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MEMBLEY'S CO-OPERATIVE HOUSE
BUILDING SOCIETY LIMITED

BYE-LAWS

OF



THE COOPERATIVE HOUSE
BUILDING SOCIETY LIMITED

Head office: House No. 829, Phase-II, Tehsil- Mohali,
District-Ropar, Punjab.

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Registered this 16/12/2015

THE BYE-LAWS
OF

THE WEMBLEY'S CO-OPERATIVE HOUSE
BUILDING SOCIETY LIMITED

Incorporation Dated 30-06-1993

Registration No. 2480

Name, Address and Area of Operation

1. The Society shall be called **The Wembley's Co-operative House Building Society Limited**. It shall be referred to here in after in these bye-laws as the society.
2. The registered address of the society shall be **The Wembley's Co-operative House Building Society Limited, Mohali, Registered Office #829, Phase-II, Tehsil-Mohali, District-Ropar, Punjab.**
3. The area of the Society shall be **Tehsil - Mohali, District-Ropar, Punjab.**

3-A Definitions

- i. "Act" means the Punjab Co-operative Societies Act, 1961.
- ii. "Rules" means the Punjab Cooperative Societies Rules, 1963.
- iii. "Registrar" means the Registrar Co-operative Societies Punjab.
- iv. "Housefed" means the Punjab State Federation of Co-operative House Building Societies Ltd.
- v. "Committee" means the Managing Committee of the society.

OBJECTS

4. The objects of the society shall be :-
 - i. To purchase, take on long lease or acquire by exchange or other-wise land for construction of house or housing colonies.

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- ii. To construct, hire or acquire building for the individual and collective benefit of the members.
 - iii. To sell or to exchange house sites with members, rent out or lease building for common use, surrender or accept surrender of houses or house sites.
 - iv. To purchase and sell to members requisite material for construction and repair of houses.
 - v. To establish and carry sanitary, social, educational and recreation all activities for the benefit of the members.
 - vi. To raise funds, and to give loans to members for the construction of houses by themselves or on their behalf.
 - vii. To prescribe house plans.
 - viii. To undertake measures to spread knowledge of co-operative principles and practices.
 - ix. To undertake other such activities as are conducive to the attainment of the above objects.

5. Subject to the provisions be eligible for admission as a member of the Society, if he is.

- (i) Over 18 years in age and of sound mind.
- (ii) Ordinarily resident in the Punjab and other then State of Punjab.
- (iii) Of good character.
- (iv) Intends to build a house for his own use in the area of operation of the society.

6. No individual shall be eligible for admission as members of the society, if:-

- (i) He has applied for bankruptcy.
- (ii) He has been declared as an insolvent; or
- (iii) He has been sentenced for any offence involving dishonesty or moral turpitude within 5 years preceding the date of his admission as members:

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6-A After Registration it will be optional for the cooperative housing society to become a member of Housefed before it starts functioning.

7. After registration of the society the President of the Managing Committee shall be competent to admit new member of the society. Final approval of such member shall be obtained from the managing committee in its meeting. If the Committee refuses to admit a person, it shall record its reasons for such refusal and communicate them to the person concerned. Any person who has been refused admission, shall have the right of an appeal to the Registrar within 60 days of the date of communication of refusal.

7-A No Cooperative Housing Society shall ordinarily refuse to grant to its member permission for transfer of his occupancy right in the property of the cooperative housing society unless the transferee is otherwise not qualified to be a member:

Provided that nothing contained in any agreement, contract or the bye-laws regarding eligibility for membership stipulated therein shall apply to a nominee, heir or legal representative of the deceased member for his admission to membership of the cooperative housing society.

7-B Provided further that aforesaid transfer in case of leasehold land shall be governed by provisions of the perpetual lease of land.

Provided further that General Body of the society may impose any other conditions regarding such transfer by a majority of not less two third of its members present and voting.

A person on transfer of flat/ plot from an existing member will step into his shoes subject to the provisions of Bye Law and such other conditions that can be imposed in pursuance of the provisions mentioned herein above. All such transfers would be approved in the meeting of the Executive committee of the society to be held

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from time to time. All transfer of membership would thereafter be incorporated in the register of members of the society.

7-C(i) An appeal against the orders/ decision of the Co-operative housing society refusing permission for transfer shall lie with the Registrar, Cooperative Societies within thirty days from the date of refusal.

8. No member shall be admitted during 15 days preceding the date fixed for any general body meeting of the society at which office bearers are to be elected.

9. Every member on admission shall sign his name or make his thumb-mark in the register of members and shall pay an admission fee of Rs.10/-.

10. (i) Every member of the society shall nominate a person to whom his share or interest or such sums out of share or interest as may be specified by the members, shall on the death of the member be transferred or paid as laid down in these bye-laws.

(ii) Such nominations may, from time to time, be revoked or modified by the members.

(iii) The number of persons who may be nominated by a member shall not exceed the number of shares held by the member.

(iv) When a member of the society nominates more than one person, he shall as far as practicable more than one person, he shall as far as practicable, specify the amount to be paid or transferred to each nominee in the terms of whole shares and the interest accruing thereon.

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(v) The record of nomination shall be kept by the society in such manner as may be laid down by the Registrar from time to time.

(vi) The value of the share or interest transferred or paid to a nominee or nominees shall be determined on the basis of the sum actually paid by the member to acquire such share or sum interest.

11. (a) A member may be expelled for one or more of the following reasons.

(i) Ceasing to possess qualification laid down in bye law no.5.

(ii) Ceasing to reside in the area of operation of the society;

(iii) Failure to pay the share-money or amounts due from him to the society;

(iv) Conviction of a criminal offence involving dishonesty or moral turpitude;

(v) Applicant for bankruptcy;

(vi) An action which may be held by the general Body to be dishonest or contrary to the interests' reputation and stated objects of the society;

(b) No member shall be expelled except by a resolution passed by 2/3 majority in the general meeting at which not less than half the members are present and vote. The member so expelled shall have the right of appeal to the Registrar against the decision of the general body within one month of the date of such decision.

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12. A person shall cease to be a member of the society/ committee of the society in one or more of the following circumstances:

- (i) Death
- (ii) Ceasing to hold at least one share;
- (iii) Withdrawal in accordance with the procedure laid down in bye-law No.18 of these bye-laws.
- (iv) Permanent insanity;
- (v) Declaration of bankruptcy.
- (vi) Who sells his/ her houses/ dwelling Unit/ plot allotted by the society or transfer his/ her interest share to some other person.

Declaration of cessation shall be made by the managing committee of the society and inform to the Assistance Registrar Co-operative societies.

12-A After completion of allotment of land/ flat to the members of the society at a particular site, the non-alottee members of the society would exercise one of the following two options:

- a. If the majority of the non allottee members so desire by an application duly signed by them, the society will be bifurcated into two societies having them the same name and followed by words (First and Second) All contributions made by these non-alottee members to the society including their share will be transferred to the new society of non-allottee members within a period of three months from the date of Bifurcation; or
- b. In case of non-allottee member do not exercise the options (a) above within three months from the date of completion of allotment of land/ flats to the members of the society at a particular site, he will automatically cease to be a member of

the society and the society will refund all his dues and contributions.

LIABILITY

13. The liability of a member for deficit in the assets of the society, in the event of being wound up, shall be limited to five times the value of the share capital subscribed by him.

FUNDS

14. The society may raise funds by:-

- (i) Issuing of shares of value of Rs. 100/- each;
- (ii) Acceptance of deposits from members and non-members;
- (iii) ~~Rising of loans;~~
- (iv) Accumulation of profits;
- (v) Reserve and other funds;
- (vi) Grants and subsidies.

15. Each member shall take at least one share of the value of Rs. 100/- at the time of admission, payable in lump sum, cooperative.

16. No member shall hold shares of which the nominal value exceeds Rs. 10,000/- or $\frac{1}{5}$ th of the total share capital actually subscribed whichever is less. If any member by inheritance or otherwise becomes possessed of more than the maximum holding permitted by this rule, the managing committee shall have power to sell the excess number or buy them on behalf of the society and to hold the proceeds at his disposal.

17. If the payment due an account of shares remains unpaid, for more

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than 3 months, the managing committee may declare such shares forfeited together with all payments made thereon and the right of membership attaching to those shares shall thereupon be extinguished. The committee may allow such shares to be restored provided:-

- (i) that all arrears together with such interests as the committee may demand are paid up, and
- (ii) that such payment is made within three months of the date of forfeiture.

18. No member of the Society shall ordinarily be permitted to seek withdrawal of refund of his share. But the Managing Committee of the Society may, after creating share transfer fund out the net profit of the society may, after creating share transfer fund out the net profits of the Society, allow withdrawal of shares provided that such withdrawal shall not, at any time, exceed 5% of the aggregate paid up shares capital of the society, excluding Government contribution if any as it stood on the 30th June of the preceding year.

19. The value of shares transfer shall in no case be more than the sum received by the Society in payment thereof.

MAXIMUM CREDIT LIMIT

20. The maximum credit limit of the society shall be fixed by the General body in accordance with the instruction laid down by the Registrar from time to time. The limit thus fixed shall be subject to the approval of the Registrar who may, at any time, reduce it.

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GENERAL BODY

21. All the members of the society on a given date shall meet constitute the general body of the society.
22. The general body of the members of the Society shall meet from time to time and at least once a year. A meeting of the general body shall be convened by the President and Secretary of the Society under the direction of the Managing Committee. A general meeting shall be convened, if the requisition for such a meeting signed by not less than one fifth of the total members is received by the Managing Committee. If on the receipt of the requisition the Managing Committee fails within 30 days time to convene the general meeting the signatories to the requisition may refer the matter to the Registrar who may, if he thinks fit, summon the general meeting. The Registrar, may on his own motion, at any time, summon a general meeting of the society.
23. At least a fifteen days clear notice specifying the date, place time and agenda of the General meeting shall be given. -
- (a) By affixing a copy of the notice at the office of the Co-operative.
 - (b) (i) By circulation of the notice book and getting signatures of members on it.
 - (ii) By sending the notice to the members by post under postal certificate; or
 - (iii) By beat of drum in the area of operation of the Co-operative Society provided that the area of operation consists of one village only.

The quorum for the general meeting shall be one fourth of the total number of members of 500. Whichever is less. If, at the hour fixed for a general meeting, the quorum is not forthcoming the Chairman of the meeting shall, if the meeting has been called on the

requisition of the members, adjourn it and no further general meeting shall be convened on the strength of the requisition. If the general meeting is convened otherwise than on requisition of the Chairman shall postpone the meeting to a further date. A fresh notice for the subsequent general meeting shall be given to all members. The business at the subsequent general meeting may be transacted with the number of members present.

24. The president or, in his absence. The General secretary shall preside over meeting of the General Body; when both of them are absent the members present shall elect a Chairman for the meeting.
25. Every member of General body shall have one vote. Voting by proxies shall not be allowed at the General Body unless otherwise provided in these bye-laws, all questions shall be decided, by a majority of votes of the members presents. When the votes are equal, the Chairman for the general body shall have a casting vote.
26. Unless otherwise provided in these bye-laws the ultimate authority in all matters relating to the administration of the society shall vest in the General body.
27. Without prejudice the general provisions of the proceeding bye-laws, the General body shall have the following powers and duties:-
- (i) The election of the elected members of the Managing Committee.
 - (ii) The consideration of the annual report of the society. Its audited balance sheet and profit and loss account and the inspection notes.
 - (iii) Disposal of profit;
 - (iv) The fixation of the maximum credit limit of the society consistent with these bye-laws, subject to the approval of the Registrar;
 - (v) The fixation of the maximum credit for each member

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provided that such limit shall not be more than laid down in the Registrar's instruction, his limit may be exceeded with the special sanction of the Registrar in each case.

- (vi) Amendment of bye-laws as per law and rules.
- (vii) Sanction of the plan of construction of house in common use of society, and of general lay out of the housing plans and streets, roads and drains;
- (viii) To sanction contribution and levies of members for common services rendered by the Society.

28. Each member present shall be entitled to exercise one vote only. In case of equal votes the President shall have a casting vote.

29. All business discussed or decided at the general meeting shall be recorded in a proceeding book which shall be signed by the Chairman of the meeting.

MANAGING COMMITTEE

Names, addresses and occupations of the Committee Members as on November 29, 2005

Sr. No.	Name	Designation	Occupations
1.	S. Jasbir singh Rattan S/o S. Baldev Singh House No. 829, Phase -II, S.A.S. Nagar Mohali, Punjab.	President	Self Employed
2.	Mr. Sarabjit Singh Lamba S/o Sh. Amarjit Singh Lamba, House No. 829, Phase -II, S.A.S. Nagar Mohali, Punjab.	Vice- President	Self Employed
3.	Mr. Vinod Kumar S/o Banarsi Dass,	General Sectary	Self Employed

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House No.H.M.18,Phase-IV,
S.A.S. Nagar Mohali, Punjab.

4. Mr. Parvinder Singh Committee Member Self Employed
S/o Sh. Amarjit Singh Lamba,
House No. 829, Phase-II,
S.A.S. Nagar Mohali, Punjab.
5. Mr. Rahul Sehgal Committee Member Service
S/o Sh. Ramesh Kumar
House No.H.M.558,Phase-7,
S.A.S. Nagar Mohali, Punjab.
6. S. Tanjit Singh Lamba Committee Member Self Employed
S/o S. Sarbjit Singh Lamba,
House. No. 829,Phase-II,
S.A.S. Nagar Mohali, Punjab
7. S. Savdeep Singh Committee Member Self Employed
S/o S. Jaswinder Singh,
House No. 4073,Sector-68,
S.A.S. Nagar Mohali, Punjab
30. The managing Committee of the Society shall consist of not more than 7 members of the society.
- 30-A The Ist Managing Committee should be nominated by the Registrar, Co-operative Societies, Punjab.
31. No person shall be eligible for election a a member of the Managing Committee of the society if he:
- (a) Is below 21 years of age or;
(b) Is a paid employee of the Society or the financing Bank;
or

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- (c) Is convicted of any offence involving dishonesty or moral turpitude and a period of 5 years has not elapsed since conviction; or
- (d) Has applied for insolvency; or is declared insolvent; or
- (e) Is of unsound mind; or
- (f) Is in default in the payment of the sum due to this or any other Co-operative Society for a period exceeding three months from the date on which the payment fell due; or
- (g) Holds any office of profit under society or recovered by honorarium; or
- (h) Is interested directly in any contact with the Society in any state or purchase made by the Society privately or in auction.

32. The managing committee shall be elected in the manner laid down in the Act, the Rules and the instructions issued by the Registrar in this regard from time to time. The committee shall hold office for 3 years. An interim vacancy caused by registration or otherwise shall be filled by re-election for the un-expired period of the term of the Committee.

33. A member of the Managing Committee shall cease to hold office if he:-

- (i) Ceases to be a share-holder of the society; or
- (ii) Applies for insolvency or is declared insolvent; or
- (iii) Is convicted of any offence involving dishonesty or moral turpitude; or
- (iv) Holds any office or office of profit under the Society or received any honorarium from the Society; or
- (v) Resigns and his resignation is accepted by the committee; or
- (vi) Absents himself from three consecutive meetings of the Managing Committee; or
- (vii) Defaults in the payments of his sums due to this or any other Co-operative society for a period exceeding 3

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- months from the date on which the payment fell due; or
- (viii) Becomes a paid employee of society or of the financing bank; or
 - (ix) Acquires an interest directly or indirectly in any contract with the Society or in any sale purchase made by the Society privately or in auction.

Note : A member of Managing Committee shall be ceased through a declaration made by the Registrar on this behalf issued after satisfying himself that the member is liable to be ceased under the bye law, the Act and the Rules and after giving the member concerned due opportunity to explain his position.

- 34. The members of the Managing Committee shall elect from amongst themselves the President, the Vice-President, and general secretary whose term shall be coterminous with the term of the Committee.
- 35. The Meeting of the Managing Committee shall be held when necessary. Three members shall form a quorum. The President or the Vice-President or in his absence a member elected by those present in a meeting shall preside. Unless otherwise provided in these bye-laws, all questions shall be decided by a majority of votes. Each member shall have one vote. In case of equal votes, the Chairman shall have a casting vote.
- 36. The Managing Committee shall exercise all the powers and discharge all the duties of the society except those reserved for general body subject to any regulations or restrictions duly laid down by the society in general meeting or in the bye-laws. In particular the Managing Committee; shall have the following powers and duties;
 - (i) To observe in all their transactions, the Act the notified rules and the bye-laws;

- (ii) To maintain true and accurate accounts of all money received and expended and stock brought and sold;
- (iii) To keep a true account of the assets and liabilities of the society;
- (iv) To keep a register of members correct and up-to-date;
- (v) To prepare and lay before the annual general meeting a profit and loss account and audited balance sheet;
- (vi) To examine the account, sanction contingent expenditure and supervise the maintenance of the prescribed register;
- (vii) To consider inspection notes of the Registrar and his staff and the audit notes of Chief Auditor and his staff and to take necessary action.
- (viii) To elect new members, to issue new and transfer old shares;
- (ix) To arrange for the recovery of shares installments and interest on overdue installments;
- (x) To give directions to Secretary to summon general meeting in accordance with these bye-laws;
- (xi) To contract loans subject to any restrictions imposed by the general body or by the Registrar;
- (xii) To decide the terms on and periods for which the loans are to be given, approve or reject the security, to arrange for the recovery of loans and interest and to sanction renewals when necessary.
- (xiii) To decide the terms on, the period for rates of interest at which deposits are to be received and to arrange for the payment or return of deposits.
- (xiv) To watch that loans are applied to the approved purpose for which they are made.
- (xv) To assist the inspections of the books by any person authorised to see them;
- (xvi) To appoint, suspend, dismiss or punish employees subject to any conditions laid down by the Registrar from time to time and to take proper securities from them as determined by the Registrar;



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- (xvii) Through any member, or officer, or employee of the society or any other persons specially authorised to institute, conduct defend compromise refer to arbitration, or abandon legal proceedings by or against the society or committee or officers or employees concerning the affairs of society;
 - (xviii) To acquire on behalf of the society shares in other registered Cooperative Societies;
 - (xix) To arrange for the safe custody of books and appoint one of its members or one of the officers of the society resident in the village to take charge of the registers and papers prescribed in these bye-laws and send the original charge report on this behalf to the office of Assistant Registrar.
 - (xx) To appoint one of the members of the committee to take charge of all money received and generally to carry on the duties of a appointed shall handover the money thus received to the treasurer immediate on his return ;
 - (xxi) to accept or reject the resignation from the Committee
 - (xxii) To invest the surplus funds of the society in accordance with the Co-operative Societies Act or Rules framed there under;
 - (xxiii) To purchase or acquire land by exchanges, lease or otherwise for the construction of the house.
 - (xxiv) To sell, let out or lease house sites to members for the construction of the house.
 - (xxv) To layout roads and drains and arrange other utility service as water supply and electricity etc. subject to sanction of the general body.
 - (xxvi) To purchase and sell material for construction and repair of houses.
 - (xxvii) To assess contributions and impose levies for common services rendered by the Society subject to the confirmation of general body.
 - (xxviii) To sanction house plan.

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(xxix) Generally to carry on the business of the society.

37. It shall be competent for the Managing Committee to frame subsidiary rules for the conduct of the business of the Society consistent with these bye - laws. Such subsidiary rules shall be entered in the minute book of the society and shall take effect only after their approval by the Registrar.
38. The Managing Committee may constitute an executive consisting of not more than 5 Managing Committee members and delegate it such of its powers and functions as it considers fit.
39. In the conduct of the affairs of the Society the members of Managing or Executive Committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through Acts contrary to the laws, the bye-Laws, and the stated objects of the Society.
40. All business discussed or decided at a meeting of the managing or Executive Committee shall be recorded in a proceeding book which shall be signed by the Chairman of the meeting and all the members of the committee present.

SECRETARY

41. The secretary of the society shall be appointed by the Managing Committee, but he/ she will work under the supervision and control of the Managing Committee of the society. The powers and duties of the secretary shall be
- (i) To maintain correctly and up-to-date the prescribed papers and registers;
 - (ii) To procure from borrowers the due execution of bonds with security when required under these bye-laws;

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- (iii) To prepare all receipts, vouchers and documents required by the Rules or the bye-laws or called 'or by the Committee;
- (iv) To sign on behalf of society and to conduct its correspondence;
- (v) To summon and to attend General meeting.
- (vi) To record the proceedings of such meetings and have them duly signed;
- (vii) To prepare the annual statements and submit them to the Registrar within the period prescribed by him;
- (viii) To control the staff under him;
- (ix) To certify copies of entries in the books under the Co-operative Societies Act;
- (x) To incur contingent expenditure within limits fixed by the Managing Committee.
- (xi) Generally to conduct the current business of the Society and perform all duties entrusted to him by the Committee.

TREASURER

42. Treasurer shall be elected by the Managing Committee out of its members and he shall take charge of all money received by the Society from any source shall take disbursement in accordance with the directions of the Committee. He shall sign the cash book in taken of its corrections and produce the cash balance whenever called upon to do so by the President. Committee or Auditor or any office of Cooperative Department. The treasurer shall be required to furnish a cash security and tangible security as may be prescribed by the Registrar.

REGISTERS

43. The following books and papers shall be maintained:

- (i) A register of members.
- (ii) Cash book.

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- (iii) Ledger account for each member, depositor, miscellaneous and contingent income and expenditure and purchase and sale of any goods etc.
- (iv) Qistbandi.
- (v) Proceedings book.
- (vi) Share list or register of shares.
- (vii) A register of sureties.
- (viii) A register showing maximum credit of such member.
- (ix) A Stock Register.
- (x) A pass book for each member and depositor.
- (xi) Any other register prescribed by the Registrar or by the transport authorities or required by the society for its business.

44. The books of the society shall be open to inspection to any interested in the funds of the society except that no one shall be allowed to see the deposit account of any person with that person's consent in writing. Copies of bye-laws and the balance sheet shall be supplied free on demand to any member.

44 A. The society intending to undertake the purchase of land for construction of flats/distribution of plots to its members will prepare triplicate set of record particularly of Register of members, Proceeding book and Cash book and send a copy of the same to the concerned Assistant Registrar, Cooperative Society on yearly basis (Financial Year Ending).

45. CONSTRUCTION OF HOUSES.

- (i) The construction of houses shall be undertaken, by the members themselves, but if the members so desire, the Managing Committee may undertake construction at the expense and risk of the members OR Managing Committee may allot/ depute this complete activity of construction to the outside agency/ company/ organization as per mutually agreed terms and conditions, would require approval of the General body of the society representing

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75% of the total members of the society. The General Body will be stands final for allotting this activity of construction to the outside agency/ company/ organization and the decision of General Body will be considered final in this regard. When the Managing Committee undertakes constructions of houses/ flats. it shall require the member concerned to pay to the Society in advance the whole of estimated cost whether in lump sum or in such installments as the Managing Committee may require. If a building is to be constructed out of a loan or loans taken from the Society, the borrowers concerned shall execute the necessary bond or bonds and authorise the Managing committee to draw the money from the Society from time to time as work progress.

- (ii) The constructions of a building, for which a loan is given to a member shall be commenced as per mutually agreed terms and conditions.
- (iii) The houses constructed by the members out of loan received from the Society shall be liable to periodical checking by the Managing Committee as to its construction valuation as may be determined by it.
- (iv) Allotment of plots/flats will be only made by draw system, by the managing committee in the presence of general body of the society and may be in the presence, The Registrar, Cooperative Societies, Punjab or his nominee.

46. **BAR AGAINST ALIENATION**

No member shall alienate any house site bought or house constructed with the help of loan taken from the Society except to a member of the Society. Such alienations will be under conditions as may be laid down by Managing Committee.

47. **REPAIR OF BUILDING**

Every building shall, until the amount due their on to the Society is paid in full, be kept up on good repair by the owner. The Managing Committee shall have power to cause any repair by the owner. The

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Managing Committee shall have power to cause any repair to be carried out if they are of the opinion that for want of such repair the Society is likely to suffer loss and shall debit the amount to the loan account of the member concerned.

LOANS

48. Applications for loans shall be made to the Society. Such application shall be sanctioned by the President of the Committee; the loan will be disbursed after obtaining the final sanction of the Managing Committee.

49. No loan shall be given except for the constructions of new dwelling houses.

DISBURSEMENT OF LOANS

50. Loans granted for the construction of new houses shall be disbursed only in installments as the work of construction progress. The second and subsequent installment shall be given only after the Managing committee has satisfied itself that the installment or installments already drawn have been properly utilized that the work actually done together with the value of the land brought up to date represents expenditure exceeding by at least 25 percent of the actual amount already drawn from the loan sanctioned for the work.

51. Loan and cash credit shall be given only to members. No person shall claim a loan or cash credit as a matter of right. No loans shall be advanced to a member who is in arrears of his share installment or is a persistent defaulter.

52. SECURITY FOR LOANS

(i) Loans shall given on the security of the site or sites belonging to the borrower together with any building or other

appurtenances thereon whether they exist at the time of the loan or/are constructed during the currency of the loan, where necessary the managing committee shall take additional security either in the form of personal sureties or other immovable property.

- (ii) Only the first mortgage of the house sites or house buildings shall constitute the security.
- (iii) Houses given in security shall be insured against fire for their full value. The insurance premium shall be paid by the borrower failing which the Society may pay and debit the amount to the concerned member.

53. REPAYMENT OF LOANS.

- (i) Every member who has taken a Loan from the Society shall repay the amount together with the interest due thereon by equated monthly installments. The monthly payments shall be paid on or before the 15th of the month succeeding that to which it relates. The maximum period of repayment shall in no case exceed 20 years.
- (ii) It shall be open to the borrows to repay a large payment of whole loan borrower from the society at any time.

54. If a loan is not applied to the purpose for which it is borrowed the Managing Committee shall be competent to recollect immediately. All loans shall be issued subject to the right of the society to recall them without notice when any loss is apprehended through a weakening of the borrower's financial position.

55. The rates of interest on loans to be charged by the Society shall be fixed by the general body. Such rate or rates shall come to force after they are approved by the Registrar. The Registrar may, on his

own motion direct the Society to vary its rate of interest. and such direction shall be binding on the society.

56. With the previous approval of the Registrar the Society may have more than one rate of interest in respect of loans for particular object. but no discrimination shall be exercised in the rate of interest for the loans advanced for the same purpose at the same time.
57. The Society may with the prior approval of the Registrar fix, penal rate of interest to be charged in respect of loans in whose repayment there is a default

DISTRIBUTION OF PROFITS

58. The net profits of the society, as per audited balance sheet shall be distribution as follows:
- (i) At least 10 percent shall be carried to the Reserve Fund;
 - (ii) Such proportions, not exceeding 5 percent of the net profits shall be carried to the Co-operative Education Fund to be administered in accordance with the instructions from the Registrar issued from time to time,
 - (iii) The remainder may be utilized for one or more of the following purposes:
 - (a) distribution of dividend amongst members at a rate not exceeding 10 percent per annum on the value of the shares actually paid up:
 - (b) distributions of bonus amongst employees not exceeding

three month's salary:

- (c) a sum not exceeding 5 percent of the net profits may be spent on any charitable purpose as defined in section 2 of the Charitable Endorsement Act, 1890 or be allotted to a Common Good Fund devoted to any of these purposes
- (d) Creation of Bad Debut Fund. Building Fund, or any other fund required by the society
- (iv) Any surplus may be credited to Reserve Fund, or carried to the profits of the next year.

59. It shall be competent for the society to incur expenditure on such measures as are conducive to the imparting of knowledge of co-operative principles and practices. For this purpose the society shall contribute to the Punjab State Coop. Dev. Fed. Ltd. every year such amount not exceeding Rs. 101- as may be directed by the Registrar.

60. The Reserve Fund shall be indivisible and no member shall be entitled to claim a specific share in it, provided that, in exceptional circumstances, with prior approval of Registrar, the Reserve Fund may be utilised in meeting losses.

AMENDMENT OF BYELAWS

61. Subject to the provisions of the Act and Rules no amendment to these bye-laws shall be carried out save in accordance with a resolution passed at a general body meeting of which due notice of the intention to discuss the amendments have been given;

Provided further that model bye-laws or amendments previously approved by the Registrar may be adopted by a simple majority at a general meeting with an ordinary quorum.

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MISCELLANEOUS

62. The society shall pay such audit fee as may be assessed from time to time by the authority competent to do so.
63. If the society is indebted to a co-operative central financing institutions. it shall be competent for a representative of the latter to inspect the books and record of the society and the Managing Committee of the society shall arrange the production of books and record before such representative.
64. The services of the members of the Managing Committee shall be, honorary, but he may be paid traveling and daily allowance on a scale fixed by the committee and approved by the Registrar.
65. Should any doubt arise with regard to the interpretation on any of these bye-laws, the matter shall be referred to the Registrar whose decision shall be final.
66. (a) No person shall be employed by the society unless he satisfies the qualifications that may be laid down by the Managing Committee from time to time.
- (b) No person shall be employed by the Society without obtaining from him security in such form and according to such standards as may be laid down by the Managing Committee from time to time.
67. If any dispute, other than a dispute regarding Disciplinary action taken by the society or its managing committee against a paid servant of the society, touching constration or business of the society arises between the members and past members of the

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society or the persons referred to in the relevant provisions of the Punjab Cooperative Societies Act and the Rules framed there under. It shall be disposed of in the manner provided in such an Act and the Rules.

68. The society shall maintain such accounts and other record connected with amounts In such form or manner as may be directed by the authority competent to do under the, Cooperative Societies Act.

69. The Society shall prepare and submit such returns and statement as Registrar may from time specify.

70. The society may, in the circumstance specified by the relevant provisions of the Co-operative Societies Act, be wound up and cancelled by the Registrar in accordance with the procedure laid down by such an Act and the Rules framed there under.

71. In these bye-laws, unless there is anything repugnant to the context, the Registrar shall include an officer subordinate to him and authorized by him on his behalf.

72. **Bank Accounts**

The society shall open its accounts with a scheduled Bank, or as decided by the society from time to time, who shall be main bankers of the society. The bank account of the society shall be operated by the president and general sectary jointly.

73. **Documentations Legal Formalities**

The president and general secretary is authorized to prepare, file, correct, alter through himself or his attorney, the registration papers of the society, execute the same, all the documents in future,

required for any government department or private agency, the same shall be binding on the society.

74. Auditors

The accounts of the society shall be got prepared every year and shall be audited by Chartered Accountant. The managing committee shall appoint the auditors by the Managing Committee of the society.

75. Notices

i) That all notices and other communications provided for hereunder shall unless otherwise stated herein, be in writing, telegram and sent or delivered as to each parties to its at its address set forth under its name or the signature or at such other address as shall be designated in a written notice to the other parties. all such notices and communications shall be effective. In the case of written notice when delivered to the addresses and in the case of notice by facsimile transmission, telex, telegram, when received by the intended addresses. All notices, communications and other documents delivered hereunder shall be submitted in the English language.

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76. General

All the provisions under all the sections of the Punjab Cooperative Societies Act, 1961 and The Punjab Cooperative Societies Rules, 1963 shall apply to this society. The Society shall be defined as a COOPERATIVE SOCIETY for all practical purposes.

Certificate

Note : i) That we have read and understand the bye-laws.

ii) That all the copies of bye-laws tally each other.

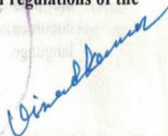
iii) That all the amendments made so far by the Registrar Co-operative Society, Punjab have been incorporated in the bye-laws.

iv) That there is nothing contrary to the act and rule in the bye-laws.

Certified that this is a true copy of rules and regulations of the Society.



S. Jasbir Singh Rattan
President



Mr. Vinod Kumar
General Secretary

Dated: 30-11-2005

Place : Mohali (Pb.)

Amended
Inspector
C/S 425 173
Mohali 17