

**IN THE COURT OF THE REGISTRAR COOPERATIVE SOCIETIES  
PARLIAMENT STREET, OLD COURT BUILDING, NEW DELHI  
GOVT. OF NCT OF DELHI**

F.No. 47/R.RCS/DCT/2023/5885-5901

Dated: 31/08/2023

**In the matter of:**

Mr. Lokesh Chandra and Ors. ....Petitioners

V/s

Ravi Shankar CGHS Ltd.

(Through President/Secretary) .....Respondents

ORDER

By the present order, I shall dispose of the proceedings initiated pursuant to the order passed by the Delhi Co-operative Tribunal in appeal No. 92/2022/DCT titled Ravi Shankar CGHS Ltd. Vs Ashu Gupta and other connected matters (viz. Appeal No 93/2022/DCT, 94/2022/DCT, 95/2022/DCT, 96/2022/DCT, 97/2022/DCT, 98/2022/DCT, 99/2022/DCT, 100/2022/DCT, 101/2022/DCT, 102/2022/DCT, 103/2022/DCT, 104/2022/DCT) whereby The Delhi Cooperative Tribunal has set aside the orders dated 24.06.2022 impugned in these appeals as well as the order dated 03.12.2020 passed by the then Registrar of Cooperative Societies and remanded the matter to RCS to treat the claims filed by the Appellant as appeals against the alleged rejection of their applications for membership by the society.

In pursuance of the order dated 12.01.2023 passed by DCT summons were issued to the concerned parties to appear in the court of Registrar of Co-operative Societies and to file any additional submissions or documents within ten (10) days. On 16.02.2023, Sh. Sandeep, Ld. Advocate on behalf of the complainants has submitted that individual claims for membership have already been filed in original claim dated 05.06.2017 and 21.06.2017 for which the case was finalized vide order dated 03.12.2020 and subsequent to the order of Hon'ble DCT dated 12.01.2023 this matter has been remanded back to this court with the direction to treat the claims filed by the Appellant as appeals against the alleged rejection of their applications for membership by the society. The society was directed to bring original membership register, proceeding register and any other relevant document on the next date of hearing. The said documents were seen on the subsequent dates of hearing and returned to the society. The advocate for the complainants and society





were also directed to fix a date so that complainants may peruse the records of the society.

Brief facts of the case are that petitioner filed representations dated 05.06.2017 & 21.06.2017 in the office of Registrar Cooperative Societies regarding complaint of M/s Ravi Shankar CGHS Ltd, its Managing Committee & its controller Mr. Praveen Bhutani, office bearers and auditors while referring to FIR No 138/2014, Police Station EOW against M/s Ravi Shankar CGHS Ltd, and its Managing Committee & ors. The Complainants, vide their letter dated 05.06.2017 have stated to make a complaint against serious Economic Frauds, cheating, forgery and criminal conspiracy done by Mr. Praveen Bhutani and office bearer of M/s Ravi Shankar CGHS Ltd with several investors who deposit their hard earned money in the hope of a house/flat as represented by the managing committee and Mr. Praveen Bhutani controller of society. The complainant further alleged that they were looking for membership in any group housing society for a flat for residence purpose, they met Mr. Shyam, Proprietor of Shyam Properties at Dwarka who introduced them to one Ashok Goswami who further introduced them with Mr. Praveen Bhutani, stated to be incharge/controller of M/s Ravi Shankar CGHS Ltd. They further assured the complainants that on becoming members in the society they will be entitled for a HIG flat@ Rs. Thirty Lakhs and on believing upon them they have made the payment of One Lakh to Five Lakh by way of cheque and 5 lakh to 15 lakh as cash to the society. The complainants further alleged that the society even did not issue any receipt of payment and the cheques were refunded by the society on the assurance that fresh cheques will be taken however the cash amount was never returned.

The complainants further submitted that feeling cheating by them, they approached the police and filed a complaint against them. Accordingly an FIR No 139/2014 registered by the EOW and the investigation is still going on.

The complainants also drew attention towards the observations made by Hon'ble Court of CMM as contained in its order dated 07.04.2017 as also the observation made by the auditors in the audit report of the society to substantiate their case. Hon'ble Court (CMM) held in its order dated 07.04.2017 observed that *"In so far as complainants/aggrieved persons had given money to Sh. Praveen Bhutani and other persons for the purpose of obtaining membership of the society and for no other purpose what so ever. The reason is obvious. The society could not have advertised in any manner seeking any loan from any private person. Subsequent return was furnished also*



revealed that advance money was with the society for new membership amounting to Rs. 2,44,85,100/ duly reflected in the accounts by the auditors.”

The complainants further made the following prayers through their complaint dated 05.06.2023:

1. To conduct special audit from the year 2001-02 to 2016-17, to check the financial irregularity
2. To call the old resigned members, whether they have submitted the resignation or not,
3. To appoint Administrator till the outcome of the enquiry
4. To conduct / enquiry Technical Audit to ascertain actual cost of the flat, so that nexus between managing committee and Mr Praveen Bhutani can be unearthed. You can check the all the tenders received from various builders/ Contractors for construction of society building.
5. To check the size of flats, whether it is constructed as per approved layout and Building Plans of the society.
6. To lodge a separate FIR against the Managing Committee of Ravi Shanker CGHS Ltd.
7. To give direction the managing committee to enroll the aggrieved persons in the society.

Further, vide their subsequent complaint dated 21.06.2017, the complainants requested the O/o RCS to take necessary action against the above mentioned persons involved in the cheating and fraud against the complaints and to ensure their membership in the society.

Thereafter, the comments/reply was called from the society against the representation dated 05.06.2017 and 21.06.2017 and the society submitted its reply dated 28.08.2017 and 12.03.2018 wherein it was stated by the society that Sh. Lokesh Chander and few others have made similar complaints earlier also which were looked into and enquired in detail and found to be false and baseless as per the documents available with the society. It is stated that complainants never completed the formalities necessary for becoming the member of the society though they deposited some payment, which were returned to them in totality by way of cheque/DD and the same were encashed by them without any objection way back in 2006. It was also stated that none of these 18 complainants were ever enrolled as members of Ravi Shankar CGHS and it is for this reason that they have failed to produce any membership number or share certificate.



It was also stated by the Society in its reply that Complainants do not fall into the definition of members as defined in DCS, 2003 Act. It is stated that Complainants never applied for membership of the society, nor ever submitted any applications for membership therefore such petitioners cannot be called as members of the society in any manner. It was claimed that representations dated 05.06.2017 and 21.06.2017 are misconceived, filed with mischievous motives by Complainants by adopting fraudulent practices for seeking unjustified directions without following the procedure laid down in the DCS Act and Rules framed there under and is liable for rejection.

It is further stated that the complaint by Sh. Lokesh Chander and others against Sh. Praveen Bhutani and Mr. Ashok Goswami is not tenable under DCS Act and Rules as it is complaint by non-member of society. It has been claimed by the Society in reply that during March 2003 some non-members in connivance and collusion of some property dealers had directly deposited their respective amounts with the bank of the society with some ulterior motives. Society in the reply stated that management of the society had neither received any amount either by cash or cheque/Draft nor had issued any receipt for deposit of the amount and it came to the knowledge of society through Auditors. Society asserted that Complainants' claim of having paid cheques and cash is highly objectionable as Ravi Shankar CGHS has never encouraged receipt cash from the members. It was further stated that the amount was returned to the respective persons through Cheques/DD during March/April 2003 itself. During the month of March, 2003 or even thereafter, society has not received any 'application form' prescribed for enrolment of members in the society along with the admission fee and share money from any one of the complainants/applicants. Money amounts were in round figure and was deposited by Complainants/Applicants in different denomination directly with the banker's of the society with the connivance and collusion of some property Dealers. It is stated that as society did not demand the amounts from Complainants/Applicants at any stage for any purpose and the same were deposited with the bankers of the society without their knowledge, therefore when Society came to know through auditors about deposit of amounts, the same were returned to complainants/Applicants through cheques/DD issued by the society. Six persons out of 18 Applicants had filed complaint with the EOW vide no. C-895/SO/ Addl.CP/EOW dated 05.05.2008 i.e. after gap of more than 3 years against one Sh. Parveen Bhutani who falsely stated to have personated the Applicants/Complainants as controller of the society/ Sh. Rajender Prashad investigating officer of EOW after interrogation has revealed in his report that Mr. Parveen Bhutani in his office situated at



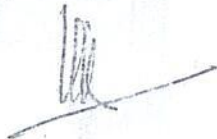


316, Arunachal Bhawan, Barakhamba road, New Delhi. It is claimed by the society that Mr. Parveen Bhutani, Mr. Shyam and Mr. Ashok Goswami against whom the complaint was made by the non-members are neither members of the society nor ever remained office bearers of the society nor they represented the society in any manner whatsoever. They are unknown to the society and do not carry any relationship with the same in any manner. Society also stated that in the absence of any evidence EOW had closed the investigation. Thereafter, one Sh. Lokesh Chandra and 3 other non-members had filed their complaint under section 156 Cr PC before the Chief Metropolitan Magistrate, Patiala House Court, New Delhi and on the direction issued by that Hon'ble Court, EOW has registered FIR No. 138/14 against Mr. Parveen Bhutani and then office bearers of the society who held office during the year 2003. It is claimed by Society that no vacancy in form of membership of the society is existing and construction of the flats for the members is at advance stage.

The Society has further averred that none of the applicants are entitled for membership of the society, as falsely being claimed by them in their Prayer clause appended at the end of representations under reply. Society in its reply denied the averments of Applicants made in representation dated 5<sup>th</sup> June 2017 and representation dated 21<sup>st</sup> June 2017.

The Complainant have filed additional written arguments dated 04/07/2023 while reiterating the earlier complaints filed by them and also referring the order dated 03/12/2020 passed by the then Registrar of Cooperative Societies stating that the then Registrar of Cooperative Societies had also confirmed that applications were submitted by the members in the Society. The Complainant further submitted that the Society failed to place minutes of the meeting of the Managing Committee whereby the memberships of the complainants were rejected by the Managing Committee.

The Complainant further quoted Rule 24 and 30 of the DCS Rules and stated that as per the Rules the payment has to be deposited by the Complainant only after the approval of the membership and in case the Society has not accepted the applications then the Society has to send the intimations regarding refusal within one month from the receipt of the applications in writing. The complainants further submitted that from the bare perusal of the entire Managing Committee Meetings, which were submitted by the society in the criminal court during investigation, there is not a single Managing Committee Minutes, which shows that the application form were rejected by the society and intimation of the same was given to the member/complainant at any point of time. The complainants further mentioned that the audit report



from 2003-06 were submitted in the office of Registrar Cooperative Societies only after 2006 and it also appears that the Managing Committee meetings are fabricated by the then Managing Committee to cover up their wrong acts. The complainant further stated that aggrieved with the fraud committed by the society over the complainants on 05.05.2008, the complainants/members lodged the complaint with the Additional Commissioner of Police (Economic wing) New Delhi and subsequently when no action was timely taken by the police authorities, in the year 2013, some of the complainants lodged the complaint under section 200 Cr.P.C. in which a separate application under section 156(3) of Cr.P.C. was filed. It is further worthy to mention that the Learned Metropolitan Magistrate was much satisfied with the offence committed by the society, hence while disposing the application under section 156(3) of the Learned Metropolitan Magistrate directed the police authorities to lodge the FIR against the society officials

The Society has also filed written arguments dated 04/07/2023 stating that the claim filed by the Complainants is not only barred by Section 75 of DCS Act 2003 and limitation on various grounds but the claimants have also failed to prove anything on record. Section 101 & 102 of Indian Evidence Act clearly puts onus on the claimant/appellant to prove his case which the claimants have failed to do. The Society further stated that in their complaint filed to the police, the claimant/appellant in para 6-7 thereof stated as *".. the aforesaid payment was made in the office of Mr Praveen Bhutani.. At that time Mr Praveen Bhutani had assured that the said money would be treated as part payment for the aforesaid membership with the said society....."*. That further para 7 of complaint further states as *"That after sometime Mr Praveen Bhutani again approached us and demanded some more money stating that the same was required by the said society for some loan payment...."* This not only clearly shows that the dealings were not done with the Society and through/at the society office but with a third individual party. It further shows the claimants/appellants were aware that the amount was given by them in the form, of loan to the society alone. In the same complaint they had prayed for the interest on the amount taken back by them. This clearly annuls the claim of the appellant/claimant qua membership once again. Besides, the copies of Managing Committee proceedings of the relevant period shows that there was never any resolution to call for an application form the claimant/appellant, let alone consideration for membership.

I have gone through the representations submitted by the complainants, reply submitted by the society, along with the written arguments and



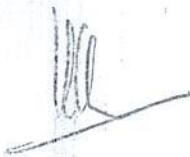
documents submitted by both the parties.

The main issue in the representations submitted by the complainants is to seek directions to Management Committee of the Society to ensure their membership in the society by enrolling the complainants as members in the society since they had submitted applications for their membership with Society and had also deposited money for the same. It is submitted by the Complainants that they became members of Society by submitting application forms, affidavits along with the residence proof, and have also deposited substantial amount of money with the Society.

The society in its reply has submitted that there was never any resolution to call for an application from the claimant/appellant, let alone consideration of membership. The society has also produced copy of resolution of relevant period and stated that there was never invitation/advertisement to apply for membership and the amount received which admittedly stand repaid was just a loan. Averment of the society on record says that the amount deposited by the claimant/appellant was duly refunded and taken back without any protest or any objection by the claimants/appellants in the year 2005-06. The society has further maintained that the complainants then filed a criminal complaint in year 2008 and stated to have made the payments/inducement, promises, assurances made by Sh Praveen Butani to grant the membership of society.

In this regard, the Society could only fill up the existing vacancies as per the provisions contained in DCS Act 1972 read with DCS Rules 1973 which were applicable at the time when the alleged transactions took place. In terms of provisions contained in Rule 24(2) of the DCS Rules, 1973, the existing vacancy in the Society, if available at that time could only be filled up by notifying it in leading daily newspaper of Delhi in Hindi and English. There is nothing on record to show that any such process was started to fill up the vacancies in the society, the complainant has not produced any such advertisement. Besides, the complainants have themselves submitted that they have made the alleged payments to the society on the basis of promises made by Property dealer to arrange for membership in a cooperative group housing society.

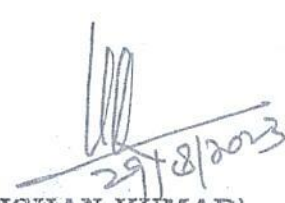
In view of what has been discussed herein above, it appears that claimant/appellant though made the payments to the society on the basis of promises made by the property dealers and other persons to grant/manage



membership of society. However, it is clear from the records of the society that no such process of filling up the vacancies was undertaken by the society at that time as neither any resolution was passed to fill up the vacancies in the society nor any advertisement was issued in the leading national dailies to that effect. Further, the alleged money was refunded by the society in the year 2005-06 and the applicants/claimants have taken back the said money. This being a financial fraud, the applicants have rightly approached the Economic Offence Wing (EOW) of Delhi Police by filing a complaint in the year 2008, however no case of grant of membership is made out in the facts and circumstances of the case in terms of provisions contained in DCS Act and Rules. Thus, in the given circumstances the request for grant of membership of the Society to the complainants can not be acceded to and deserves to be rejected.

Ordered accordingly.



  
(KRISHAN KUMAR)  
REGISTRAR COOPERATIVE SOCIETIES

To

1. Sh. Ashu Gupta, r/o 354, Tarun Enclave, Pitampura, Delhi-110034
2. Sh. Pawan Jindal s/o Late Sh Megh Raj Jindal, r/o A-55, Gali No 05, Jagatpuri, Delhi-110051
3. Sh. Jagdish Garg, s/o Sh T C Garg, r/o H-32 Jagatpuri, Delhi-11005. Also at B-85, Ramprastha, Ghaziabad, Uttar Pradesh- 201011
4. Sh. Surinder Singhal, s/o Sh Vakil Chand, r/o C-72, Shivaji Park, Punjabi Bagh, Delhi-110026
5. Sh. Rajesh Jindal, r/o 77, Radhey Puri Extension-1, Delhi-110051
6. Sh Karuna Aggarwal, w/o Sh Ajay Aggarwal, r/o BK-17, Shalimar Bagh, Delhi-110088
7. Sh. Lokesh Chander s/o Sh Moti Ram, r/o 85-D/GH 10, Sunder Apartments, Paschim Vihar, New Delhi-110087
8. Sh Amarjit Sawhney s/o Sh Harnam Singh Sawney, r/o BG-1/195, Paschim Vihar, New Delhi-110087
9. Ms. Bimla Gupta, r/o C-11/20, Model Town-III, New Delhi-110009
10. Ms. Renu Vaish, w/o Sh Pankaj Vaish, r/o 292/2C, Neb Sarai, New Delhi-110068
11. Sh Tarun Kalia, r/o 20-B, Ground Floor, Old Gupta Colony, Delhi-110009. Also at C-2/39, 3<sup>rd</sup> Floor, Phase-II, Ashok Vihar, Delhi-110052





12. Sh Om Goel, s/o Sh Jagdish Rai Goel, r/o BK-1/28-B, Shalimar Bagh, Delhi-110088
13. Sh Babu Ram Garg, s/o Late Sh Tara Chand Garg, r/o A-27, Guru Nanak Pura, Laxmi Nagar, Delhi-110092
14. The President/Secretary. Ravi Shankar CGHS Ltd., Sector-13, Plot No.02, Dwarka, New Delhi-110078.
15. Asstt. Registrar (Housing/Section-VI) O/o the Registrar Co-op. Societies, Govt. of NCT of Delhi, Old Court's Building, Parliament Street, New Delhi-110001 for information and necessary action.
16. Asstt. Registrar (Policy Branch) O/o the Registrar Co-op. Societies, Govt. of NCT of Delhi, Old Court's Building, Parliament Street, New Delhi-110001.
- ✓ 17. Asstt. Registrar (Computer Cell) O/o the Registrar Co-op. Societies, GNCTD, Parliament Street, New Delhi-110001 to upload the order on the website of the office.