

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

F.No.47Coop/CourtRCS/File/2025/4836 - 4840

Dated: 23/12/25

ORDER

IN THE MATTER OF:

Vijay CGHS Ltd.....

Respondent

This order shall dispose of the proceedings initiated vide Show Cause Notice dated 25.08.2025 issued under sections 37 of DCS Act 2003 to Vijay CGHS Ltd.

The Vijay Cooperative Group Housing Society Ltd., Dwarka Sector-18A, Plot No. 17, New Delhi-110078 [Regn. No. 1411(GH)] is a registered society under the provisions of the Delhi Cooperative Societies Act and Rules. Several complaints and reports have been received in this office alleging serious administrative, financial, and procedural irregularities committed by the present Managing Committee (MC) of the Society.

It has been alleged that the MC has failed to conduct and complete the statutory audits timely for two consecutive years, i.e., 2022-2023 and 2023-2024, within the time prescribed under the Delhi Cooperative Societies Act, 2003, thereby violating mandatory statutory requirements. Complaints further state that the MC illegally granted membership to the wife of a sitting MC member and subsequently allowed her to cast a vote in the presence of a self-appointed Returning Officer, without following the procedure laid down under the Act and Rules.

Serious financial irregularities have also been alleged. It has been reported that the MC consistently withheld financial information from members and failed to maintain transparency regarding income, expenditure, and utilization of Society funds. Substantial amounts of money were allegedly diverted under the guise of repairs and maintenance without proper accountability. Further allegations indicate that approximately Rs. 250 lakh was expended by the MC without inviting tenders, without obtaining competitive bids, and without following the mandatory norms of financial propriety applicable to cooperative societies.

In addition to the above, it has been brought to notice that the Managing Committee allegedly attempted to take possession of certain flats through fraudulent, fabricated, and unauthorized proceedings, thereby demonstrating mala fide intention and misuse of official position. These actions, taken cumulatively, reflect prima facie evidence of mismanagement, procedural violations, financial impropriety, and abuse of authority by the present Managing Committee of the Society.



The Society submits that the present Managing Committee was duly elected in February 2025 through a transparent and democratic election process and has completed only eight months of its tenure. The complaint filed by the complainants is malafide and appears to have been lodged with ulterior motives. It is submitted that the complainants themselves had carried out illegal regularization of their flats on the basis of fabricated documents, which has already been reversed by the Deputy Commissioner, and further action is underway, including a three-year ban imposed on the concerned Architect. A criminal investigation is also pending against the complainants under the observation of the Learned Metropolitan Magistrate, Dwarka Courts. Furthermore, the complainants have encroached upon the Society's store rooms, and as directed by the General Body, the Managing Committee has initiated proceedings before the Learned District Judge, Dwarka Courts, which remain sub judice.

On merits, the Society states that the allegations made in the complaint dated 21.08.2025 are baseless. The complainants have sought action under Section 37 and Section 61 of the DCS Act, 2003, though both provisions operate in distinct legal spheres and cannot be invoked simultaneously in the manner attempted. Furthermore, the matter has already been adjudicated under Section 70 of the Act by the Learned Additional Registrar, whose order has been stayed by the Hon'ble DCT, thereby attracting the principles of res judicata. The complainants' allegation that they were compelled to act due to misleading conduct of the office bearers is vague and unsupported by any specific instance or proof. The further allegation that the AGBM was conducted under the "shadow" of a previous General Body meeting is incorrect, as the meeting was held lawfully, attended by members with full participation, and the complainants have not challenged the AGM/GBM decisions before any competent authority as required under Section 70. Rule 52(3) of the DCS Rules, 2007 also provides that minutes of a duly recorded General Body meeting carry presumption of validity until disproved, which the complainants have failed to do.

The Society denies the allegation that the proceedings of the Managing Committee are baseless, as all agenda items were circulated strictly in accordance with Section 31 of the DCS Act, and all meetings were held within the statutory framework. Under Section 30, the General Body is the supreme authority, and the complaint filed by only two related individuals does not justify action under Section 37. The allegation that naming a woman member in AGM minutes is defamatory is absurd, unsupported, and contrary to law, and the complainants have failed to identify the person concerned or to show why stating facts amounts to defamation. The allegation regarding non-tendering of work and "possible corruption" is speculative, as no work was carried out and no funds were spent; therefore, the question of corruption does not arise. All statutory audits have been regularly conducted by RCS-appointed auditors and duly approved by the General Body.

Regarding the reliefs sought, the complainants' request for appointment of an observer is infructuous as the AGM has already been duly held, recorded, and filed with the RCS office. The complaint appears to personally target the President, Ms. Veena Gupta, without naming any other Committee member,



which reflects a vindictive motive. The request for special audit under Rule 80 and inspection under Section 61 is untenable as the complainants have not shown any discrepancy in the statutory audit or cited any specific malpractice. Under Section 61(1), a request for inspection must come from a creditor, one-third of the Committee, or one-fifth of the total membership, none of which conditions are satisfied.

Upon careful examination of records & complaints received from members, including the report received from ARCS Section-07, and upon consideration of the correspondence available on file, it is evident that an expulsion proposal in respect of certain members of Vijay Co-operative Group Housing Society Ltd. was received in the office of the Registrar, Co-operative Societies on 29.10.2024. Upon examination of the said proposal, the Department, vide letter dated 13.01.2025, issued a deficiency memo to the Society, calling upon it to remove the deficiencies and to furnish requisite clarifications and supporting documents in accordance with the provisions of the Delhi Co-operative Societies Act, 2003 and the Rules framed thereunder.

It is further borne out from the record that, in response to the aforesaid deficiency memo, a communication dated 20.01.2025 was received from Sh. Amit Minocha, Advocate, on behalf of the President and Secretary of the Society, wherein an assurance was given that the requisite information and clarifications would be furnished within a period of one week. However, despite the passage of considerable time thereafter, no further reply, clarification, or compliance has been submitted by the Society to the office of the Registrar, Co-operative Societies till date.

The aforesaid sequence of events, duly reflected in the ARCS report and the official correspondence on record, clearly establishes that the Managing Committee has failed to comply with the statutory directions issued by the Registrar, Co-operative Societies. Such failure cannot be construed as an inadvertent omission, but reflects a continued and deliberate non-response to the regulatory authority entrusted with oversight of co-operative societies.

It is also significant to note that the expulsion proceedings, which have a direct bearing on the civil and statutory rights of the concerned members, have neither been concluded in accordance with law nor received the mandatory approval of the Registrar, Co-operative Societies, as required under Section 86 of the Delhi Co-operative Societies Act, 2003. In the absence of such approval, any action taken by the Managing Committee to curtail the participatory or electoral rights of the concerned members is legally unsustainable and cannot be recognised under the Act.

When considered cumulatively, the acts and omissions of the Managing Committee—namely, failure to comply with statutory communications dated 13.01.2025, non-fulfilment of assurances made vide letter dated 20.01.2025, pendency of defective expulsion proceedings initiated on 29.10.2024, and lack of transparency and procedural compliance—demonstrate a sustained pattern of conduct contrary to the provisions of the Delhi Co-operative Societies Act, 2003 and the Rules framed thereunder. Such conduct is prejudicial to the

interests of the Society and its members and undermines the democratic and statutory framework governing co-operative institutions.

Therefore, I, Krishna Kumar Singh Registrar Cooperative Societies am satisfied that the continuance of the present Managing Committee is not conducive to the orderly and lawful management of the affairs of the Society and that intervention under Section 37 of the Delhi Co-operative Societies Act, 2003 has become necessary in the larger interest of the Society and its members.

Hence, in exercise of the powers conferred under Section 37 of the Delhi Cooperative Societies Act, 2003, the Managing Committee of Vijay Cooperative Group Housing Society Ltd. is hereby superseded with immediate effect.

Accordingly, Sh. Pawan Chopra Dy. Director DUSIB is hereby appointed as Administrator to manage the affairs of the Society till the conduct of fresh elections, with a monthly remuneration of ₹10,000 (Rupees Ten Thousand only), to be paid from the funds of the Society.



Krishna Kumar Singh IAS
REGISTRAR COOPERATIVE SOCIETIES

1. President/ Secretary Vijay CGHS, Plot No.17, Sector 18A, Dwarka, New Delhi-110078.
2. Sh. Pawan Chopra(Administrator) Dy. Director DUSIB Room No.56 Punarvass Bhawan LP Estate Delhi 110003.
3. ARCS 07 O/o RCS.
4. ARCS IT Cell O/o RCS.
5. Gaurd File.