

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

F.NO.47/GH-1112/AR/SEC-1/GH/RCS/2022-24/ 1037-39 Dated: 03/05/2024

IN THE MATTER OF:

Bhagwati CGHS Ltd.

Through its President / Secretary

Petitioner

Versus

Mr. Lava Kishore Malhotra & Sangeeta Malhotra

Respondents

ORDER

This order shall dispose of the proceedings initiated vide Show Cause Notice dated 18.11.2022 issued u/r 20(1)(c)(i) & (iii) (2) of DCS Rules, 2007 read with Section 87 & 41 (d) of DCS Act, 2003 whereby Mr. Lava Kishore Malhotra & Sangeeta Malhotra R/o 265, RPS DDA Flats, Sheikh Sarai, Phase-I, New Delhi-110017 was called upon to show cause as to why cessation of membership should not be granted against them U/r 20(1) (c) (i) & (iii) of DCS Rules 2007 read with section 87 & 41(d) of DCS Act,2003.

The brief facts of the case are as under:-

Mr. Lava Kishore Malhotra & Sangeeta Malhotra were enrolled as member of the Bhagwati Co-operative Group Housing Society Ltd (Regn. No. 1112/GH), Plot no. 1A, Sector-22, Dwarka, New Delhi-110075 vide membership application dated 01.04.2015. The petitioner society has stated to have received a complaint that the respondent is having a residential property in Delhi bearing property House No. C-327, Ground Floor, Sheikh Sarai, New Delhi-110017. The petitioner society accordingly prayed to cease the membership of the respondent on account of disqualification of holding the property bearing property No. C-327, Ground Floor, Sheikh Sarai, New Delhi-110017.

The respondent vide their reply dated 06.12.2022 submitted that the respondents Mrs. Sangeeta Malhotra who is in Government job for 25 years purchased a DDA flat in her own name bearing No. C-327, Ground Floor, Sheikh Sarai in an equal joint ownership rights along with Mr. Lava Kishore Malhotra out of her own funds. The respondent has further submitted copy of sale deed executed on 27.11.2008 in respect of Flat No. C-327, Ground Floor, Sheikh Sarai, New Delhi -110017 in favour of Respondents herein i.e. Smt. Sangeeta Malhotra w/o Sh. Lava Kishore Malhotra and Sh. Lava Kishore Malhotra s/o Sh. Sat Dev Malhotra. As per the sale deed Smt. Sangeeta Malhotra and Sh. Lava Kishore Malhotra either joint owners of the said property.



It is relevant to read the provisions of DCS Act and Rules in this regard which are as under:

**20. Disqualification of membership**

(1). No person shall be eligible for admission as a member of a co-operative society if he:-

- ...
- (c) In the case of membership of a co-operative housing society,
- (i) owns a residential house or a plot of land for construction of residential house in any of the approved or un-approved colonies or other localities in the National Capital Territory of Delhi, in his own name or in the name of his spouse or any of dependent children, on lease hold or free-hold basis or on power of attorney or on agreement for sale:  
Provided that above clause shall not be applicable,
    - (a) in case of co-sharers of property whose share is less than 66.72 sq. metres of land; or if the residential property devolves on him by way of inheritance;
    - (b) in case of a person who has acquired property on power of attorney or through agreement for sale and on conversion of the property from leasehold to freehold on execution of conveyance deed for it, if such person applies for the transfer of membership of the housing society concerned;
    - (ii) deals in purchase or sale of immovable properties either as principal or as agent in the National Capital Territory of Delhi; or
    - (iii) his spouse or any of his dependent children is a member of any other cooperative housing society.

In the instant case, as per the own admission of the respondents, they are having Residential property House No. C-327, Ground Floor, Sheikh Sarai, New Delhi-110017 and are thus disqualified to be a member of a cooperative Housing Society as per rule 20(1)(c)(i) and (iii) of the DCS Rules, 2007 read with Section 87 & 41 (d) of DCS Act, 2003.

Although, the Administrator as well as succeeding Managing Committee of the Society has subsequently requested for withdrawal of the complaint, however, they failed to place any documents on records regarding eligibility of the respondent to be enrolled as a member of a Cooperative Society at the relevant time.

It is pertinent to note that in terms of Section 41(3) of the DCS Act, 2003, the Registrar may of his own motion, if satisfied that any member has incurred any of the disqualification under sub section (1) declare through an order in writing that such member is disqualified to be a member. Thus, the withdrawal of the petition at this stage would not serve any purpose especially when the respondent has herself admitted to having a residential property i.e. Residential property House No. C-327, Ground Floor, Sheikh Sarai, New Delhi-110017.

In view of the above mentioned facts and circumstances, I am of the considered opinion that the respondent Mr. Lava Kishore Malhotra & Sangeeta Malhotra is disqualified to be a member of the Bhagwati Cooperative Group Housing Society under



rule 20(1)(c)(i) and (iii) of the DCS Rules, 2007. Accordingly, the membership of Mr. Lava Kishore Malhotra & Sangeeta Malhotra in the Bhagwati CGHS Ltd. is hereby ceased under Rule 20(1)(c)(i) & (iii) r/w section 41 of DCS Act,2003.

Ordered accordingly.



(Anil Kumar Singh)  
Registrar Cooperative Societies

To

- 1 Mr. Lava Kishore Malhotra & Sangeeta Malhotra R/o 265, RPS DDA Flats, Sheikh Sarai, Phase-I. New Delhi-110017
- 2 Bhagwati CGHS Ltd. (Regn. No. 1112/GH), Plot no.1A, Sector-22, Dwarka, New Delhi-110075
- 3 Asstt. Registrar (Computer Cell) with the request to upload the order on the departmental website.