

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

F.NO. 47/GH/ 1112/ AR/SEC-1/GH/RCS/2022 /4668-71

DATED

07/01/2026

IN THE MATTER OF:

Jagat Singh

Petitioner

Versus

M. S. Reddy & Anr.

Respondents

ORDER

This order shall dispose of the proceedings initiated vide show cause notice dated 23.08.2024 issued u/r 20 (1)(c)(i) & (iii) of DCS Rules, 2007 read with Section 87 and 41 (d) of the DCS Act, 2003 whereby M. S. Reddy was called upon to show cause as to why his membership in The Bhagwati CGHS Limited (Regn. No.1112/GH), Plot No.1A, Sector-22, Dwarka, New Delhi-110075 be not ceased on the ground that he owns another Property in Delhi.

The brief facts of the case are as under:-

1. Present petition u/r 20 (1)(c)(i) & (iii) of DCS Rules, 2007 read with Section 87 and 41 (d) of the DCS Act, 2003 was filed by one Sh. Jagat Singh alleging that Sh. M. S. Reddy (respondent No.1) who is a member of the Bhagwati CGHS Ltd. (respondent No.2) has another Property in Delhi i.e. Flat No.72 at 3rd Floor in Goodwill Apartments, Sector-13, Rohini and has thus incurred disqualification under the provision of law.
2. A show cause notice dated 23.08.2024 under the aforesaid provisions of law was issued to Sh. M.S. Reddy and a copy of the complaint was also provided to him to give his reply to the same. In the reply, Sh. M.S. Reddy has challenged the locus of the petitioner to file and maintain the petition. On merits, Sh. Reddy has stated that his father Sh. M. Krishna Reddy was the original member of the Bhagwati CGHS Ltd. and had opted for a 3-bedroom flat. However, despite expiry of 15 long years, the flats of the society were not constructed by the Ex. MC (s) and on the other hand, the cost of the flat was increased by more than one crore for a 3-bedroom flat. Since, Sh. M. Krishna Reddy was around 80 years old in 2018 and was unable to arrange money on his own to pay the balance cost of his flat, Ex.MC officials advised him to transfer his membership in favour of his only son Sh. M. S. Reddy as the share of Sh. M. S. Reddy in the land on which his Flat No.72 was situated was less than 66.72 sq. meter and accordingly, membership was transferred in favour of Sh. M.S. Reddy in Jan., 2018.
3. Sh. M.S. Reddy has filed the copies of sale document of Flat No.72 and the documents like certificate from society, site plan of the plot of the society, assessment order etc. to show the area of the flat and his share in the land underneath and has relied upon judgments of Hon'ble High Court of Delhi in the cases of "Kallu Ram Sharma Vs. the Financial Commissioner" and "Bindya Aggarwal Vs. RCS" in support of his case.



4. It is the case of Sh. M. S. Reddy is that the area of Flat No.72, which is situated on 3rd floor in a three plus ground floor building, is of 72.75 sq. meter and therefore his share in the land beneath his Flat /building, if divided amongst four floors owners, is around 19 sq. meter which is much less than 66.72 sq. meter and is therefore saved / exempted in view of proviso (a) to Rule 20(1) (c) (i) of the DCS Rules, 2007 and the above judgments. Relevant portion of Rule 20 (1) (c) (i) of the DCS Rules, 2007 reads as follows:

Rule 20 (1) (c) (a) of DCS Rules, 2007:

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

(a)

(b)

(c) **in the case of membership of a housing society:-**

(i) owns a residential house or a plot of land for the construction of a 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 his 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 the case of a person who has acquired on power of attorney or through agreement to 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 property 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 co-operating housing society.

5. The Hon'ble High Court of Delhi in the cases of "Kallu Ram Sharma Vs. The Financial Commissioner of Delhi" and "Bindya Aggarwal Vs. RCS &Anr", has also held that it is the share in land and not the area of flat in a multi-storied building which is to be seen while deciding the issue of disqualification.
6. The predecessor of this court, after relying upon above judgments, has also held, in a few other similar cases of this very Society, that no disqualification is incurred by the member if his / her share in the land is less than 66.72 sq. meter.
7. The petitioner has neither appeared on any of the dates in this case to pursue his petition nor filed any submissions or evidence thereafter to rebut the reply filed on behalf of the respondent member, which indicates that petition is just a misuse of the process of law for some extraneous reasons.



In the light of the submissions and judgments filed by the respondent, the allegation made in the complaint against the respondent is found to be untenable in law and therefore, the complaint against the respondent is hereby dismissed and the show cause notice earlier issued to the respondent for cessation of his membership in the Bhagwati CGHS Ltd. stands withdrawn. As a result, Sh. M. S. Reddy continues to be a regular member of the Bhagwati CGHS Ltd.


Krishna Kumar Singh
Registrar Cooperative Societies, Delhi

Copy to:

1. Sh. Jagat Singh D-407, Sri Durga CGSHS Ltd. Sector-12, Dwarka, Delhi-75
2. Sh. M. S. Reddy, through President / Secretary of the Bhagwati CGHS Ltd., Plot No.1A, Sector-22, Dwarka, New Delhi-75
3. Asstt. Registrar (Sec-1), office of RCS.
4. Asstt. Registrar IT Cell, office of RCS.

