi Operators Coop T/C Society Ltd. & Ors."** is disposed off in terms of the above.
7. File be consigned to record room after completion.

(PRASHANT GOYAL)
Financial Commissioner,
Delhi