

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

F.No.47/582/ARH/Sec-II/RCS/20220/3913-3917

Dated: 1/8/25

In the matter of:-

ORDER

This order shall dispose of the proceedings initiated under Section 37(1) of DCS Act 2003 against the Managing Committee of Fakhruddin memorial Cooperative Group Housing Society, Plot No. 18 , Sector -10 Dwarka New Delhi 110075 which is registered with this office under the provisions of DCS Act & Rules.

Brief Facts of The Case

Fakhruddin Memorial CGHS Ltd. , Pursuant to an Arbitration Award dated 16.10.2018 in the matter of *Renuka Verma vs. Fakhruddin Memorial CGHS Ltd.*, an inquiry under Section 62 of the DCS Act was recommended regarding alleged financial irregularities in the construction process and related matters.

Despite multiple appointments of Inquiry Officers—Sh. J.B. Kapil (2020), Sh. Lal Singh (2021), and Sh. Ajay Arora (2023)—the Managing Committee (M.C) of the society repeatedly failed to cooperate, citing pendency of an appeal before the Delhi Cooperative Tribunal but without producing any stay order.

Show Cause Notice under Section 37(1) of the DCS Act, 2003 was issued on 11.11.2021 due to non-cooperation by the M.C. In their reply, the M.C contested the validity of the inquiry under Section 62, arguing absence of requisites like audit findings, inspection under Section 61, or request from one-fifth of total members.

However, complaints from several residents (including Renuka Verma, Sarita Singh, Bindu Chaudhary, etc.) were received, including references from offices of the Hon'ble Lt. Governor, Chief Minister, Directorate of Vigilance, and Anti-Corruption Branch, indicating serious concerns about mismanagement and corruption.

The Society through its counsel Sh. R.K Gupta submitted that it is in receipt of the Show Cause Notice dated 25.10.2023, which was issued on the basis of an inquiry conducted by Sh. Ajay Arora, who was appointed as the Inquiry Officer



by the competent authority. The Society stated that the said inquiry report was duly challenged before the Hon'ble Financial Commissioner, being aggrieved by the findings and procedure adopted therein.

It is further submitted by the society that the Hon'ble Financial Commissioner, after considering the submissions made and examining the matter in detail, has been pleased to quash the said inquiry report vide order dated 02.02.2024.

It is observed that the Managing Committee (M.C) of Fakhruddin Memorial CGHS Ltd. has persistently failed to discharge its statutory responsibilities and has willfully disregarded the directions issued by the office of the Registrar, Cooperative Societies. Despite repeated opportunities and issuance of several notices, the M.C has consistently refused to cooperate with multiple Inquiry Officers duly appointed under Section 62 of the DCS Act, 2003, including Sh. J.B. Kapil (2020), Sh. Lal Singh (2021), and Sh. Ajay Arora (2023), for examining serious allegations of financial irregularities and mismanagement.

The justification given by the M.C for non-cooperation, citing the pendency of appeal before the Delhi Cooperative Tribunal, is wholly untenable and appears to be a deliberate attempt to delay and derail the inquiry process. The M.C failed to produce any stay order from the Tribunal or any competent court to support its refusal to participate in the inquiry. Such conduct amounts to gross defiance of lawful authority and undermines the cooperative principles of accountability and transparency.

Furthermore, complaints have been received from multiple members of the Society, including references from constitutional and statutory authorities such as the Hon'ble Lt. Governor of Delhi, the Hon'ble Chief Minister, Directorate of Vigilance, and Anti-Corruption Branch, GNCT of Delhi. These complaints highlight alarming issues relating to financial mismanagement and corruption within the Society, warranting thorough inquiry and appropriate administrative intervention.

The repeated and deliberate non-cooperation by the Managing Committee demonstrates not only a disregard for the rule of law but also a clear obstruction of statutory functions under the DCS Act. This continued defiance leaves no confidence in the ability or willingness of the present M.C to ensure transparent and lawful management of the Society's affairs.

Therefore, in exercise of the powers conferred under Section 37 of the Delhi Cooperative Societies Act, 2003, it is ordered that the Managing Committee of Fakhruddin CGHS Ltd. is superseded with immediate effect. An Administrator Sh. Soran Singh (Retd. DANICS) is hereby appointed to manage the affairs of the Society until a new Managing Committee is duly elected. The Administrator



shall ensure the proper management and functioning of the Society in accordance with the provisions of the DCS Act, 2003, and its Rules, oversee the day-to-day activities, financial transactions, and administrative functions, and conduct fresh elections for the Managing Committee within a period of six months from the date of this order. The Administrator shall report directly to the Office of the Registrar, Cooperative Societies and submit monthly progress reports regarding the affairs of the Society. This order shall come into force with immediate effect and shall remain in operation until further orders.



1/8/25
Krishna Kumar Singh
Registrar Cooperative Societies

1. President/secretary , Fakhruddin Memorial CGHS Ltd. Plot No. 18, Sector -10 , Dwarka New Delhi-110075.
2. Sh.Soran Sign(Retd.DANICS)/Administrator (Mob. No.9891961208) D-6 Lovely Apartment Mayur Vihar Extn. New Delhi-91
3. ARCS Sec -03
4. ARCS IT Cell with request to upload the order to the department website.

5. Guard file