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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 28th October, 2026
Date of decision: 31st October, 2026

\# **CNR No. DLHC010325892026**

\+ **W.P.(C) 10095/2026 & CM APPL. 46938/2026**

MANISH AGGARWAL & ORS. .....Petitioner

Through: Mr. Rajiv Vig, Adv.

versus

REGISTRAR COOPERATIVE SOCIETIES DELHI & ANR. .....Respondent

Through: Mr. Amit Minocha and Mr. Rohit Kumar Modi, Advs. for R-2.
Mr. Shashi Pratap Singh, Adv. for RCS.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE DINESH BHATT

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

2. The Petitioners- Mr. Manish Aggarwal, Mr. E. Mohd. Basheer Sait and Mr. Naresh Kumar Sharma, who are members of the Vijay CGHS Ltd. Plot No.17, Sector-18A, Dwarka, New Delhi-110078 *(hereinafter, 'the Society')* have filed the present petition seeking setting aside of the order dated 6th November, 2025 passed by the Delhi Cooperative Tribunal in appeal no. 051/2025/DCT.

3. The brief background of this case is that a Returning Officer was appointed for conduct of elections to the Managing Committee of the Society on 14th December, 2024.

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4. According to the Petitioners, the Returning Officer appointed by Managing Committee was their own person and was appointed in a clandestine manner. Thereafter, the Petitioners were declared as defaulters on 2nd January, 2025 and subsequently, an agenda notice dated 9th January, 2025 was issued for holding elections on 2nd February, 2025.

5. The Petitioners are stated to have made various complaints against the conduct of the Returning Officer to the RCS, however, their grievance is that no action was taken.

6. On 2nd February, 2025, the new Managing Committee was declared elected by the Returning Officer, after which, on 12th February, 2025 the Petitioners filed a petition under Section 70 of the DCS Act, 2003, before the RCS. The prayer in this petition was for reference of the dispute to an Arbitrator.

7. The RCS admitted the claim petition filed by Petitioners on 12th June, 2025 and thereafter, appointed an Arbitrator– Mr. G.S. Aggarwal to deal with the disputes.

8. Before the said ld. Sole Arbitrator, a claim petition was filed by the Petitioners seeking various reliefs, including some challenges to the legality and validity of the election of the Society. Vide order dated 14th July, 2025, summons for appearance were issued by the ld. Sole Arbitrator to the Society, as also to the Returning Officer.

9. In the meantime, an appeal was filed by the Society challenging the order of RCS dated 12th June, 2025 referring the claim to the ld. Sole Arbitrator and the said appeal was decided by the DCT *vide* order dated 6th November, 2025 *(hereinafter, 'the impugned order').*

10. In the said challenge, the finding of DCT is that no genuine dispute

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existed and thus, the reference to the arbitrator could not be made. Therefore, the reference order dated 12th June, 2025 was set aside and the appeal was allowed. The observations of the DCT in the impugned order are as under:

> *"7. I have heard learned counsels for both the parties and with their assistance perused trial court record and the impugned order.*
>
> *8. A Perusal of the claim petition and the prayers made thereto indicate that the petition is more of a fishing errand to seek information and to embarrass the Returning Officer by putting him in the dock. Objections to the election is primarily on two counts. Firstly, that audits were not got conducted in time. Secondly, that defaulter list was not proper. A perusal of the order dated 27.01.2025 passed by the Returning Officer reveals that both these objections were heard and dealt with by him. Audit report for the year 2021-2022 was submitted on 11.07.2022. Audit report for 2022-2023 was submitted on 09-09-2024. Returns were also filed before the Ld. RCS. There is no dispute to these dates by the claim petitioners in the claim petition u/sec.70 of the Act. Therefore, there cannot be said to be any dispute on this aspect, which would require Arbitration. Second issue raised by the claim petitioners in the claim petition is regarding the defaulters list. On that aspect also, the Returning Officer, vide the same order, has dismissed the objections stating that the defaulter list had been displayed and widely publicised in the Society and no objections were received to the same. Defaulter list dated 02.01.2025 was widely published. Averment contained in the claim petition does not state that any of the so called defaulters or the claim petitioners had cleared their dues. Rather, it has been pleaded that one Ms. Kamya Sharma cleared her dues on 29.01.2025 and she was permitted to cast the vote. It may be noticed that the elections were held on 02.02.2025 and if the defaulter had cleared the areas before the date of*

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polling, there was no illegality in her vote having been cast and no dispute thereof remains. ***This tribunal is therefore of the view that no genuine dispute is made out in the claim petition u/sec.-70 of DCS Act which would require adjudication or reference to arbitration.***

9. Ld. Addl. RCS committed an error in referring the matter to arbitration when no fault exists. The order dated 12.06.2025 passed by Ld. Additional Registrar Co-operative Societies can not be sustained And is there force set-aside. Appeal to that effect is allowed and the same is disposed off.

10. No order as to costs. A copy of this judgment we sent to the RCS.

11. File be consigned to record room."

11. The Petitioners have, therefore, approached this Court challenging the said impugned order passed by the DCT, by which the reference is set aside.

12. Ld. Counsel for the Petitioners-Mr. Vig submits that *vide* the impugned order, the challenge to the election has, in effect, been dismissed and the Petitioners are left with no remedy to challenge the elections, even though it is the case of the Petitioners that they were wrongly disqualified from participating in the elections.

13. On the other hand, Mr. Singh, ld. Counsel appearing for the RCS also supports the Petitioners on the legal issue that the DCT could not have gone into the merits of the claims at the stage of reference.

14. On behalf of the Society, however, it is pointed out that the claim petition filed by the Petitioners is bereft of any merit and thus, the impugned order deserves to be upheld. The prayer in the claim petition is highlighted to argue that only inspection of the records of the Returning Officer is sought.

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In addition an opportunity to cross-examine the Returning Officer has been sought by the Petitioners, however, the said reliefs sought are not tenable.

15. The Court has considered the matter. At the stage of Section 70 of the DCS Act, 2003, when a claim petition is filed before the RCS, the role is to primarily verify the membership of the claimants, the existence of the Society and thereafter, refer the matter to the Arbitrator. At that stage, the merits of the disputes raised are not to be examined by the RCS. Under Section 70 of the Act, any dispute "touching the constitution, management or the business of a co-operative Society" can be considered by the Registrar. If the existence of a dispute under Section 70 is admitted by the Registrar, he/she may, pursuant to Section 71, decide the matter themselves or refer the dispute to an arbitrator.

16. The Court has seen the claim petition which has been filed by the Petitioners. In the claim petition, the grounds raised are that the elections of the Society were conducted in an illegal manner and various unfair practices were resorted to. This has led to some of the earlier members getting re-elected and various genuine members having been declared as defaulters. The prayer in the claim petition is set out hereinbelow:

> *"(i) That the present claims may be admitted and records of the recently held elections of the R1 Society may be called-in for appropriate inspection and directions.*
> *(ii) That the present claims may be referred for appropriate award/order/directions U/s 71 of DCS Act, 2003 by an Arbitrator.*
> *(iii) That for appropriate adjudication of the present claims of the society, the respondents no. 2 may also be called and claimants may be awarded an opportunity to cross the same before this Hon'ble Forum.*

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Pass any other/such order or direction as this Hon'ble forum deems fit and proper on the facts and circumstances of the present case, in favour of the Claimants and against the Respondents."

17. A perusal of the prayers of the claim petition would show that the same are not correctly worded. The background in the claim petition makes it clear that various irregularities were pointed out, however, in the prayer, there is lack of clarity.

18. Be that as it may, the basic grievance of the Petitioners is that they were incorrectly disqualified from voting and participating in the elections and certain other members were incorrectly permitted to vote. It is the case of the Petitioners that they could not have been considered as defaulters.

19. The Society may have a case to demonstrate that the Petitioners were, in fact, defaulters, however, these issues would have to be dealt with in arbitration and the DCT could not have set aside the order of reference to arbitration itself.

20. Under these circumstances, the impugned order dated 6th November, 2025 of the DCT is set aside, since the DCT could not have obviously gone into the genuinity of the dispute at that stage.

21. The matter is remanded back to the ld. Sole Arbitrator for consideration of the claim petition filed by the Petitioners on merit.

22. Before the ld. Arbitrator, all parties shall duly participate in the proceedings and thereafter, an award shall be rendered on merits.

23. If the Petitioners wish to seek amendment of the prayers of their claim petition, they may be permitted to do so in accordance with law.

24. All rights and objections of parties are left open.

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25. This Court has not considered the merits of the matter.

26. The petition is disposed of in these terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH
JUDGE

DINESH BHATT
JUDGE

OCTOBER 28, 2026
dj/ss

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