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

F.47/AR/BKG/416/2026 /3446/3451 Dated: 9/11/26

Order

This order disposes of the proceedings initiated against Mr. Pawan Kumar Goel in compliance of directions issued by the Hon'ble High Court of Delhi in W.P.(C) No. 1461/2026 dated 12.01.2026.

That the Society is a Cooperative Society registered under the provisions of the Delhi Cooperative Societies Act, 1972 (now amended to Delhi Cooperative Societies Act. 2003) and is governed as per the provisions of the DCS Act, 2003 and Rules framed there under and the registered bye laws of the Society.

Brief Facts of the Case

The petitioner, Sh. Om Prakash Garg, filed a petition before the Hon'ble High Court of Delhi seeking expeditious hearing of the disqualification petition filed by him under Rule 55 of the Delhi Cooperative Societies Rules, 2007.

Accordingly, the Hon'ble High Court of Delhi directed that the said petition be heard and decided within a period of three months, after duly issuing notice to the concerned parties and affording due opportunity of hearing to the petitioner.

That the petitioner, Sh. Om Prakash Garg, has filed the present petition under Rule 55 of the Delhi Cooperative Societies Rules, 2007, seeking a declaration that the respondent is disqualified from holding the office of President of the Management Committee of Shree Agarsen Cooperative Urban Thrift & Credit Society Ltd.

That the petitioner has stated that the respondent Mr. Pawan kumar Goel was elected as a member of the Managing Committee of the Society during the period of 2012 to 2015 and during the said period on the basis of a complaint lodged by a member of the Society inquiry under Section 66(2) of the DCS Act, 2003 were initiated against the members of the Managing Committee for the year of 2012-15 which includes the respondent also.

That office of the RCS, Delhi thereafter passed an Order dated 5.8.2021 whereby the Ld. Addl. RCS, Delhi has pleased to hold that the members of the Managing Committee during the period of 2012 to 2015 are jointly and severally liable for the interest @ 10% p.a. for the loss of Rs.39,500/- along with interest thereon @ 10% p.a. w.e.f. 22.07.2014 till the date of payment is made to the Society.

That against the Orders dated 5.8.2021 as passed by the Ld. Addl. RCS, Delhi, two persons namely Sh. Ram Prakash Singhal and Sh. Har Narain Goel filed an appeal bearing No.

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070/2021 before the Hon'ble Delhi Cooperative Tribunal and the respondent was also arrayed as one of the respondent in the said appeal.

That besides the above mentioned appeal another appeal was also filed by Sh. Ravi Prakash Kharakia & Ors., who were the members of the Managing Committee for the period of 2015-2018, before the Hon'ble Delhi Cooperative Tribunal bearing the appeal No. 66/2021.

That both the above appeals were heard by the Hon'ble Delhi Cooperative Tribunal and vide its Orders dated 09.09.2021 the Hon'ble Cooperative Tribunal had pleased to stay the operation of the first part of the order dated 5.8.2021 imposing a penalty of Rs.39,500/- against the members of the Managing Committee of the Society during the period of 2012-15 during the pendency of the appeal.

That the appellant submitted that as per the provisions of Rule 54(d) a member is not eligible for the elections as member of the Managing Committee of the Society if he has been convicted of any offence involving dishonesty or moral turpitude during the period of six years prior to the date of scrutiny of the nomination paper or he has been ordered to repay or restore the money or property or any part thereof under sub section (2) of section 66 of the Act by the Registrar.

That as there are orders dated 5.8.2021 under Section 66(2) of the DCS Act, 2003 against the respondent to restore the money of Rs.39,500/- alongwith interest thereon @ 10% p.a. w.e.f. 22.07.2014 as passed by the then Addl. RCS, Delhi, however, due to the stay orders granted by the Hon'ble Delhi Cooperative Tribunal on 09.09.2021 the said order was not implemented and no inference could be taken against the respondent in the elections of the Society.

That the petitioners have come to know that the appeal bearing No. 070/2021 has been withdrawn by the appellants therein on 03.11.2025 from the court of Hon'ble Delhi Cooperative Tribunal.

That after the disposal of the appeal the interim order dated 09.09.2021 comes to an end the respondent has become liable to make the payment of Rs.39,500/- alongwith interest @ 10% p.a. w.e.f. 22.07.2014 to the Society and has also become disqualified to be a member of the managing committee of the Society.

That as the respondent has incurred a disqualification to contest the elections of the Society for six years, hence, as per the provisions of Rule 55(1) the membership of the respondent to the managing committee of the Society as President of the Society required to be ceased with immediate effect.

That the respondent is fully aware about the orders passed by the Hon'ble Delhi Cooperative Tribunal, however, despite the same the respondent is continuing to act as a President of the Society and is taking the financial and other decisions qua the Society.

That though as per the provisions of Rule 55 of the DCS Rules, 2007 the respondent shall cease to hold his office w.e.f. 3.11.2025 when the Hon'ble Delhi Cooperative Tribunal has

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pleased to dispose off the appeal bearing No. 070/2021, however, despite the same till date the respondent is posing himself as President of the Society and is involved in taking the decisions qua the working and functioning of the Society. Hence, it is required that the powers of the respondent be ceased to work as President of the Society and respondent be restrained from taking any major policy and financial decision of the Society and also from participating in the meetings of the Managing Committee of the Society till the final disposal of the present petition.

SUBMISSION ON BEHALF OF THE RESPONDENT

1. That the present petition is liable to be dismissed as the same is based on false, baseless and misconceived facts. The petitioners have attempted to mould the facts according to their own convenience and have initiated the present proceedings with an ulterior motive and personal vendetta. The petitioner had contested the election of the Society but was unsuccessful and has thereafter initiated various proceedings against the Society and its Managing Committee.
2. That the petition is not maintainable as the allegations made therein do not fall within the ambit of Rule 55 of the Delhi Cooperative Societies Rules, 2007. The Respondent does not suffer from any of the disqualifications prescribed under the said Rule and, therefore, no question of cessation of his membership of the Managing Committee or his office as President arises.
3. That the present petition is an afterthought and is intended to create unnecessary obstacles in the smooth functioning of the Society. The petitioner had earlier challenged the election of the Respondent before the learned RCS under Section 70 of the Delhi Cooperative Societies Act, 2003, which petition was dismissed vide order dated 30.07.2025. The appeal preferred thereagainst before the Hon'ble Delhi Cooperative Tribunal was subsequently withdrawn and disposed of vide order dated 07.11.2025.
4. That the election of the Respondent for the tenure 2012–2015 had already been set aside by the learned Arbitrator vide award dated 10.01.2013, which was upheld by the Hon'ble Delhi Cooperative Tribunal vide order dated 12.02.2013. Consequently, the Respondent was not a member of the Managing Committee of the Society for the tenure 2012–2015 and cannot be held responsible for any act, omission or liability attributable to the said Managing Committee.
5. That in view of the aforesaid award dated 10.01.2013 and order dated 12.02.2013, the order dated 05.08.2021, insofar as it relates to the Managing Committee for the tenure 2012–2015, cannot be applied against the Respondent. The penalty imposed in relation to the said Managing Committee cannot be fastened upon a person who was not a member thereof.
6. That the present petition is further liable to be dismissed as the petitioners are attempting to reopen issues which have already been raised before the competent authorities. The petitioner had already challenged the election of the Respondent and the said challenge was dismissed. The subsequent withdrawal of the appeal before the Hon'ble Delhi Cooperative Tribunal cannot be used as a basis for initiating another round of proceedings on the same or substantially similar grounds.

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7. That the present proceedings are also liable to be rejected on the ground of delay and limitation, as the petitioners are indirectly seeking to unsettle an election which was held on 09.02.2025 and which had already been specifically challenged before the competent authority. The petitioners cannot be permitted to circumvent the prescribed election remedy by filing the present proceedings.
8. That the present petition is also barred by the principles underlying res judicata and Order II Rule 2 of the Code of Civil Procedure, insofar as the petitioners seek to reagitate matters which were already the subject matter of earlier proceedings or which could and ought to have been raised therein.
9. That the Respondent is a bona fide member of the Society and was duly elected as President in the election held on 09.02.2025 under the supervision of the Returning Officer appointed by the learned RCS. Since his election, the Respondent has been discharging his duties in the interest and welfare of the Society and its members.
10. That an enquiry was conducted by the office of the learned RCS in respect of alleged irregularities concerning the Managing Committees for the tenures 2012–2015 and 2015–2018, pursuant to which a common order dated 05.08.2021 was passed by the learned Additional RCS. The said order was challenged before the Hon'ble Delhi Cooperative Tribunal by way of Appeal Nos. 66/2021 and 70/2021.
11. That during the pendency of the aforesaid appeals, the Hon'ble Delhi Cooperative Tribunal passed an interim order dated 09.09.2021 staying the operation of the order dated 05.08.2021 insofar as the penalty relating to the tenure 2012–2015 was concerned. The said order was placed on record in the proceedings before the Hon'ble Tribunal in accordance with its directions.
12. That Appeal No. 66/2021, relating to the Managing Committee for the tenure 2012–2015, continues to be pending before the Hon'ble Delhi Cooperative Tribunal. The Respondent had submitted his submissions in the said proceedings and has also sought his impleadment therein. The issues arising from the order dated 05.08.2021, insofar as they concern the said appeal, are therefore still pending consideration before the competent appellate forum.
13. That the withdrawal of Appeal No. 70/2021 does not amount to an adjudication of the issues pending in Appeal No. 66/2021. The petitioners cannot, merely on the basis of withdrawal of Appeal No. 70/2021, contend that the Respondent has incurred any liability or disqualification arising from the order dated 05.08.2021.
14. That the contents of the petition alleging that the Respondent was a member of the Managing Committee for the tenure 2012–2015 are specifically denied. It is reiterated that his election for the said tenure had already been set aside by the learned Arbitrator vide award dated 10.01.2013, which was upheld by the Hon'ble Delhi Cooperative Tribunal vide order dated 12.02.2013.
15. That the allegation that the Respondent is liable to pay Rs.39,500/- along with interest at the rate of 10% per annum with effect from 22.07.2014 is specifically denied. The said penalty was imposed in relation to the Managing Committee for the tenure 2012–2015, of which the Respondent was not a member. Accordingly, no personal liability can be fastened upon the Respondent on that basis.

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16. That the allegation that the Respondent has incurred disqualification under Rule 55(f) is wholly denied. It is specifically denied that the Respondent has been convicted for any offence involving dishonesty or moral turpitude or that he has been ordered to repay or restore any money or property, or any part thereof, under sub-section (2) of Section 66 of the Delhi Cooperative Societies Act, 2003, by the Registrar.
17. That the allegation that the Respondent ceased to hold office as President with effect from 03.11.2025 merely on account of withdrawal of Appeal No. 70/2021 is specifically denied. Withdrawal of the said appeal cannot, by itself, create a statutory disqualification against the Respondent, particularly when the relevant proceedings arising from the common order dated 05.08.2021 remain pending before the Hon'ble Delhi Cooperative Tribunal in Appeal No. 66/2021.
18. That it is further denied that the Respondent is liable to be restrained from functioning as President of the Society or from participating in the meetings of the Managing Committee or from taking policy or financial decisions. The Respondent continues to hold the office pursuant to his duly conducted election and there is no established disqualification against him under Rule 55 of the Delhi Cooperative Societies Rules, 2007.
19. That the petitioners have failed to establish any legally sustainable ground for cessation of the Respondent's membership of the Managing Committee or for removal of the Respondent from the office of President. The reliefs sought by the petitioners are based upon disputed facts and an erroneous interpretation of the effect of the proceedings relating to the order dated 05.08.2021.
20. That in view of the facts and submissions stated hereinabove, the present petition is devoid of merit, misconceived and not maintainable in law. It is, therefore, most respectfully prayed that the petition filed by the petitioners may kindly be dismissed with exemplary costs, in the interest of justice.

FINDINGS

The principal contention raised in the present petition is that the respondent, Sh. Pawan Kumar Goel, was part of the Managing Committee for the period 2012–2015 and that proceedings under Section 66(2) of the Delhi Cooperative Societies Act, 2003 were initiated in respect of the said Managing Committee. Vide order dated 05.08.2021, the learned Additional Registrar, Cooperative Societies, fastened liability in respect of the loss of Rs.39,500/- along with interest @ 10% per annum w.e.f. 22.07.2014. It is the case of the petitioner that, consequent upon the said order and the subsequent withdrawal of the appeal against the order u/s 66(2) of DCS Act, 2003 before the Hon'ble Delhi Cooperative Tribunal, the respondent has incurred disqualification and is liable to cease to hold the office of President/Member of the Society.

The principal question requiring determination is whether, on the basis of the material placed on record, the Respondent Mr. Pawan Kumar Goel has incurred a disqualification attracting cessation of his membership of the Managing Committee and consequently his office as President under Rule 55 of the Delhi Cooperative Societies Rules, 2007.

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It is not in dispute that proceedings under Section 66(2) of the DCS Act, 2003 were initiated in respect of the affairs of the Managing Committee for the period 2012–2015 and that an order dated 05.08.2021 was passed by the learned Additional Registrar, Cooperative Societies, in relation to the loss of Rs.39,500/- along with interest.

It is pertinent to note that two separate applications seeking stay have been filed against the order dated 05.08.2021, which has been challenged before the Delhi Cooperative Tribunal (DCT). Both the appeals arise out of and challenge the same order dated 05.08.2021 passed by the Ld. Additional Registrar, Cooperative Societies under Section 66(2) of the Delhi Cooperative Societies Act, 2003.

Further, in order to verify the factual and legal position in the matter, the relevant records pertaining to the case were called for from the concerned branch. Upon examination of the record, clarification along with the relevant information and documents was received on 03.09.2026. The said record has been taken into consideration while examining the issue involved in the present proceedings.

The record further shows that the first part of the order dated 05.08.2021, relating to the liability of the members of the Managing Committee for the period 2012–2015 in respect of Rs.39,500/-, was stayed by the Hon'ble Delhi Cooperative Tribunal during the pendency of the appellate proceedings.

Thereafter, an application was moved on behalf of the appellant seeking withdrawal of the appeal against the order u/s 66(2) passed on 05.08.2021. Consequently, the earlier stay granted by the Hon'ble DCT in respect of the order dated 05.08.2021 continued to operate in accordance with the order passed by the Hon'ble Tribunal. It has further been contended that, in view of the order passed under Section 66(2) of the DCS Act, 2003, the concerned member was not eligible to continue as President of the Society as the order u/s 66(2) is still stands.

However, from the record received from the Section Officer, Banking Branch (RCS), it is evident that the respondent was a member of the Managing Committee for the period 2012–2015, but election/tenure was set aside by the Ld. Arbitrator vide Award dated 10.01.2013. The said Award dated 10.01.2013 was thereafter challenged before the Hon'ble Delhi Cooperative Tribunal and was upheld vide order dated 12.02.2013.

Thus, the material available on record indicates that the respondent was part of the Managing Committee for the period 2012–2015, which is the period in respect of which the liability under Section 66(2) was determined vide order dated 05.08.2021.

Going through the record, in Appeal no. 10/2013/DCT, Operative Para as below:

> *7. In the claim petition filed on behalf of respondents no. 5 to 8, it was averred that the audit reports of the society for the years 2010 and 2011 had not been prepared and submitted in time, therefore, the mandatory provisions of Section 35(7)(d) read with section 60(1) of the act were violated. The audit reports were required to be prepared by 29/07/2010. It was prepared on 28/08/2010. This report was required to be submitted*

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up to 28/08/2010. However, it was submitted only on 06/10/2010. The audit report for the period from 01/04/2010 to 31/03/2011 was required to be prepared by 29/07/2011. However, it was prepared only on 05/08/2011. Sh. Radha Krishan (appellant no. 2), Sh. Ganesh Kumar (appellant o. 3), Sh. Ram Prakash Singhal (appellant no. 7). Smt Sarita Gupta (appellant no. 9). Sh. Shyam Bihan, ***Sh. Pawan Kumar Goel****, Sh. Har Narain Goel were in the Management Committee of the society during the aforesaid period. Therefore, they were not entitled to contest the elections. They were legally disqualified. The appellants had not deposited the compulsory deposits, therefore, they were defaulters.*

51. Sh. Ravi Prakash (appellant no. 1), Sh. Gajanand Aggarwal (Appellant no. 81. Sh. Shyam Bihari, ***Sh. Pawan Kumar Goel (appellant no. 15)*** *and Sh. Har Narain Goel (appellant no. 16) had not cleared the compulsory deposits.*

53 Therefore, in our opinion Sh Shyam Bihari, ***Sh. Pawan Kumar Goel (appellant no. 15)*** *and Sh. Har Narain Goel (appellant no. 16) now cannot be allowed to say that they were not defaulters because of absence of notice, as has been argued by Ld Counsel for the appellants.*

55. So far as ***Sh. Pawan Kumar Goel (appellant no. 15)*** *and Sh Har Narain Goel (appellant no. 16) are concerned, in view of the above discussions, we have no hesitation to hold that they fall in the category of defaulters even in the absence of any notice to them.*

58. Thus, the finding of the Ld. Arbitrator, so far as Sh. Shyam Bihari, Sh.Pawan Kumar Goel (appellant no. 15) and Sh. Har Narain Goel (appellant no. 16) being the defaulters and not eligible to contest the elections, is upheld.

60. The elections of all the appellants except Sh. Pawan Kumar Goel (appellant no 15) and Sh. Har Narain Goel (appellant no. 16) are upheld

61. The verdict of the Arbitrator against these persons namely Sh Pawan Kumar Goel (appellant no. 15) and Sh.Har Narain Goel (appellant no. 16) declaring their elections as not sustainable in law is upheld.

It is thus evident from the record that the respondent's election to the Managing Committee for the tenure 2012–2015 was held to be legally unsustainable and was set aside by the learned Arbitrator. The said finding was subsequently upheld by the Hon'ble Delhi Cooperative Tribunal vide order dated 12.02.2013 and, accordingly, attained finality. Consequently, the respondent did not acquire or retain the status of an elected member of the Managing Committee during the tenure 2012–2015, which is the very period in respect of which the order dated 05.08.2021 under Section 66(2) of the DCS Act, 2003 was passed.

The Hon'ble Delhi Cooperative Tribunal, in Appeal No. 10/2013/DCT, upheld the finding that the election of Sh. Pawan Kumar Goel was **not sustainable in law**. Accordingly, the Respondent cannot be treated as a legally elected member of the Managing Committee for the period 2012–2015. Therefore, the liability subsequently determined under Section 66(2) in respect of the said Managing Committee cannot be made the basis for fastening

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personal disqualification upon the Respondent under Rule 55. Hence, the disqualification petition against **Sh. Pawan Kumar Goel** is not sustainable on the basis of the said liability.

The subsequent proceedings in Appeal No. 070/2021 and Appeal No. 66/2021, including withdrawal of Appeal No. 070/2021 on 03.11.2025 and the stated pendency of Appeal No. 66/2021, relate to the liability attributed to the Managing Committee for the period 2012–2015 and to the persons who actually constituted the said Managing Committee. Those proceedings do not, however, alter the independent and undisputed position emerging from the arbitral and appellate record that the respondent was not a member of the Managing Committee during the relevant period. Therefore, the question of disqualification of the respondent cannot be sustained merely on the basis of the liability fastened upon the Managing Committee for the said period, irrespective of the eventual outcome or present status of the aforesaid appeals.

In view of the foregoing, the foundational premise of the present disqualification petition, namely, that the respondent was a member of the Managing Committee during the period 2012–2015 and could consequently be proceeded against on the basis of the liability fastened upon the said Committee, is not borne out from the record. The subsequent proceedings concerning the collective liability of the Managing Committee do not cure this fundamental deficiency. Accordingly, the disqualification claimed against the respondent is not made out on the material presently available on record.

CONCLUSION

Upon consideration of the pleadings, documents, previous adjudications, the order dated 05.08.2021 passed under Section 66(2) of the DCS Act, 2003, the orders of the Hon'ble Delhi Cooperative Tribunal, and the clarification received from the concerned branch on 03.09.2026, it emerges that the earlier election of Sh. Pawan Kumar Goel was set aside by the Ld. Arbitrator vide Award dated 10.01.2013, which was upheld by the Hon'ble DCT vide order dated 12.02.2013.

The order dated 05.08.2021 under Section 66(2) pertains to the affairs and liability of the Managing Committee for the period 2012–2015 and was subjected to appellate proceedings, with the relevant part having been stayed by the Hon'ble DCT vide order dated 09.09.2021. The subsequent withdrawal of Appeal No.70/2021, by itself, does not establish any present disqualification under Rule 55 or automatically terminate the respondent's subsequent office. Further, the material on record does not establish that the respondent was a member of the Managing Committee during the relevant period or that he has incurred any present statutory disqualification.

Accordingly, the petitioner has failed to establish the necessary legal basis for cessation of the membership of Sh. Pawan Kumar Goel from the Managing Committee or cessation of his office as President under Rule 55 of the DCS Rules, 2007.

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Hence, the petition filed by Sh. Om Prakash Garg is hereby dismissed, and the prayer seeking restraint against the respondent from functioning as President and participating in the affairs of the Society is also declined.

It is clarified that this order shall not prejudice the rights and contentions of the parties in the proceedings arising out of the order dated 05.08.2021 pending before the Hon'ble Delhi Cooperative Tribunal, which shall be decided by the competent forum in accordance with law.

The petition stands disposed of accordingly.

Ordered accordingly.

Krishna Kumar Singh (IAS)
Registrar Cooperative Societies

Sent To:-

1. Mr. Om Prakash Garg, S/o, Sh. Ghanta Ram, R/o 4507/11 Jai Mata Market, Tri Nagar, New Delhi -110035.
2. Mr. Pawan Kumar Goel, S/o Sh. Suraj Bhan, R/o G 24, East Avenue Road, East Punjabi Bagh, New Delhi -110026.
3. President/Secretary, Delhi Nagarik Sehkari Bank Ltd., Reg. Off. 720, Near Ghanta Ghar, Subzi Mandi, New Delhi -110007.
4. President/Secretary, Shree Agrasen Cooperative Urban Thrift & Credit society, 10/13, Jaidev Park, Punjabi Bagh, New Delhi -110026.
5. DRCS (IT), O/o RCS **(With Request to upload on website)**
6. DRCS, Banking Branch, O/o RCS

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