

GOVERNMENT OF NCT OF DELHI
OFFICE OF THE REGISTRAR COOPERATIVE SOCIETIES
OLD COURT BUILDING, PARLIAMENT STREET,
NEW DELHI 110001

F.47/397/GH/Sec-5/2023/3212 - 223

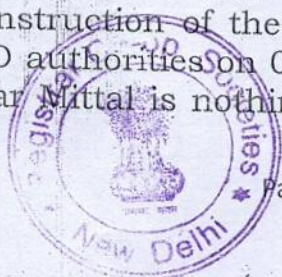
Dated 16.05.2025

ORDER

This order shall dispose of the proceedings initiated vide Notice dated 19.09.2023 wherein the respondents / Ex-President, Ex-Treasurer and Ex-Secretary of the New Arya CGHS Ltd. have been directed to appear in this court with relevant documents and explain why the inspection under section 61 of DCS Act, 2003 should not be carried out on the complaint dated 10.08.2023 received from Shri M S Jain, Shri A K Bansal, Shri Anil Kumar, Shri Vinod Aggarwal and Shri Virender Kaushik, Members/residents of New Arya CGHS Ltd. regarding breach of trust/ fraud with the residents and the MC members by Ex-President of the society, Mr. Pushpendra Kumar Mittal, delay in holding the election of the Society and unauthorised withdrawal of the society funds.

The Complainants vide their complaint dated 10.08.2023, have stated that Shri Pushpendra Kumar Mittal, Ex-President of New Arya CGHS Ltd. passed a resolution in the General Body Meeting in the year 2020 for the construction of a Community Hall in the stilt parking area in one of the residential blocks of the society, by declaring that it has already been sanctioned by the civic authorities. The Ex-President started its construction under his sole supervision in the year 2020 soon after he managed to get this proposal passed in the AGM claiming that he has got all the necessary approvals and is in possession of sanctioned plan for this construction and he will show the same to MCD or other civic authorities, etc. whenever required. The Ex-President spent a hefty amount of approximately of Rs.25 Lakhs and exceeded the approved expenditure of approx 12 Lakhs in the MC meeting.

The complainants further stated that in September 2022, MCD issued a show cause notice to the society claiming the structure of the said Community Hall, as unauthorised and asked to provide the sanctioned Building Plan, but the Ex-President never responded to any of the 3-4 notices, neither shared these developments with the fellow MC members and finally it was revealed that there was no approval from the civic authorities for construction of the Community Hall and ultimately it was sealed by the MCD authorities on 06.12.2022. This act of Ex-President, Mr. Pushpender Kumar Mittal is nothing but a fraud with the residents of the



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society involving misuse of his fiduciary position and the authority/obligation reposed in him by the members of the Society.

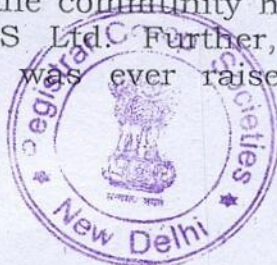
The complainants further stated that the Ex-President and Ex-Secretary failed to take appropriate action for the conduct of timely elections of the MC of the Society causing default as per the provisions of the DCS Act, 2003. This failure ultimately led to the appointment of Administrator cum Returning Officer causing additional financial burden on the residents of the society. Hence, it is requested that the accountability of these office bearers be fixed and the erring officials be disqualified from contesting the forthcoming elections of the MC.

The complainants further stated that the erstwhile managing committee's authorised signatories i.e. Ex-President, Ex-Secretary and Ex-Treasurer clandestinely hatched a conspiracy to un-authorisedly use society funds and issued five cheques (Ch. No.883262 to 883266) total amounting to Rs.1,32,000/- to various suppliers and service providers after expiry of their tenure and after receiving of RCS letter dated 21.03.2023 regarding appointment of Administrator cum RO in the society.

The respondents, vide reply dated 26.10.2023 has inter-alia stated that the present complaint is a motivated complaint which has been preferred by the complainants to harass and intimate the Ex-President, Ex-Treasurer and Ex-Secretary of the society so that they may be discouraged from contesting elections of the society in future and / or participate in manner in the affairs of the society so that the complainants may be able to create their monopoly and run the society according to their wishes.

Further, with regard to allegations of breach of trust / fraud in construction of community hall, the respondents stated that the then Managing Committee sought professional advice from various Architects / Structural Engineers who advised that no separate permission is required for such work and in case, any objection is received from MCD regarding any violation, it may be dealt with in accordance with law. It is also pertinent to note that the layout plan issued by DDA also makes a provision for construction of a community hall. Thereafter, the proposal to construct the community hall was passed in Managing Committee meeting held on 12.01.2020 the said meeting was also attend by Shri M S Jain and Shri Vinod Aggarwal, the complainant herein.

The respondents further stated that the issue of expenditure in construction of Community Hall was raised in the AGM held on 14.02.2021 and 27.02.2022 which was dully answered at that time. It is pertinent to point out that in all of the aforesaid meetings, no issue regarding illegal construction of the community hall was raised by any of the members of New Arya CGHS Ltd. Further, no objection to construction of said community hall was ever raised in any subsequent meetings of the

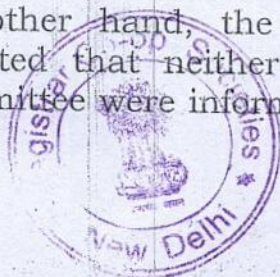


Managing Committee or the Annual General Body meetings of the Society. Further, The MCD issued a show cause notice dated 20.10.2022 and the same was duly replied vide letter dated 28.10.2022 by the Society. It was mentioned in the said reply that the President of the Society Shri Pushpender Mittal had suffered heart attack and paralysis attack, therefore, society needs time to respond the said show cause notice. That a letter dated 14.11.2022 was again submitted to MCD in relation thereto. That the said society letter dated 14.11.2022 was signed by Mr. M S Jain, one of the complainants herein.

With regard to delay in holding the elections of the Managing Committee of the Society the respondents submitted that a meeting of the Managing Committee of the Society was held on 06.11.2022 in which issue of holding election of society was discussed prior to completion of three years of said Managing Committee which was going to expire on 09.11.2022. Further, the Managing Committee of the society vide letter 18.11.2022 informed the Office of RCS that AGM of the Society scheduled to be held on 18.12.2022 and in case no consensus reached on in the said meeting for constitution of Managing Committee, the RCS would be informed accordingly.

With regard to unauthorised withdrawal of society funds, the respondents submitted that construction of work of guard room and main gate of society was carried out with the approval of Managing Committee meeting held on 04.04.2022. Needless to mention that Shri M S Jain, Rakesh Singhal, Vinod Aggarwal, Virender Kaushik, the complainants herein, had attended the meeting dated 04.04.2022. It was decided in the said meeting that the construction work of guard room and main gate of Society would be done in the care and custody of Shri Pushpender Mittal. Another meeting was held on 26.06.2022 which was also attended by Shri M S Jain, Rakesh Singhal, Vinod Aggarwal the complainants herein. It was decided in the said meeting that the renovation work of Gate no. 01 of the Society would be started immediately and would be done in the care and custody of Shri. Pushpender Mittal. That a payment of Rs. 1,32,000/- were made to the supplier of material and contractor of civil work which was done at Gate No. 01 of the Society. It is pertinent to mention that the material was received on 29.03.2023 and 30.03.2023 respectively, the cheques all dated 19.03.2023 were not delivered to the material supplier before the delivery of material. Once the material was delivered, the payment was released to the respective suppliers through NEFT/ RTGS by using the same very cheques for clearing. As such there was no malafide in making payment to the suppliers as alleged by the complainants.

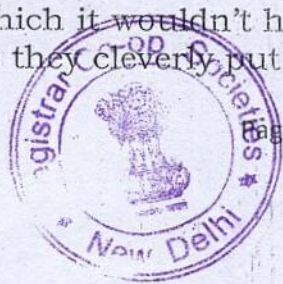
On the other hand, the complainant vide their rejoinder dated 16.01.2024 stated that neither the residents nor the members of the Managing Committee were informed about the report of professional advice



sought, if any, from various architects/ structural engineers. Further, neither the Members nor the MC Members were informed about initial notices received from the MCD. It is pertinent to mention here that the MC Members were informed only at the stage of when third sealing notices was received from the MCD. Further, the approval obtained in the Annual General Body Meeting (AGM) for the construction of the Community Hall was secured through deceit and deliberate withholding of information by the former president. Members were led to believe that the construction was lawful and would be executed within the predetermined budget. However, the construction was neither lawful nor completed within the agreed-upon financial parameters. Consequently, deeming the complainants responsible for the community hall's construction, given the fraudulent means by which consent was obtained, would be inequitable, unjust, and contrary to legal principles.

The complainant further stated that it is the duty of the President and Secretary to propose timely elections of ensuing management committee by passing a resolution at least 60 days before the expiry of their term i.e. 10.09.2022. However, as the respondents have themselves agreed in their reply it was in the AGM dated 06.11.2022, just three days prior that the issue of holding elections of the society was discussed. The defunct MC continued functioning illegally, committing financial violations.

The complainants further stated that it is a matter of record that Shri M S Jain, Shri Rakesh Singhal, Shri Vinod Aggarwal and Shri Virendra Kaushik was present in the meeting dated 04.04.2022. However, it is imperative to clarify that the current complaint pertains specifically to the illicit construction of the community hall and not the construction of the guard room and main gate of the society. Mr Pushpendra Kumar Mittal is alleged to have maintained a lack of transparency regarding the utilisation of funds acquired for the construction of the community hall. Though it is not denied that the Ex-President was authorised to take necessary action and proceed with the construction at Gate No.1 about 5-6 months prior to the completion of tenure of Ex-MC i.e. 26.06.2022. It was mandatory for him to get the approval of the layout plan by the statutory body, securing estimates from contractors, and formulate budgetary framework before commencing the aforementioned construction work. Neither the work was started nor the necessary preliminaries were completed prior to the end of MC's tenure i.e. on 09.11.2022. It is evident from the entries on the cheques that the cheques were fraudulently issued backdated (Date of 19.03.2023 on the cheques issued on 30.03.2023) and the transfer of payment through these cheques was made through NEFT on 30.03.2023, as per the NEFT payments, the cheques could only be issued on the same day and these signatories were well aware that on 01.04.2023 administrator was to visit the society, after which it wouldn't have been possible for them to withdraw these funds, hence they cleverly put an earlier date on cheques.



In this regard it is pertinent to note the provision which govern the inspection under section 61 of the DCS Act, 2003 which is reproduced as under:

61. (1) *The Registrar may, on the request made by a creditor or, not less than one thirds of the members of the committee, or not less than one fifths of the total number of members, of a co-operative society, undertake inspection of a co-operative society or class of co-operative societies by general or special order in writing and authorise any person by order in writing in this behalf, to make an inspection into the constitution, working and financial condition of a co-operative society.*

** Provided that where a serious complaint is made by a member or a public servant in writing about the affairs of a co-operative society or committee or office bearers, to the Registrar or to any person authorized by him in this regard not below the rank of Joint Registrar and if the Registrar is prima-facie satisfied, after recording his views in writing and affording an opportunity to the person against whom complaint has been made, he may order an inspection in respect of only issue or issues as the case may be, raised in the complaint and the inspection shall be conducted by a person not below the rank of an Assistant Registrar.*

I have gone through the complaint filed by the complainants, reply submitted by the respondents as well as rejoinder submitted by the complainants. In this regard, it is observed that though the respondents have stated that the then Managing Committee sought professional advice from various Architects/Structural Engineers who advised that no separate permission is required for such work, they failed to submit any documents in support of their contention. Besides, the then Managing Committee failed to take appropriate action for election of ensuing Managing committee by passing a resolution at least 60 days before the expiry of their term. Further, allegation regarding the release of payment to the supplier/contractor after appointment of Administrator in the society also needs to be inspected.

In view of above mentioned facts and circumstances, I, Anil Kumar Singh, Registrar of Cooperative Societies Govt of NCT of Delhi, in exercise of the power vested with me under Section 61 of the DCS Act, 2003, hereby order to conduct inspection of the New Arya CGHS Ltd. u/s 61 of the DCS Act, 2003 on the complaint dated 10.08.2023 received from Shri M.S. Jain, (F.No.143), Shri A.K Bansal (F.No. 76), Shri Anil Kumar F.No. 23, Shri Vinod Aggarwal (F.No.187) and Shri Virender Kaushik, F.No. 169. Further, Shri Hemant Kumar Adhlakha, Senior Accounts Officer, General Administration Department, Govt. of NCT of Delhi is hereby appointed as



Inspecting Officer u/s 61(1) of DCS Act, 2003 to conduct the said inspection. He shall conduct the inspection as per the provisions contained in Section 61 of the DCS Act, 2003 read with Rule 82 of the DCS Rules 2007 and submit his report within a period of Ninety days. Besides, an honorarium of Rs. 15,000/- (Rupees Fifteen Thousand Only) shall be paid to Inspecting Officer for this purpose out of the funds of the society.



(ANIL KUMAR SINGH, IAS)
REGISTRAR CO-OPERATIVE SOCIETIES

1. The President/Secretary, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
2. Shri Hemant Kumar Adhlakha, Senior Accounts Officer, General Administration Department, Govt. of NCT of Delhi, 2nd level, Delhi Secretariat, I.P. Estate, New Delhi-110002.
3. Assistant Registrar (Section-5), O/o RCS
4. Shri M.S. Jain, (F.No.143), New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
5. Shri A.K Bansal (F.No. 76), New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
6. Shri Anil Kumar, F.No. 23, Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
7. Shri Vinod Aggarwal, (F.No.187), Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
8. Shri Virender Kaushik, F.No. 169, Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
9. Shri Pushpendra Kumar Mittal, (F. No. 10) Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
10. Shri Pramod Kumar Garg, Ex-Secretary, F. No. 51, Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
11. Ms. Sunita Goel, Ex-Treasurer, F.No. 118, Bhagirathi Apartment Ex-President, New Arya CGHS Ltd., Sector 9, Rohini Delhi 110085.
12. Guard File