

**GOVT. OF NATIONAL CAPITAL TERRITORY DELHI**  
**IN THE COURT OF THE REGISTRAR COOPERATIVE SOCIETIES, DELHI**  
**OLD COURTS BUILDING, PARLIAMENT STREET, NEW DELHI-110001**

F.NO.47/GH-1112/AR/SEC-1/GH/RCS/2022 / 3278-3280

01-06/5/25

**IN THE MATTER OF:**

Jagat Singh

Petitioner

Versus

Santosh Gadia

Respondents

**ORDER**

This order shall dispose of the proceedings initiated vide Show Cause Notice dated 23.08.2024 issued u/r 20(1)(c)(1) & (iii) (2) of DCS Rules, 2007 read with Section 87 & 41 (d) of DCS Act, 2003 whereby Shri Santosh Gadia was called upon to show cause as to why cessation of membership should not be granted against them U/r 20(1) (c) (0) & (iii) of DCS Rules 2007 read with section 87 & 41(d) of DCS Act, 2003,

**The brief facts of the case are as under:-**

Sh. Santosh Gadia was enrolled as a member of the Bhagwati Co-operative Group Housing Society Ltd. (Regn. No. 1112/GH), Plot no. 1A, Sector-22, Dwarka, New Delhi-110075 vide membership application dated 09.07.1997. The petitioner has stated that the respondent is having a residential property in Delhi bearing property no.F-23, Geetanjali Enclave Malviya Nagar Delhi. The petitioner accordingly prayed to cease the membership of the respondent on account of disqualification of holding the property bearing property no. no.F-23, Geetanjali Enclave Malviya Nagar Delhi.

The respondent vide his reply dated 28.10.2024 stated that neither he nor Ms. Vidhu Gadia, who is presently a 50% owner of the flat and his wife, were the original owners of the said Flat. The Flat was originally purchased by Ms. Kumkum Gadia in the year 1999. Ms. Kumkum Gadia was my sister-in-law and, unfortunately, due to ill health, she passed away on 10 October 2013. Ms. Kumkum Gadia had executed a will through which the Flat was bequeathed equally to me and Ms. Vidhu Gadia, thereby making us 50% co-owners. A copy of the will, the succession certificate, and the relevant court order are part of the Society's official records, as the transfer of membership into our names would not have been effected without the submission of these documents. Accordingly, his wife and he himself inherited the Flat from Ms. Kumkum Gadia, and such inheritance constitutes a clear exception from disqualification under the third proviso of Section 87(b) of the Delhi Cooperative Societies Act, 2003, as well as under the proviso to Rule 20(1)(c)(i)(a) of the Delhi Cooperative Societies Rules, 2007, .

It is relevant to read the provisions of DCS Act and Rules in this regard which are as under:

*20. Disqualification of membership*

(1). No person shall be eligible for admission as a member of a co-operative society if he:-





*(c) In the case of membership of a co-operative housing society,*

*(1) owns a residential house or a plot of land for construction of residential house in any of the approved or un-approved colonies or other localities in the National Capital Territory of Delhi, in his own name or in the name of his spouse or any of dependent children, on lease hold or free-hold basis or on power of attorney or on agreement for sale.*

*Provided that above clause shall not be applicable,*

*(a) in case of co-sharers of property whose share is less than 66.72 sq. metres of land or if the residential property devolves on him by way of inheritance:*

*(b) in case of a person who has acquired property on power of attorney or through agreement for sale and on conversion of the property from leasehold to freehold on execution of conveyance deed for it, if such person applies for the transfer of membership of the housing society concerned*

*(ii) deals in purchase or sale of immovable properties either as principal or as agent in the National Capital Territory of Delhi, or*

*(iii) his spouse or any of his dependent children is a member of any other cooperative housing society*

It is pertinent to note that in terms of Section 41(3) of the DCS Act, 2003, the Registrar may of his own motion, if satisfied that any member has incurred any of the disqualification under sub section (1) declare through an order in writing that such member is disqualified to be a member.

In view of the above facts and legal provisions, it is evident that the residential property in question was not purchased by Shri Santosh Gadia or his wife, but was inherited from Ms. Kumkum Gadia, the sister-in-law of the respondent, through a valid and duly executed will. The inheritance has been duly supported by a succession certificate and a court order, all of which are part of the Society's official records. As per the third proviso to Section 87(b) of the DCS Act, 2003 and the proviso to Rule 20(1)(c)(i)(a) of the DCS Rules, 2007, property inherited by way of succession does not attract disqualification from membership. Therefore, in light of the legal exemptions available for inherited property and the documentary evidence submitted by the respondent, I find no grounds for cessation of membership. Accordingly, the proceedings initiated under the Show Cause Notice dated 23.08.2024 are hereby dropped, and the membership of Shri Santosh Gadia in the Bhagwati Cooperative Group Housing Society Ltd. stands restored with immediate effect.



Anil Kumar Singh  
Registrar Cooperative Societies

Sent to:

1. President/Secretary Bhagwati CGHS Ltd. Plot No. 1A, Sector -22 Dwarka New Delhi-110078.
2. Santosh Gadia (President/ Secretary is directed to serve the order to the Respondent)
3. Assistant Registrar (Sec-1), office of RCS