

**Case No.190 of 2025**

**Shri H. R. Vaish & Ors.  
Vs.**

**Registrar of Cooperative Societies & Ors.**

20.11.2025

Present : Ms. Tanya Jivrajika, Proxy Counsel for Petitioners.  
: Ms. Vasu Singh, Counsel for R-1, RCS.

1. Proxy Counsel for Petitioners submitted that the main counsel is busy in the Hon'ble High Court. She sought instructions from the main counsel and stated that she would like to withdraw the present revision petition. The request is allowed and the case is accordingly dismissed as withdrawn with the liberty to approach appropriate forum.
2. File be consigned record room after completion.

  
**(Prashant Goyal)**  
**Financial Commissioner**  
**Delhi**

**Case No. 134 of 2025**

21.11.2025

Present : Shri Rajiv Vig, Counsel for Petitioner.  
: Ms. Vasu Singh, Counsel alongwith Shri Ravi, Jr.  
Asstt. for R-1, RCS.  
: Ms. Praveena Bisht, Counsel for R-2.  
: Shri T.S. Nanda and Shri Abhinav Singh, Counsels  
alongwith Shri L.G. Bhardwaj, CAE for R-3, DCHFC.

1. Counsel for Petitioner, society has already filed copy of fee bill paid to Chartered Accountant (CA) for conducting audit along with payment proof for the financial years 2011-12, 2012-13 & 2013-14. Counsel for Petitioner contended that Petitioner society never requested for appointment of CA, therefore no question arises for the society to bear the professional fee of the CA, instead the CA was appointed at the request of the R-3, DCHFC. Moreover, the report of the CA was not accepted either by the Society or by the R-2 who is borrower, or by the DCHFC, who is the creditor. Petitioner further contended that the records as contended by RCS in its reply have not been seen for many years.
2. Counsel for R-1, RCS filed reply and copies of the same are supplied to the parties. R-1, RCS stated in its reply that the Auditor was paid Rs. 14,250/- for the yearly statutory audit, but for investigating the records of multiple parties over 35 years, a fee of Rs. 76,000/- was charged, including GST. As per Rule 79(4) of the DCS Rules, 2007, audit fees fixed by the Registrar must be paid by the society after the Cooperative Department acknowledges the report. The Auditor was appointed by the RCS Office as per the directions of the Hon'ble Delhi High Court.

3. The RCS Counsel was not able to clarify why an audit was ordered when the High Court's order only gave option of using services of a Chartered Accountant and that to a vis-à-vis accounts of R-2. Also, she was unable to clarify on RCS claimed 35 years when even the CA report does not say so. She is also to produce the order vide which RCS appointed the Chartered Accountant.
4. Counsel for R-2 submitted that she had not asked for the appointment of the auditor. She had been earlier issued NOC by Society and now claim is being made against her.
5. The Counsel for R-3, DCHFC submitted that it was a non-statutory audit due to mismanagement in the affairs of the society, hence the society should pay the Chartered Accountant fee as directed by the RCS in its impugned order dated 16.05.2025.
6. Adj. to 12.12.2025.



**Financial Commissioner  
Delhi**



**Case No. 188 of 2024**

**Shri Rajinder Gulati  
Vs.  
Registrar Cooperative Societies & Anr.**

21.11.2025

Present : Shri Rajinder Gulati, Review Applicant in person.  
: Ms. Vasu Singh, Counsel alongwith Shri Kapil, Sr.  
Asstt. for R-1, RCS.  
: Shri Jaspreet Singh, Counsel for R-2, Society.

1. The Review Applicant contended that no show cause notice was ever issued to him at any point of time by the RCS before passing the impugned order. The Review Applicant further contended that the impugned letter dated 08.11.2021 issued by the Respondent Society is arbitrary, illegal, and unjustified. The review applicant further stated that he has placed on record the orders dated 08.02.2024 in case no.2004/2017 and 335/2012 wherein this Court has remanded the matters solely on the ground of violation of natural justice in not issuing any Show Cause Notice which has not been dealt in the impugned order, challenged in present review application.
2. Counsel for RCS submitted that the petitioner had appeared and filed reply before the RCS which was considered. RCS further submitted that on the petition filed by Petitioner himself, the Hon'ble High Court of Delhi vide order dated 27.01.2020 directed the Registrar to dispose of the matter by 31 March 2020 and communicate the decision to the Petitioner within two weeks thereafter.
3. Counsel for Society submitted that all the submissions made by the applicant duly recorded in the impugned order of the predecessor Financial Commissioner. Counsel referred the impugned order wherein it is mentioned that after the Hon'ble High Court's directions dated 27.01.2020, the RCS examined the matter and found that Schedule VII contained incomplete information. The erstwhile MC failed to produce original records, was

superseded on 24.07.2020, and a new MC took charge on 06.12.2020, who informed the RCS on 03.02.2021 that there is no 400 sq. yard plot available, as all plots were booked and paid for in 1981 by valid members, and that the Petitioner's amount would be refunded since he was not entitled to membership. After reviewing the Society's records and relevant court orders, the RCS held that the Petitioner was not a validly enrolled member and therefore not entitled to a plot.

4. Since, all the pleadings and arguments are complete, both the parties are directed to file their written submissions in brief, if they so wish, latest by 30.11.2025, whereafter orders shall be passed on the basis of the documents available on record.
5. Case is reserved for pronouncement of orders on 12.12.2025.

**Financial Commissioner  
Delhi**

**Case No. 284 of 2024**

20.11.2025

Present : Shri H.K. Shekhar, Counsel for Petitioner.  
: Shri Rajiv Vig, Counsel for R-1.  
: Ms. Vasu Singh, Counsel along with Shri Balender Singh, Sr. Asstt. for Respondent, RCS.

1. RCS filed reply and supplied the copy to the R-1 Society as well as to Petitioner. Petitioner sought time to file rejoinder.
2. Petitioner filed chronology of events and also supplied a copy of the same to the Society and to the RCS.
3. Adj. to 12.12.2025 for final arguments.

  
**Financial Commissioner  
Delhi**



**Case No. 105 of 2025**

20.11.2025

Present : Shri Rajiv Vig, Counsel for Petitioner.  
: Ms. Vasu Singh, Counsel alongwith Shri Param Singh,  
Sr. Asstt. for for R-1, RCS.  
: Shri Pradeep Dahlya, Counsel for R-3 and R-4.

1. Counsel for Petitioner filed rejoinder and also supplied a copy of the same to the respondents. Petitioner contended that he has preferred this Revision Petition challenging the legality and propriety of an Impugned Order dated 23.04.2025 issued by the Assistant Registrar of Cooperative Societies. The core issue is the directive in the Impugned Order compelling the Society to convene a Special General Body Meeting (SGBM) to discuss several matters, including the resignation of two Managing Committee members, issues with new lifts, alleged election anomalies regarding secondary members' voting rights, and illegal construction by occupants. The Society contends that this order is per se perverse, illegal and liable to be quashed primarily because it constitutes a blatant violation of the mandatory statutory procedure laid down in Section 33 read with Rule 46 of the DCS Act and Rules. Specifically, the Society argues that the RCS can only step in and order an SGBM under Section 33(2) if the Society fails to act within thirty days of receiving a valid requisition from one-fifth of its members, and in this case, no such requisition was ever served upon the Society's registered office. Furthermore, the Society asserts that the Impugned Order was passed in violation of the principles of natural justice, as the Society was not given a copy of the complaint, nor was it provided a hearing before the order was issued. Petitioner also filed judgment of the Hon'ble Apex Court titled **M/s. Dharampal Satyapal Ltd. Vs. Deputy Commissioner of Central Excise, Gauhati & Ors.** in support of his argument is that non-issuance of a show cause notice before passing a recovery order violates the principles of natural justice. Petitioner also contests the factual and

legal basis of the issues raised in the order, arguing they are either contrary to judicial precedent or pertain to matters outside the RCS's jurisdiction.

2. Counsel for R-3 and R-4 contended that the Respondents are the members who signed requisition for the SGBM citing serious governance issues and resignations causing unrest among members. The petition is defective as it is signed by Dr. Pushpinder Singh, who is disqualified under the Society's rules and DCS Rules from being a committee member or filing petitions on their behalf. Petitioner, society has suppressed material facts, including key minutes of meeting from 06.03.2025 showing the committee majority opposed calling the SGBM, which led to the resignations. The petition wrongly omits necessary parties, including this Respondent, thereby misleading the Court and violating principles of natural justice under Section 116 of the DCS Act. Registrar's order directing the SGBM is lawful, given the requisition signed by over one-fifth members and serious governance concerns. Registrar has independent authority to mandate SGBM for proper society functioning. Petitioner committee is non-transparent and controlled by a small group resisting transparency, choosing costly litigation instead of holding the mandated meeting.
3. Counsel for R-1, RCS contended that the impugned order was passed on the basis of resignation letter of 101 out of 377 members requesting the Registrar to convene a Special General Body Meeting (SGBM) to discuss the resignations, future leadership, transparent functioning, an independent audit of ongoing projects, election anomalies, and unauthorized construction issues. Under Section 33(1) of the Delhi Cooperative Societies Act, 2003, since over one-fifth of the members requested the SGBM, the society's committee must call the meeting within 30 days. The resignation letters are held pending proper resolution in that meeting. Allegations of non-



furnishing complaint copies are denied, as relevant records were inspected. The society must prove allegations, and the Managing Committee continues functioning until replacements are decided at the General Body Meeting.

4. It cannot be disputed that the RCS has power to call for SGBM on his satisfaction. Yet, the RCS decision permitting SGBM was passed without any show cause notice for Petitioner and hence without letting him present his view-point.
5. Both the parties are directed to appear before the RCS on 26.11.2025 at 3:00 pm to present the case.
6. File be consigned to record room after completion.

  
**(PRASHANT GOYAL)**  
**Financial Commissioner**  
**Delhi**

**Case No. 173 of 2025**  
**Jagdish Prasad**  
**Vs.**  
**The Capital Co-operative T/C Ltd. & Ors.**

20.11.2025

Present : None for Petitioner.

- : Shri Arun Lal, Counsel for R-1, T/C Society.
- : Ms. Vasu Singh, Counsel for R-2, RCS.
- : Ms. Bhavya Saxena, Counsel for R-3, ICICI Bank.

1. None appeared for the Petitioner.
2. Counsel for R-1, T/C Society filed loan application and bond which are taken on record, and further supported by a loan bond reflecting 14.4% interest and if the payment is overdue 3% penal interest to be charged on the overdue principal amount. R-1, T/C Society further submitted that the petitioner surety in the case, is being proceeded against in more than 10 cases as a surety/principal debtor. The society cannot recover the amount more than one-third of the salary from the Principal Debtor as he is a government servant and as per the CCS Rules, department cannot attach more than one-third salary of the concerned government employee.
3. Counsel for R-2, RCS filed reply and supplied a copy of the same to both the sides. Counsel for R-1, RCS contended that the case involves a plea to stay the execution of a recovery order issued under the DCS Act, 2003. The Society obtained an award of Rs.3,02,581 against Raj Kishore Mahto, who defaulted on a Rs. 2 lakh loan for which the petitioner is surety. The award is valid and enforceable as per the law, with proceedings at an advanced stage, including attachment and warrants. The amount, supported by a loan bond at 14.4% interest plus 3% penal interest, is justly recoverable,

and the continued enforcement is necessary to prevent revenue loss to the government.

4. The Petitioner is also aggrieved with high amount in award, including an arbitration cost and penal interest rate. He has however not challenged the Award for which appeal lies to DCT. He is accordingly advised to challenge the Award in DCT. No recovery to be made from Petitioner within next two months.
5. With these observations, the case bearing no. 173/2025 is disposed of as withdrawn with liberty to Petitioner to approach DCT for settling disputes relating to Award passed by Arbitrator.
6. File be consigned to record room after completion.



**(PRASHANT GOYAL)**  
**Financial Commissioner**  
**Delhi**



**Case No. 173 of 2024**

20.11.2025

Present : None for Petitioner.

- : Shri B.K. Mishra, Counsel alongwith Shri Manish Jethi, A.R. for R-1, Bestway Coop Society.
- : Ms. Vasu Singh, Counsel alongwith Shri Ashish Mehto, MTS for R-2, RCS.

1. Petitioner is absent today. Issue final notice to appear & lead the case, failing which matter may be dismissed for non-pursuance.
2. The Counsel for R-1 submitted that the Petitioner as Principal Borrower took loan of Rs.3 Lakh (not Rs.2 Lakh as wrongly mentioned in the revision petition from the Society in the year 2018. An amount of Rs.3.48 lakh has already been paid. The loan was granted at the rate of 16.8% + 3% penal interest. The Counsel for R-1 further submitted that they had offered the Petitioner to pay and settle the amount of balance loan without penal interest etc. and despite that the Petitioner did not turn up before the Society.
3. On query raised by this court on the last date of hearing regarding weighted average cost of its borrowing, the Counsel for R-1 submitted that he will submit the weighted average cost of borrowing on the next date of hearing.
4. The reply of R-2, RCS is already on record.
5. Adj. to 19.12.2025 for final arguments.

**Financial Commissioner,  
Delhi**

## Case No. 199 of 2024

20.11.2025

Present : Shri Ashwini Kumar Mishra, Counsel alongwith Shri Manish Yadav, Counsel for Appellant.

: Shri B.K. Mishra, Counsel alongwith Shri Vipin Badhwar, President and Shri Manish Jethi, A.R. for R-1 Bestway Coop. T/C Society.

: Ms. Vasu Singh, Counsel for R-3, RCS.

1. The Counsel for Appellant filed a copy of calculation sheet from RCS wherein net balance due is Rs.5,45,677/- as on 01.10.2025 alongwith receipt dated 19.11.2025 in respect of payment of Rs. 50,000/- deposited by the Petitioner to the Society.
2. The Counsel for Petitioner also contended that R-1, Society is charging rate of interest 16.8%+3% penal interest and it is not possible to pay the balance amount for a long time as Petitioner's Salary is around Rs. 13,000/- p.m. only.
3. The Counsel for R-1 filed the documents i.e. application for loan, application for membership, borrower's consent note, loan bond in respect of Principal Debtor/R-2. The Counsel for R-1 submitted that this is an individual contract and in support of his submissions, the Counsel for R-1, Society filed the copy of judgment dated 23.07.2024 in Civil Appeal No. 4565/2021 passed by the Hon'ble Supreme Court of India in case titled "**BRS Ventures Investment Ltd. Vs SREI Infrastructure Finance Ltd. & Anr.**" wherein it is held that :

125. *In view of the above discussion, it is held that approval of a resolution plan does not ipso facto discharge a personal guarantor (of a corporate debtor) of her or his liabilities under the contract of guarantee. As held by this Court, the release or discharge of a principal borrower from the debt owed by it to its creditor, by an involuntary process i.e. by operation of law, or due to liquidation or insolvency proceeding, does not absolve the surety/guarantor of his or her liability, which arises out of an independent contract.*

4. The Counsel R-1/Society is ready to waive of the penal interest @3% and arbitration charges @5% and the said offer is still open to the Petitioner.
5. The Counsel for Petitioner further contended that the Petitioner approached the R-1/Society last week, he was informed that his balance amount is more Rs. 6 Lakh till date but Petitioner willing to pay only 1/4<sup>th</sup> of the loan amount.
6. The Counsel for R-1 is directed to communicate in writing the status of the balance loan amount to be paid by the sureties on the next date of hearing.
7. Let the parties meet again to reach an out of court settlement and let the Respondent society be generous in offering the settlement agreement.
8. Adj. to 19.12.2025 for further arguments.

**Financial Commissioner,  
Delhi**