

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

---

F.No.: F.47//DRTC/SEC-7/P.F/RCS/2022/U/s-40/2023/2186-39 Dated.: 04/12/23

**IN THE MATTER OF:-**

Shiv Cooperative Thrift & Credit Society Ltd.,  
(through President/Secretary)

.....Petitioner

Versus

Sh. I C Gupta


.....Respondent

**ORDER**

1. This order shall dispose off the petition filed by the petitioner society under section 40 of the DCS Act 2003 read with Rule 31 of the DCS Rules 2007 for approval of resolution no.: 2 dated 26.02.2023 of the Managing Committee of the petitioner Society for expulsion of Sh I C Gupta, a member of the society.
2. The petitioner society in its dossier dated 22.03.2023 submitted on 23.03.2023 with the Office of Registrar Cooperative Societies has stated that Sh. I C Gupta (Ex-President), R/o D-125 Kamla Nagar, Delhi-110007, a member of the society "Shiv Cooperative T & C Society Ltd., has been expelled from the membership of the society in Managing Committee Meeting held on 26.02.2023 in the society.
3. A Show Cause Notice dated 29.11.2022 was issued to Sh I C Gupta (Ex-President) by the President of the society stating that:-

*You have been working against the values and principles of cooperative for a long time and trying to interrupt the progress of "The Shiv Co-op. T/c Society Ltd." Bhajanpura, Delhi - 110053.*

*A complaint was made by you on 05/04/2022 to Honourable Minister, Co-operative Societies with the signature of 22 members which was heard on 07/10/2022 and 14/10/2022 before the Spl. Registrar, O/o Registrar Co-operative Societies,*

  
4/12/2023

Delhi.

*After receiving the copy of the complaint, after contacting the members/signatories, it was found that signatures of many members are fake and out of them 10 members/signatories have given in writing that they have not signed any nor they have complained and the signatures made in the complaint are fake.*

*You are the main complainant in this complaint, therefore these signatures has been made by you or by someone else in your knowledge, which is a criminal Act. This act of yours has tarnished the image of the society and hindered progress.*


*In the Annual General Body meeting of the society dated 16/10/2022 you tried to disrupt the proceedings of the meeting in an undemocratic manner, uncertified/unaffiliated documents were distributed by you in the Annual General Body meeting and you presented wrong facts to the members. Indecent behaviour was done by you with the society workers in Annual General Body meeting. Why should your conduct in the Annual General Body meeting not be considered as indiscipline?*

*On 16/10/2022, a resolution has been passed in the Annual General Body meeting to take action against you due to the false complaint made by you by forging signatures.*

*Therefore, you clarify us why your membership should not be terminated by taking action against you.*

*Therefore you are hereby requested to present your explanation in your support with evidences by appearing in the society office on 31/12/2022 at 3:00 p.m. If you do not give your explanation on the stipulated date & time then it will be assumed that you do not want to present your explanation and all the allegations against you are true. You have been working against the values and principles of cooperative for a long time.*

4. The respondent appeared personally on 31.12.2022 before the Managing Committee and submitted a reply to the show cause notice vide his reply dated 31.12.2022 wherein he stated that:-

  
4/12/2023



*That the Show Cause Notice U/S 40 of DCS Act,2003 issued by you against me is wrong and without jurisdiction since the matter has been heard and is pending decision with the Special Registrar O/o Cooperative Societies.*


*2. That it is wrong, baseless and unjustified to say that I have been working against the values and principles of cooperative for a long time and trying to interrupt the progress of "The Shiv Co-op. T/C Society Ltd". It is ridiculous to allege that a member who is the Chief Promoter of the Society, will work against the interest of the Society.*

*3. It is true that a complaint regarding the malfunctioning and irregularities done by the present and past Secretary along with other members was made by me to the Hon'ble Minister, Cooperative Societies. And the matter was heard by the Special Registrar, Cooperative Societies and his decision is awaited.*

*4. It is significant to inform you that the signatures of members in the said complaint were already there and I signed on that complaint. Those signatures on the complaint were not fake as alleged in the notice. As mentioned the members were contacted by the President /Society after receiving the complaint. That means that the members who were contacted were forced to write that they have not put their signature on any complaint. Thus the image of the Society has been tarnished by the past and present Secretary using coercive tactics with the support of their close friends. It is emphasized that the complaint made was genuine.*

*5. That in the Annual General Meeting of the Society held on 16.10.2022 the documents distributed to members were genuine and thereby exposed the misdeeds of the then and present Secretary of the Society. It is wrong to say there was indiscipline on my part whereas past Secretary who is proxy of his wife (present Secretary of the Society) and other members close to him have been indulging in financial irregularities in functioning of the Society.*

*6. The complaint made is not false as alleged in the notice and*

  
4/12/2023

*no signatures have been forged. It is also mentioned that the show cause notice contains vague and general allegations and no specific evidence has been furnished in its support. The matter however is to be decided by the Special Registrar and not by the Society.*

*7. The resolution passed in the AGM on 16.10.2022 is, therefore, null and void since the resolution has to be passed in the AGM after the member to be expelled have been heard as per Section 40 of the DCS Act, 2003.*

*Under the facts and circumstances it is, therefore, advised that the Show Cause Notice issued under Section 40 of the DCS Act, 2003 against me be withdrawn.*

5. The petitioner society found the reply of the respondent to the show cause as unsatisfactory and considered the proposal for his expulsion in the Managing Committee Meetings held on 31.12.2022, 29.01.2023 and 26.02.2023 and unanimously decided to expel the respondent from membership of the society in its Managing Committee held on 26.02.2023.
6. Pursuant to the resolution no.: 2 resolved in the MC meeting held in the society on 26.02.2023, proposal was sent to the Office of the Registrar Cooperative Societies seeking approval of the resolution no.: 2 dated 26.02.2023 expelling Sh I C Gupta from the membership of the society.
7. Notices dated 24.08.2023, 13.10.2023, 01.11.2023 and 21.11.2023 were issued to both the parties for appearances on 01.09.2023, 20.10.2023, 10.11.2023 and 01.12.2023. Arguments were heard from both the sides on 10.11.2023 and 01.12.2023.
8. The respondent did not file any reply to the dossier of the petitioner society for his expulsion.
9. The society submitted during arguments that complaint dated 13.10.2021 regarding irregularities of finances, holding of elections of the society and giving of loans to members etc., which was signed by around 22/23 members with the respondent being the signatory at s. no.: 1 was sent to various authorities by the complainants and a preliminary hearing under the provisions of section 61 of DCS Act 2003 was held by the

*Dr.*  
*4/12/2023*




Office of Registrar Cooperative Societies and it was concluded on 10.11.2022 and it was held that:-

*“ On the basis of records available or documents/reply filed by both the parties herein it is found that the complaint made by complainants is not maintainable as 19 complainants among 23 complainants are defaulter and Arbitration/Recovery case is pending against them and complainants have not negated that they are not defaulted in dues of the society. The society cannot run without due payments made by members of society and in case a members are defaults in payments then they cannot complaint against the working of the society. Whereas 10 complainants have also filed their written consent that their signature had been used by someone and made false complaint against the society.*

*Further in matter of election of the society specific remedy u/s 70 of DCS Act 2003 and therefore there cannot by any inspection or inquiry in a matter related to election.*

*In view of the above the present complaint of Sh I C Gupta & others against the respondent society namely Shiv Cooperative Thrift & Credit Society Ltd., deserves to be dismissed as complainants had not provided any substantial documentary evidence/factor which may compel the respondent society to undergo with an enquiry under section 61 of DCS Act 2003.”*

10. The petitioner society emphasised on the fact that complaint dated 13.10.2021 filed by the respondent being signatory at s.no.: 1 had forged signatures and this was sufficient to invoke provisions of section 40 of DCS Act 2003 and the resolution no.: 2 resolved on 26.02.2023 expelling the respondent may be approved. The society also pointed out that expulsion proceedings have also been initiated against the signatory number 2 of the complaint namely Sh Sunil Kumar Maurya and even his expulsion proceedings are being heard on the same dates as that of the present case.

  
4/12/2023


11. The respondent Sh I C Gupta instead of defending himself on merits as regards his expulsion, made allegations against the President and Secretary of the society during arguments held on 01.12.2023.
12. Provisions of section 40 of DCS act 2003 read with Rule 31 of DCS Rules 2007 have been complied with by the petitioner society. The resolution no.: 2 resolved on 26.02.2023 expelling the respondent from membership of the society was taken unanimously by all the members of the Managing Committee present and voting on 26.02.2023.
13. The relevant portion of section 40 of DCS Act 2003 reads as follows:-

*40. Any member of a co-operative society (other than a co-operative housing society) may be expelled by a resolution passed by the committee of the co-operative society subject to the approval of such resolution by the Registrar if :*

*(i) the member has willfully deceived the co-operative society by false document to obtain the membership of such co-operative society; or*

*(ii) the member incurs any of the disqualifications for being a member of the co-operative society; or*


*(iii) the member has brought disrepute to the co-operative society or has done any other act detrimental to the interest and proper working of the co-operative society:*
14. From the perusal of the documents on record and after hearing arguments from both the sides, I am fully satisfied that the act complained of against the respondent Sh. I C Gupta being a signatory no.: 1 of a complaint having forged signatures of various members of the society is fully covered under the provisions of Section 40 of DCS Act 2003 read with Rule 31 of DCS Rules 2007. The act of being a signatory in a complaint having various forged signatures is a very serious issue.
15. Further, the respondent did not offer any explanation for allegation against him of his indecent behaviour in the AGBM held on 16.10.2022 in the society.
16. In view of the above, in exercise of powers vested in me as per allocation of powers dated 11.03.2021 of Secretary cum RCS, I hereby approve the resolution no.: 2 dated 26.02.2023 of the Managing Committee of the

  
- 27/12/2023



society " Shiv Cooperative Thrift & Credit Society Ltd.," for expulsion of Sh I C Gupta (Ex-President) from the membership of the society. Sh I C Gupta (Ex-President) stands expelled from the membership of the society " Shiv Cooperative Thrift & Credit Society Ltd.," w.e.f. date of the order.


It is ordered accordingly.

  
24/12/2023

**(Dr. T. Philip Thanglienmang)**  
**Special Registrar Cooperative Societies**

Copy to:-

1. Shiv Cooperative Thrift & Credit Society Ltd.,  
(President/Secretary), C-39, Gali No.: 3 (1/3A), Bhajan Pura, Delhi-110053
2. Sh I C Gupta (Ex-President), (A/c No.: 158, D-125 Kamla Nagar, Delhi-110007
3. AR (T & C)
4. In-charge (Computer Cell) for uploading on website

  
24/12/2023

**(Dr. T. Philip Thanglienmang)**  
**Special Registrar Cooperative Societies**