

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

F.No.47/GH/AR/SEC-02/FC/RCS/2023/3856-60

Dated: 28/7/25

CD No.107585031

In the matter of: -

Sh. Mohinder Pal Sethi
Through power of Attorney
Sh. Harjindr Singh Sethi

Petitioner

Versus

Dhudial CGHS Ltd.
Through President/Secretary

Respondent

ORDER

This order shall dispose of the proceeding initiated in compliance of the order dated of Ld. Financial Commissioner in case No.482/2011 in matter of Mohinder Pal Sethi Vs Dudhial CGHS the Ld. Financial Commissioner Commissioner vide order dated 11/05/2023 the aforesaid order has ordered as under-

The core issue in the present case is that during the conduct of expulsion proceedings, the petitioner was not heard as is evident from the addresses on the notices/communications of the society as well as RCS. The petitioner/predecessor thereof paid a substantial amount towards the construction of flat. The amount remaining as on 24.03.1998 was only Rs.10,000/- as per the demand raised by the Society. The Petitioner not being a resident of India may not be aware of any expulsion proceedings and passing of the impugned orders and the persons authorised by him to look into the matter were not properly responded to by the Society. There is also nothing on record to suggest that after passing of the impugned orders on 14.01.2003 expelling M. P. Singh, the substantial amounts deposited by him/his predecessor were refunded to him. All these aspects put a question on the working of the Society. Curiously, the office of RCS is also not able to trace their own file with regard to expulsion of M. P. Singh despite several opportunities given by this Court.

Be that as it may, the ends of justice would be served if the petitioner herein is given opportunity to place his case before the RCS and RCS passed a speaking and well reasoned order in the matter after hearing all the parties concerned. Accordingly, the impugned order dated 14.01.2003 passed by the Joint Registrar is set aside and the matter is remanded to the RCS with the directions to the petitioner to present himself before the RCS on 12.06.2023 either in person or through an authorised representative and place all the arguments in favour of the petitioner before the RCS.

Further, the RCS shall hear the petitioner qua his submissions and any other party, as deemed appropriate, over the next three months and pass a speaking order in the next



six months. Till the time, the RCS decides the matter, the Society shall not create any third party interest in the flat being claimed by the petitioner.

The Appellant submitted that vide order dated 11.05.2023, the Learned Financial Commissioner, Delhi was pleased to set aside the expulsion order dated 14.01.2003 and remanded the matter to the Registrar, Co-operative Societies for fresh consideration. That pursuant thereto, the Appellant filed an application dated 12.08.2023. The contents thereof may be read as part of this submission. The Appellant had paid the full cost of Flat No. 152 amounting to Rs. 2,31,000/-, and accordingly, the Respondent Society issued a possession letter dated 06.04.1993. However, despite repeated efforts, physical possession of the flat has not been handed over to the Appellant.

The Appellant, through authorised representatives, has on multiple occasions expressed readiness to clear any outstanding dues, if any. The only alleged outstanding amount is Rs. 10,000/- towards escalation and labour charges. However, notices demanding the same were never served on the Appellant at the correct address. Most notices were wrongly addressed to Flat No. 152 (which remains unoccupied) or outdated addresses despite the Society being informed of the updated contact details.

The Appellant further submits that on 25.12.2002, his representative met the Society's President with an authorisation letter to settle dues and take possession. Again on 09.11.2009, a formal representation was submitted, which was reluctantly acknowledged on 18.11.2009, but no further steps were taken by the Society.

The Appellant continues to be reflected as a valid member in the membership list of the Respondent Society under Rule 37 of the Delhi Co-operative Societies Rules, 1973. The denial of possession despite this is unjust and arbitrary.

The Respondent Society submitted that the membership No. 252 held by Shri Mohinder Pal Singh Sethi (hereinafter referred to as "the Claimant") ceased to exist as the Claimant was expelled from the membership of the Society. The expulsion was duly approved by the Ld. Joint Registrar vide order dated 14.01.2003. The Claimant had challenged the expulsion order, but his petition was dismissed by the Ld. Joint Registrar on 20.07.2011. Thereafter, the Claimant filed an appeal before the Delhi Co-operative Tribunal, which directed him to approach the Financial Commissioner. Accordingly, the Claimant preferred an appeal, and the Ld. Financial Commissioner vide order dated 11.05.2023 set aside the expulsion order and remanded the matter to the Registrar for fresh consideration after hearing both parties.

The Respondent Society submitted that the Claimant acquired membership No. 252 by transfer from Late Smt. Joginder Kaur, who died on 04.05.1991. However, the Claimant persistently defaulted in payment of dues under the construction account. Multiple demand notices were issued on 24.03.1998, 05.03.1999, 10.05.1999, 26.10.1999, 21.01.2000, 25.03.2000, 11.05.2000, 05.07.2000, 24.07.2000, 01.08.2000, 02.11.2000, 03.03.2001, 26.05.2001, and 03.08.2001. Despite repeated notices, the Claimant did not respond. Thereafter in accordance with the Delhi Co-operative Societies Rules, 1973, three expulsion notices dated 15.09.2001, 01.10.2001, and 18.10.2001 were issued by registered post. A public notice was also published in *The Statesman* on 25.08.2000 and a reminder was issued on 30.06.2001. No response was received from the Claimant. The Claimant also did not inform the Society of any change in address.

The Respondent Society further submitted that a reference was made to the Registrar on 18.02.2002 along with all supporting documents, seeking approval of the expulsion. Notices were issued by the Registrar, including one dated 24.04.2002, but no response was received from the Claimant. Ultimately, the expulsion was approved by the Ld. Registrar on 14.01.2003. The Claimant was duly informed through registered letters dated 24.01.2003 and 27.07.2003, including a request to visit the



office for reconciliation of accounts, but he failed to respond and the expulsion order attained finality as it was not challenged in time before any competent authority. The order is valid and in accordance with the law.

the Claimant's allegation of visits and representations between 1993 and 2010 is unsupported by any documentary evidence. If such visits were indeed made, the Claimant or his representatives could have taken legal action earlier. The delay in raising the present dispute remains unexplained and unjustified. However while a possession letter may have been issued in routine, actual physical possession of the flat was never given due to the Claimant's continued default. The Society continues to retain possession of the flat and no right survives in favor of the Claimant post-expulsion.

The Respondent Society finally submitted that the Claimant has not placed on record any intimation of change of address. All notices were sent to the last known address, and public notices were also issued. The Society has acted diligently and strictly in accordance with the applicable law and rules.

In light of the foregoing observations and in compliance with the directions of the Ld. Financial Commissioner, it is concluded that the expulsion of Shri Mohinder Pal Singh Sethi was not carried out in accordance with the principles of natural justice and due procedure. Therefore, the expulsion order dated 14.01.2003 stands vitiated.

Accordingly, the member is directed to clear the outstanding dues as demanded by the Society. Upon confirmation of such payment, the Society shall restore his membership and hand over physical possession of Flat No. 152, within 60 days from the date of receipt of payment. In case of any dispute regarding the quantum of dues, the parties are at liberty to seek appropriate remedy under Section 70 of the DCS Act, 2003.



W 28/1/25
Krishna Kumar Singh
Registrar Coop. Societies

Sent to :-

1. Sh. Herjinder Pal Sethi, R/o 19, Martham Close, Oakwood Gate, Essex, IG6 2GL, Uk.
Also At C-13, Malviya Nagar, New Delhi-110017
2. Dhudial CGHS Ltd., Through the President, North West Zone, Pitampura, Madguban Chowk, Outer Ring Road, Near Shiva Market, Pitampura, New Delhi-110094.
3. ARCS GH-02 (with regard to W.P (c) 6773/2025)
4. ARCS CFB 11
5. General File