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

No. 47/RCS/ARCS-2/FC/2024/579 Dated :- 4/8/26

ORDER

In the matter of :-

Canara CGHS Ltd.

This Order shall dispose of the proceedings initiated Under Rule 80 of the DCS Rules, 2007, in compliance of the Orders dated 06.11.2025 & 02.07.2026 passed by the Financial Commissioner, Delhi, in case No. 253/2024 titled Canara CGHS Ltd. V/s RCS, whereby, it was directed that the RCS is required to look into the aspect of cost of the special audit to be borne in this case particularly when the preset Managing Committee of the Society has not been heard at all before initiating the action in the matter. The RCS should set clear guidelines on who will bear cost of such audits ordered on behest of a complainant. The Ld. RCS should pass a speaking order after affording opportunity of hearing to the Society as well as any other party, as deemed necessary preferably within 45 days.

The brief facts of the case :-

1. The Canara Co-operative Group Housing Society, through its Treasurer,filed a Revision Petition U/s 116 of the DCS Act, 2003, bearing Case No. 253/2024, titled Canara CGHS Ltd. V/s RCS against the impugned Orders dated 09.03.2023, 15.12.2023 and 29.08.2024 passed by the Registrar of Cooperative Societies.

2. The Society challenged03 (three) impugned Orders passed by the RCS dated 09.03.2023 for ordering Special Audit of the Society, Order dated 15.12.2023 for requesting the Divisional Commissioner to instruct the SDM concerned to take over record of the Society and Order dated 29.08.2024 appointing observer for the purpose of search and impounding the documents from the society.

3. The Ld. Financial Commissioner in the Order dated 06.11.2025 has stated that in the light of the fact that the Hon'ble High Court of Delhi is already seized of the matter of conduct of Special Audit of the Society, the Financial Commissioner was not inclined to interfere with the conduct of the Special Audit of the Society at this stage and the same should be allowed to follow through as per Act and Rules. Therefore, the impugned order dated 09.03.2023 passed by the Assistant Registrar (Audit) ordering special audit of the society is not interfered with. As regards impugned orders dated 15.12.2026 addressed to the Divisional Commissioner and dated 29.08.2024 appointing an observer to procure the records of the society have become infructuous as the records of the society have already been seized and handed over to the Auditor on 04.09.2024.

4. It was further directed by the Financial in the Order dated 06.11.2025 that the RCS is required to look into the aspect of cost of the special audit to be borne in this case particularly when the preset Managing Committee of the Society has not been heard at all before initiating the action in the matter. The RCS should set clear guidelines on who will bear cost of such audits ordered on behest of a complainant. The Ld. RCS should pass a speaking order after affording opportunity of hearing to the Society as well as any other party, as deemed necessary preferably within 45 days.

5. Thereafter, this Office filed an application for modification/recalling the Order dated 06.11.2025 before the Ld. Financial Commissioner with the request to recall the matter and consider the Rule 80(1)(c) of the DCS Rules, 2007, which clearly says that the expenses incurred for conducting special audit shall be decided by the Registrar, which shall be paid by the co-operative society from its funds and in default of such payment, the same shall be recovered from the co-operative society as arrears of land revenue.

6. After filing of application of modification/recalling the Order dated 06.11.2025, the Ld. Financial Commissioner passed an Order dated 02.07.2026 wherein he granted 30 days more time to decide the matter in the light of the Order dated 06.11.2025.

Action Taken :-

1. In compliance of the Orders dated 06.11.2025 & 02.07.2026 passed by the Financial Commissioner this Office issued a letter dated14.07.2026, whereby, the Society through Sh. Mahendra Pratap Singh, Administrator-cum-RO, M/s Dhingra & Associates (Special Auditor) and Sh. Rajiv Parashar (complainant) were directed to appear before the Registrar of Cooperative Societies on 27.07.2026 at 04.00 PM for deciding the matter with regard to bearing of the cost of Special Audit. However, the matter could not be heard on 27.07.2026 due to administrative exigency.

2. The matter was heard on 29.07.2026 by the Registrar of Cooperative Societies in the presence of Sh. Mahendra Pratap Singh, Administrator-cum-RO, Sh. Mahadev Jindal, M/s Dhingra & Associates (Special Auditor) and Sh. Rajiv Parashar (complainant).

Decision

I have gone through the matter as well as the legal position as mentioned in the Rule 80(1)(c) of the DCS Rules, 2007, which clearly says that that the expenses incurred for conducting special audit shall be decided by the Registrar, which shall be paid by the co-operative society from its funds and in default of such payment, the same shall be recovered from the co-operative society as arrears of land revenue.

In view of the above facts and circumstances, I Krishna Kumar Singh, Registrar Co-operative Societies, Govt. of NCT of Delhi, in the exercise of powers vested in me under Rule 80(1)(c) of the DCS Rules, 2007, hereby decides that the expenses incurred for conducting Special Audit for the year 2016-2017 to 2020-21 shall be paid by the Society from its funds and in default of such payment, the same shall be recovered from the society as arrears of land revenue.

KRISHNA KUMAR SINGH, IAS
REGISTRAR CO-OPERATIVE SOCIETIES

No. 47/RCS/ARCS-2/FC/2024 Dated :-

Copy to :-

1. Sh. Mahendra Pratap Singh, Administrator-cum-RO., Canara CGHS Ltd., KN Katju Marg, Sec-13, Rohini, Delhi-110085.
2. M/s A. Dhingra & Associates, BH-06, East Shalimar Bagh, New Delhi-110088.
3. Sh. Rajiv Parashar, Flat No. 90, Canara CGHS Ltd., KN Katju Marg, Sec-13, Rohini, Delhi-110085.
4. Deputy Registrar (IT) with the direction to upload this Order on the official website of the RCS Office.
5. PA to RCS, O/o RCS, Parliament Street, New Delhi-110001.

KRISHNA KUMAR SINGH, IAS
REGISTRAR CO-OPERATIVE SOCIETIES