

**OFFICE OF THE REGISTRAR COOPERATIVE SOCIETIES
GOVT. OF N.C.T. OF DELHI, OLD COURT'S BUILDING
PARLIAMENT STREET, NEW DELHI-110001**

F.No.-47/AR/163/GH/Sec-3/RCS/2022/ 203

Dated: - 24/3/22

SHOW CAUSE NOTICE U/S 37 (1) OF DCS ACT, 2003

Whereas, Ghalib Memorial CGHS Ltd. is registered vide Registration No.163-GH with this department under the provisions of Delhi Co-operative Societies Act/Rules & registered Bye-Laws of the society.

Whereas, this office issued a Show Cause Notice No. 341 dated 27.08.2019 under Rule 1(a), (b) of Rule 80 of DCS Rules, 2007 to Managing Committee of Ghalib Memorial CGHS Ltd. with regard to a notice issued by EOW U/s 91C.R. P.C. regarding Investigation into the Case FIR No. 110/10 on the complaint regarding financial irregularities detected in the Financial management and functioning of Ghalib Memorial CGHS Ltd.

And whereas, the then RCS vide order no. 7082, dated 17.02.2020, ordered for Special Audit of the Society. The said order further directed that expenditure incurred for conducting Special Audit shall be paid by the Society from the society's fund. Accordingly Assistant Registrar Audit Branch vide letter no AR(Audit) / 2019 / 1347 -1351 dated 18-02-2020 appointed M/s. Jain Khandelwal & Co. to conduct Special Audit of the society.

And whereas, the President of the society vide letter dated 11.03.2020 filed an application U/s 115 of DCS Act, 2003 for review / modification of said order dated 17.02.2020 regarding special audit of Ghalib Memorial CGHS Ltd. RCS, vide order dated 03.12.2020, directed that no ground has been made out by the applicant society either for withdrawing the Show Cause Notice dated 27.08.2019 issued under rule 80 of the DCS Rules, 2007 or to review the order dated 17.02.2020 passed for conducting the Special Audits of the Society and dismissed the application being devoid of any merit.

And whereas, it was stated by auditors M/s. Jain Khandelwal & Co. that "it is to inform you once again that society is not interested to carry out the audit and they (society) are not providing the requisite records and documents. To take up the audit they have contacted the society through its President Mr. Suresh A.S. at his phone no. 8700347241 and e-mail id: ghalibcghs@gmail.com number of times but without any fruitful result and they are not providing the requisite records. It appears that the society is not interested to get the society's accounts audited". However, the Management Committee vide letter dated 01-02-2021 informed that since the Audit fee is too high an auditor may be appointed who can conduct Special Audit within Rs. 50,000/- to 1,00,000/-.

Whereas, vide this office letter no. 654 dated 02.07.2021 the society was directed to cooperate with the Special Auditors and provide necessary records within a period of Seven days. It was further informed that the fees shall be decided by the Competent Authorities as per

norms/guidelines of RCS office. Hence, any delay in providing the requisite documents shall be treated as non-cooperation by the society. Non-compliance of the society will be viewed seriously and strict action will be taken as per DCS Act, 2003 and DCS Rules, 2007.

And whereas, Managing Committee of the society vide letter dated 08.07.2021 informed that audited balance sheets have already been supplied to the Special Auditor's office. It was also informed by the society that most of the original records are with EOW Branch and the same to be obtained by Special Auditors from EOW Branch. AR (Sec-3) vide letter no.825-827 dated 04.08.2021 directed the Managing Committee of the society to take necessary action to get back the record, that has been seized by EOW from the society premises.

And whereas, Managing Committee of the society vide letter dated 09.08.2021 informed that they have already requested EOW, 29.08.2016 itself, to return all the original seized documents. Subsequently, on 06.09.2021, the society informed that the Society has again requested EOW to return the seized documents.

And whereas, the Inspector of EOW, vide letter dated 20.11.2021, informed this office that "the documents/records pertaining to Ghalib Memorial CGHS Ltd., which were seized during the investigation of case FIR No. 111/10 u/s 420/406/120B IPC PS EOW New Delhi, were part and parcel of the Judicial File which was submitted before the Hon'ble High Court of CMM/North Rohini Courts. During the hearing of the matter on dated 09.05.2018, all the copies of the case file, which included the above mentioned documents, were duly supplied to Mr. Wilfred Fernandez (9873087107), who was the representative/complainant at that stage. On telephonic conversation with Mr. Wilfred Fernandez, he has stated that the received documents were further handed over to other officials of Society on 09.05.2018 itself".

And whereas, from the all above, it is clear that society has been intentionally avoiding and blocking conduct of Special Audit into the Financial functioning of the society despite repeated lawful instructions issued by Registrar Cooperative Societies under provisions of Delhi Cooperative Societies Act, 2003 and Rules made thereunder.

And whereas, despite society being in person of the required documents for conduct of Special Audit denied access of auditor appointed under provisions of DCS Act, 2003 with intention of avoiding inquiry into its financial affairs and whereas from the records it is clear that society had sufficient funds to get the Special Audit conducted to avoid its cone the pretext unavailability of sufficient funds.

And whereas, the MC of the society informed this office that most of the records has been seized by the EOW, whereas, EOW vide its letter dated 20.11.2021 denied the statement of the MC of the society and confirmed that the documents, were duly supplied to Mr. Wilfred Fernandez (9873087107), who was the representative/complainant at that stage, which is concealment of facts.

And whereas, it has been noticed-

1. That the MC of the society did not provide the required documents/records asked by the M/s. Jain Khandelwal & Co. (Previous Special Auditor)
2. That after the appointment of Special Auditor, MC of the Society was reluctant to pay him fees asked by the Special Auditor i.e. M/s. Jain Khandelwal & Co.
3. That on various complaints regarding Special Audit and irregularities in charging interest against DCHFC Loan, an Inspection Officer u/s 61 (1) of DCS Act, 2003 has been appointed on 27.10.2021 which requires fair inspection of the records.

And now, therefore, I, Devesh Singh, Registrar Cooperative Societies, Govt. of NCT of Delhi in exercise of powers vested in me under section 37 (1) of the Delhi Cooperative Societies Act, 2003, hereby call upon the President/Secretary to show cause as to why the Managing Committee of Ghalib Memorial CGHS Ltd, should not be superceded. Reply to this notice may be filed within 15 days from the issue of the notice, failing which it will be presumed that he/she has nothing to say in his/her defence and the matter will be decided ex-prate without any further opportunity.

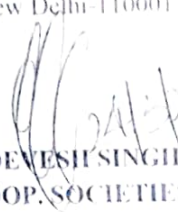

(DEVESH SINGH)
REGISTRAR COOP. SOCIETIES

Dated: - 24/3/22

F.No.47/AR/163/GH/Sec-3/RCS/2022/203

Copy to: -

1. The President/Secretary of Ghalib Memorial CGHS Ltd., Ghalib Apartments, Plot No.-27, Road No.42, Parwana Marg, Pitam Pura, Delhi-110034.
2. P.S. to RCS, Office of Registrar Co-operative Societies, Parliament Street, New Delhi-110001 for information.
3. AR (Policy), Office of Registrar Co-operative Societies, Parliament Street, New Delhi-110001 for information.
4. AR (IT), Office of Registrar Co-operative Societies, Parliament Street, New Delhi-110001 to upload the same on the website of RCS.


(DEVESH SINGH)
REGISTRAR COOP. SOCIETIES