



**KAVERI COOPERATIVE GROUP
HOUSING SOCIETY LIMITED
[REGD. NO. 713 (GH)]**

Bye-Laws

THE BYE-LAWS
OF
Kaveri Cooperative Group Housing Society Limited.
[Regd. No. 713(GH)]

I. PRELIMINARY

1. The Name of the Society is “The KAVERI Cooperative Group Housing Society Limited” and its registered address is Plot No. 4, Sector-6, Dwarka, New Delhi – 110075.

Any change in the address shall be notified to the Registrar within 30 days of such change and seek confirmation to effect that changed address has been taken on record.

2. In these Bye-laws unless there is anything repugnant to the subject or context, the expression “**the Act**” means the Delhi Cooperative Societies Act 2003. “**The Rules**” means the Delhi Co-op. Societies Rules, 2007 and its words and expression defined in the Act and used in these Bye-laws shall have the same meaning as assigned to them in the said Act and the Rules.

II. OBJECTS

3. Its Object shall be :-

- (i) To acquire either through outright purchase or on lease, land for development and construction of residential houses/ flats for giving to its members, either on lease or rent but the ownership of land and of residential houses / flats shall remain with the society;
- (ii) To lease out residential houses to its members on such terms and conditions as may be fixed by the Government and the Society;
- (iii) To undertake repair of houses of its members when necessary;
- (iv) To borrow loan for running the business for the Society and to arrange for its repayment;
- (v) To advance loan to its members for payment of premium for repair of the house / flat lease out to them and other allied needs;

- (vi) To arrange and to provide to its members all necessary common amenities and facilities as may be found practicable by the Delhi Development Authority, the Municipal Corporation of Delhi or such other Authority;
- (vii) To arrange for the maintenance of the estate of Society including roads, lanes and parks etc;
- (viii) To do all such thing as are incidental or conducive to the attainment of any or all the above objects.

III. MEMBERSHIP

4. The Members shall consists of :

- (i) Persons who Join in the application for registration;
- (ii) Persons admitted in accordance with these Bye-Laws; and
- (iii) Nominal or associate members subject to conditions as laid down in Rule 19.

5. (1) Any Person shall be eligible to be a members of the Society provided:-

- (a) He at the time of enrollment as a member has been resident in the National Capital Territory of Delhi for the last three or more years. Further provided that this condition will not apply to a Government Servant who is in the Cadre of All India Services / Employees of Public Sector Undertaking having A. Indian Character.
- (b) His written application for membership has been approved by the a majority of the Managing Committee; provided that a person holding Registered Power of Attorney or Registered Agreement for Sale or Registered Sale Deed shall also be eligible to become member of the society by paying transfer fee of Rs. 500/- and share money of Rs 100/- and Admission Fee Rs. 50/- as per provision of Section 91 of the Act;
- (c) His age is more than 18 years, except in the case of minor heir of deceased member;
- (d) He is not a member of any other House Building/ Group Hosing Society;

- (e) He or his wife (She or her husband, in case of a woman or any of his / her dependents does not own a dwelling house or plot for building a house in Delhi / New Delhi / Delhi cantonment;
- (f) Directly or indirectly he does not deal in purchase or sale of houses /flats or land for construction of house/flats either himself or through any of his dependents;
- (g) He has carried out the provision of these Bye-laws;
- (i) The Society may admit joint members provided they make a declaration in writing that the person whose Name stand first in the share certificate shall have the right to vote. All liabilities will be borne jointly and severally by them as provided in the Act, Rules and Byelaws.
- (ii) In accordance with the procedure laid down in the Byelaws and the Rules for admission of any member, the Society may admit minors and persons of unsound mind inheriting share or interest of deceased members as its members through their legal heir or representatives or guardians respectively. The members so admitted will enjoy such rights and liabilities as are laid down in these byelaws and which are consistent with the Act and Rules.
- (iii) Every persons seeking membership of the Society shall submit an affidavit to the effect that he or his wife (She or her husband) or any of his / her dependents does not won a dwelling house or plot in Delhi/ New Delhi / Delhi Cantonment and that he /she is not a member of any other Co-operative house building /Group Housing Society. He shall also be required to submit a declaration to the effect that he shall abide by the regulations of the Society set out in Annexure "A".
- (iv) Every member on admission shall pay Rs.50/- as admission fee which shall not be refunded in any case.
- (v) When a person's application has been accepted by the Committee and he has paid his admission fee and share money, he shall be deemed to have acquired all the right and incurred all the obligations and liabilities of a member of the Society as laid down in the Act, the Rules made thereunder and the Bye-laws.

- (vi) (i) Application for admission as member and for allotment of shares shall be made to the Secretary in the form prescribed by the Society for the purpose. Every such application shall be disposed off by the Managing Committee who shall have power to grant admission or to refuse in after recording reasons for such refusal.
 - (ii) Any Person whose application has been refused by the Managing Committee may prefer an appeal to the Registrar, Co-Operative Societies within thirty days from the date of Communication of the decision of refusal by registered A.D. letter.
6. (a) The Provision of Bye-law 5 (b) shall not apply to the original members of the Society.
- (b) The Society shall not admit members within 30 days prior to the date of the meeting of the general body.
7. A member of the Society may be expelled by the Managing Committee on any one or more of the following grounds namely:-
- (a) If he has been a persistent defaulter in respect of any dues of the Co-operative society; or
 - (b) If he has willfully deceived the Co-operative housing society by making any false statement or submitting any false documents to obtain the membership of such co-operative society; or
 - (c) If he 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;
- Provided that no such resolution shall be passed unless the member concerned has been given an opportunity of being heard after service of three registered notices confronting the member with the grounds for his proposed expulsion;
- Provided further that no member shall be expelled unless a resolution to that effect is passed by not less than three fourths of the members of the committee present and entitles to vote at the meeting and no resolution for expulsion shall be valid unless approved by the Registrar.
2. After the resolution for expulsion is passed as above by the committee present and entitled to vote at the meeting and no resolution for expulsion shall be valid unless approved by the Registrar.

3. On the receipt of the resolution for expulsion, the Registrar shall take Cognizance of such resolution within thirty days and pass a final order either approving the expulsion or rejecting the proposal for expulsion within a period of one hundred and eighty days and if the matter is not decided by the Registrar within the aforesaid period, the expulsion of such a member shall be deemed to have been approved.

Provided that the Registrar, before approving the resolution, shall hear the parties concerned in the manner prescribed and shall have power to summon and enforce attendance of witnesses including the parties interested or any of them and compel them to give evidence on oath, affirmation or affidavit and compel production of documents by the same means and as far as possible in the same manner provided in the case of a civil court under the Code of Civil Procedure, 1905 (5 of 1908) and the order under this section so passed by the Registrar, shall be final with a right for appeal before the Tribunal.

4. Any party aggrieved by the order of the Registrar or deemed approval of expulsion, as the case may be, within sixty days from the date of such order, appeal to the Tribunal.

8. A person ceases to be a member:-

- (i) On his death; or
- (ii) For lack of confirmation of membership as per Byelaw 5 (b); or
- (iii) When his resignation is accepted by the Managing Committee; or
- (iv) On expulsion under Byelaw 7; or
- (v) Ceasing to hold the minimum number of shares prescribed in these byelaws;
- (vi) On withdrawal after 3 months notice in writing to the society, provided that the member withdrawing does not owe anything to the Society and is not a surety for an unpaid debt; or;
- (v) On Undertaking the business of purchase and sale of houses or land for construction of houses either directly or indirectly or on purchasing a house or a plot or land for construction of hose either in his own name or in the name of any of his dependents through any other source and the member shall within one month of his undertaking the said business or purchase of a house or a plot of land shall inform the Society about this.

Provided that if a person becomes the owner of a house or plot by inheritance, he shall continue as member; or

(vi) On sale of flat either on Registered Power of Attorney or Registered agreement for sale of Registered Sale deed from the date of sale of flat.

9. (1) Subject to the Provision of this Act, in the case of a Co-operative housing society, no transfer of share or interest of a member in the occupancy right, except the transfer to his heir or a nominee, shall be effective unless:-

- (a) The previous permission of the Co-operative housing Society has been obtained; by the transferor;
- (b) The dues of the Co-operative housing society are paid or transferred to the transferee with the consent of the Co-operative housing society;
- (c) The transfer vacates and gives possession of the premises to the transferee; and
- (d) The transferee applies and acquires membership of the Co-operative society.

Provided that the transfer of share or interest in respect of lease hold properties shall be governed by the terms of the lease.

- (2). The Value of the share shall in no case be more than the sum received by the Society in payment thereof.
- (3). A member on withdrawal, whether voluntarily or through the action of the Society shall subject however, to the rules of the Society have no claim on the Reserve fund or any other funds or property of society of any kind.

IV. CAPITAL

10. The Capital Shall composed of :-

- (a) An undetermined number of shares of the value of Rs. 100/- each;
- (b) Loans and deposits from members and non-members;
- (c) Donations and grants;
- (d) Contributions towards the cost of houses, land maintenance or roads, drains and parks etc;
- (e) Other funds;
- (f) Realized profits;

Provided that the acceptance of deposits and loans from non-members shall be subject to any restriction which the Registrar may impose from time to time.

11. (a) The Society shall create and maintain Corpus of funds for building maintenance and replacement which shall be fixed annually by the General Body of the Society as provided under Rule 94.
- (b) The capital of the Society shall be used in carrying out its objects, Surplus funds of the Society not likely to be immediately required, shall be invested in accordance with section 56 of the Act.
- (c) Every member shall purchase at least one share and no member shall hold shares of which the nominal value exceeds Rs. 20,000/- or $1/10^{\text{th}}$ of the total share subscribed whichever is less. If any member by otherwise become possessed of more than the maximum holding permitted by this Rule, the Managing Committee shall have power to sell the excess number of shares on behalf of the Society and to hold the proceeds as its disposal.
12. (a) Shares shall be paid up in a single payment.
- (b) A Share certificate shall be issued under the seal of the Society after the full amount of share money in respect of his shares has been paid. Share certificate shall be signed by the President, Secretary and one of the member of the Committee authorized for this purpose.
13. If a share certificate is lost or destroyed, a duplicate shall be issued on payment of Rs. 50/- on taking Indemnity Bond from the member.
14. Shares shall not be withdrawn or repaid or transferred otherwise than as provided in byelaws.
15. A Member of a housing society who has sold his plot or flat or registered power of attorney or registered agreements for sale or by registered sale deed shall cease to be a member of that society from the date of the sale of flat.
- Provided that the purchaser having registered power of attorney or registered agreement for sale or registered sale deed, as the case may be in respect of such flat, may apply for membership by paying transfer fee of five hundred rupees and share money and admission fee as per provisions of the byelaws of the society and the committee shall grant membership to the applicant within thirty days after submission of his application. In case of refusal by the Committee, the applicant may appeal to the Registrar within thirty days and the decision of the Registrar shall be final;
16. The Society shall have the right to set off any money due on any account from the society to a member or past member or person claiming through him in payment of any sum which he owes to the society, or for which he stands surety.

V. LIABILITY

17. The liability of the member for meeting any deficit in the assets of the Society on liquidation shall be limited to five times of the face value of their subscribed shares.

VI. GENERAL BODY MEETING

18. The first General Body Meeting of the members shall have the same powers as are specified under Clause 18 (a) (i) (ii) of the Bye- Laws.

(a). The first General Body Meeting shall be called within a period of 180 days from the date of its registration by the promoter members for the election of Managing Committee. The interim committee selected by promoter members at the time of Registration shall held office till regular committee is selected. In the first General Body Meeting, following business shall be transacted namely:-

(i) Approval of allotment of shares, amount collected and amount spent in connection with the registration of the Society before registration;

(ii) Election of the members of the Managing Committee.

(b). The Annual General Body Meeting shall be called within a period of 180 days of the closing of Account. A special General Body Meeting may be called at any time by the Managing Committee and shall be called by the Secretary on receipt of a requisition from 1/5th of the total number of members or from the Registrar, Oo-Operative Societies or any person authorized by him.

(c). In Case of the Annual General Body Meeting, date time and place of the meeting shall be announced at least 15 days clearly in advance and in case of Special General Body Meeting 7 days in advance by a written notice pasted on the notice board of the Society and circulated to the members. The election shall be held by Secret Ballot under Schedule II of Rule 53 of Delhi Co-operative Societies Rules, 2007.

(d). The agenda notice for the Annual General Body meeting and Special General Body Meeting shall be dispatched to all members 15 and 7 days in advance respectively before the date of the meeting giving date, time and place of meeting under Postal Certificate or Regd. Courier Services or circulation to members.

(e). The presence of the $\frac{1}{3}^{\text{rd}}$ of the total number of the members subsisting as such on the date of notice of the Meeting shall be necessary for the disposal of any business at the General Body Meeting.” In case quorum is not present within half an hour of the appointed time, the meeting shall stand adjourned for 15 minutes and shall be held without quorum”. Each member shall have one vote irrespective of the shares held by him. The Chairman/ President shall have a casting vote in a addition in case of tie. No Pry shall be allowed and no member shall be allowed to vote who in default.

(f). Every Coop. Hosing Society during Construction period shall convene two special General Body Meeting every year beside the normal Annual General Body Meeting to give progress report of development to members.

19. (i) Provided further is such meeting is not called by the Society, Registrar or any person authorized by him may call such meeting in the manner prescribed and that meeting shall be deemed to be a General Body Meeting duly called by the society and the Registrar may order the expenditure incurred in calling such meeting shall be paid out of the funds of the Society or by such persons who, in the opinion of the Registrar, were responsible for the refusal or failure or convene the General Body Meeting.

(ii) If within half an hour of the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same day for 15 minutes and the adjourned meeting shall be held at the same place on the same day for which no quorum is necessary and if the meeting is called upon at the requisition of members (not the Registrar), it shall stand dissolved.

20. The duties and powers of the General Body Meeting are:-

1. To elect, suspend or remove members of the Managing Committee, including a President and one or more Vice- President;

2. To receive from the Committee a report on the preceding years' working of the Society together with a statement showing the receipt and expenditure, assets and liabilities and profit and loss for the year;
 3. To consider the Audit Note, inspection Note of the Registrar, or Financing Institution and any other communication from the Registrar;
 4. To dispose off profits in accordance with the Act, Rules made thereunder and these Byelaws;
 5. To fix the maximum credit limit for each member provided that such maximum limit shall not be more than that laid down in the Registrar instruction on the subject but this may be exceeded with the special sanction of the Registrar to be obtained in each case;
 6. To fix the maximum liability to be incurred during the following year, in loans or deposits from non-members;
 7. To amend the Byelaws, subject to the sanction of the Registrar;
 8. To fix the terms and rates at which panel interest shall be charged by the Managing Committee on overdue installments of loans subject to the provisions of the rule;
 9. To fix rate of contribution to made by the member for maintenance of the estate of the Society;
 10. To decide the manner in which development and construction work will be carried out the Society;
 11. To decide the terms and conditions on which the houses /flats will be leased to the members;
 12. To frame the rules of business subject to the approval of the General Body, and
 13. To consider any other business brought forward.
21. All business discussed or decided at the General Body Meeting shall be recorded in a proceedings books within four working days which shall be signed by the President and Secretary of the Society.

22. Amendments to the Byelaws shall only be carried out by a majority of not less than two third of the member present in the General Body Meeting in which due notice of the intention to discuss such amendments has been given and shall be forwarded to the Registrar for registration within a period of 30 days from the date of meeting.

All other questions before the General Body Meeting shall be decided by the Majority of votes.

- (a) If it appears to the Registrar that an amendment on a byelaws of a coop. Society is necessary or desirable in the interest of such Co-operative Society he may call upon the Co-operative society to make the amendment.
- (b) The Registrar may by serving a notice inform/call upon a Society to make an amendment within a period not exceeding 60 days.
- (c) After the expiry of the period specified in the notice under Section 12 (6) of Delhi Cooperative Societies Act 2003 and if the Society fails to make an amendment, the Registrar after giving the Coop. Society an opportunity of being heard may register the amendment and issue to the co-operative Society a copy of such amendment certified by him with a certificate signed by him, with effect from date of registration the amendment is binding on the Co-operative Society and its members subjects to appeal, if any,
- (d) All amendments of the Byelaws relating to the same Co-operative Society when registered by the Registrar shall be assigned a consecutive number in chronological order and shall be noted in the index of the byelaws to be maintained by the Co-operative Society in the registration file.

VII. MANAGING COMMITTEE

23. (i) The Managing Committee shall consist of at least 5 Members of the Society and not more than 15, over the age of 21 years including a President and Vice- President. The term of Committee shall be three years from the date of Election, In the Managing Committee two seats shall be reserved for Lady Members of the Society. The President or Vice-President or in their absence any other member elected for the purpose shall preside over the meeting. Each member of the Committee shall have one vote but the Chairman shall have casting vote in addition in case of tie.

(ii) The Managing Committee member shall not be eligible to hold such office in the committee of other Coop. Society of the same type or holding office on the committee of three or more than three of the different kind of societies, The member shall also be not eligible to contest election if he is an officer of the society which has not got its statutory audit completed within the statutory period under section 60 of the Act, He is also disqualified to contest elections if he has been convicted for any offence prescribed under section 118 of the Act. He is also disqualified to contest and cast vote, if he is defaulter of the dues of the Society.

(iv) The Election of the Managing Committee shall be held by secret ballot under Schedule II of Rule 53 of Delhi Co-operative Societies Rules, 2007. The Managing Committee shall conduct the election as per procedure laid down in Schedule II of Rules 2007 by appointing Returning Officer who shall not be the member or Employee of the Society. However, if the Society has been allotted land and flats have not been allotted or Society is waiting for allotment of land, the elections will be conducted by Govt. as per Section 35 of the Act by appointing Returning Officer.

(v) The meeting of the Committee shall be held when necessary and shall be called by the Secretary on receipt of the requisition from three or 1/3 members of the Managing Committee, which ever is more or from the Registrar Co-operative Societies, or any person authorised by him. The Managing Committee shall cause minutes of all proceedings of its meeting to be entered in the book kept for the purpose in hand written at the spot in presence of members present and voting. The minutes of each meeting shall contain the names of the members, if any, dissenting from or not concurring to any resolution. At the end of the minutes, each member, they shall not be considered valid and it shall be deemed that no such meeting was duly called and held.

(vi) (i) Notice of Managing Committee Meeting shall be given to every member of the Committee atleast 5 days prior to the schedule date of the meeting by the Secretary or President either by post “Under Certificate of Posting” or personally provided that where a member has intimated to the Society in advance that notice of meeting should be sent to him by Regd. Post and has deposited the postage expenses, then Society shall sent him the Agenda Notice by Regd. Post In case of emergent meeting, the Agenda Notice may be sent atleast 24 hours before the Schedule date and time of the meeting to members of the Committee in person.

(ii) The Quorum of the Managing Committee Meeting shall be 1/3rd of total number of members of the Committee subject to the minimum of 3 (three).

(iii) The meeting shall be held as often as required but meeting shall be held least once in every month,

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

- (1) disqualified to be a member of the Society; or
- (2) applies for insolvency or is declared insolvent; or
- (3) becomes of unsound mind; or
- (4) if convicted of any offences involving dishonesty or moral turpitude; or
- (5) accepts any office of profits under the Society; or
- (6) carries on business on his won account similar to that as specified in Byelaw 8(VII); or
- (7) resign and his resignation is accepted by the Committee; or
- (8) is a defaulter in payment of dues of the Society.

25. The Committee shall exercise all the powers of the Society except those reserved for the General Body Meeting subject to any regulation or restrictions laid down by the Society in a General Body Meeting or in the Byelaws and in particular shall have the following powers and duties:-

- (1) to observe in all their transaction, the Act, the notified Rules and these byelaws;
- (2) to maintain true and accurate accounts of all money received, expended;
- (3) to keep register of members correct and up-to-date;
- (4) to keep true account of assets and liabilities of the Society;

- (5) to prepare and lay before the General Body Meeting the annual profit and loss account and audited balance sheet;
- (6) to examine the accounts, sanction contingent and other expenditure and supervise the maintenance of the prescribed registers;
- (7) to consider the inspection notes of the Registrar or any other person authorised by the Registrar or Financing institution to take necessary action.
- (8) to admit new member and issue new shares and transfer old shares;
- (9) To arrange for the recovery of dues of the Society;
- (10) To summon General Body Meetings in accordance with the Byelaw 18;
- (11) to contract loans subject to any restriction imposed by the Registrar or General Body Meetings and to make necessary arrangements for its repayments;
- (12) to decide the terms and the period for which loans are to be given, to approve or reject the security, to arrange for the recovery of loans and interest and to impose and recover panel interest on the over due installments as laid down by the General Body Meeting and to sanction, renew loans when necessary;
- (13) to decide the terms and the period for and the rate in interest at which deposits are to be received and to arrange for the payment of such deposits;
- (14) to watch that the loans are applied to the approved purpose for which they were made;
- (15) to assist in the inspection of the books, other documents and papers of the Society by any person authorized to see them;
- (16) to appoint, suspend, punish and dismiss employees and to fix their remuneration and also frame Service Rules;
- (17) through any number or officer or employee of the Society or any other person specially authorised, to conduct, defend, compromise, refer to arbitration or abandon legal proceedings by or against the Society or Committee or the officer or employees concerning the affairs of the Society.

- (18) To acquire on behalf of the Society, shares in other Registered Co-operative Societies;
- (19) To fix the rate of interest of loans to members subject to Byelaws;
- (20) To arrange for the custody of books and to appoint one of its members or one of the officer of the Society residing in the area of operation to take charge of all the registers and papers prescribed in these Byelaws;
- (21) To invest the surplus funds of the Society in accordance with the Section 56 of the Act;
- (22) To acquire and hold property and to enter into contract on behalf of the Society;
- (23) To fix the maximum credit limit of each member in accordance with the instructions of the Registrar subject to the approval of the General Body Meeting. This limit will be fixed only when a member filed a declaration giving the amount of his debts secured and unsecured with the rate of interest. The proposal for maximum credits limit of a member of the Committee shall be brought before in the proposal for maximum credit limit of other members;
- (24) To decide the manner of execution of work and its allotment to members and employees;
- (25) To appoint a treasure to keep the money of the Society and to require him to give such security as it may deem sufficient;
- (26) To elect the Secretary out of Managing Committee Members;
- (27) To distribute the duties between the Secretary and Manager, if necessary;
- (28) To carry development, construction work in the manner as may be decided by the General Body Meeting and allotment of house/flat to member in accordance with the rule framed by the society with approval of the Registrar as per provision of Sec. 77 of the Act;
- (29) To appoint a custodian of the property of the Society and to keep it in good state of affairs;
- (30) To co-opt. members against the vacancy caused by the resignation or disqualification of any member of Committee;
- (31) Generally to carry on the business of the Society;

26. In the conduct of the affairs of Society, the Committee shall exercise the prudence & diligence of ordinary man of business and shall be responsible for any loss sustained through act contrary to the Act, Rules made thereunder and Byelaws.
27. No Member of the Committee shall receive any salary for his work as a member of the Committee. No member of the Committee shall vote in any application for a loan in which he himself is interested a borrower, he shall not stand surety for a new loan to another member of the Committee.
28. All business discussed or decided at a meeting of the Committee shall be recorded in book which shall be signed by the Chairman of the meeting and all members of the Committee present.
29. The Committee may appoint from amongst its own members a sub committee and may delegate to it or any officer of such of its own powers as it may consider desirable for the better conduct of the Society's affairs. The Sub-committee or officers, shall in the discharge of the function entrusted to them, confirm in all respect to these byelaws and to the instructions given by the Managing Committee.

VIII. SECRETARY AND / OR MANAGER

30. The Committee of the Society shall Specify that which of the officers of a society shall:-
 - (a) Keep the books of accounts;
 - (b) Keep other books and registers; and
 - (c) Prepare returns and statements.
31. Provided that person charged with the keeping of accounts shall not be incharge of cash.
 If the committee of a Coop. Society has not specified the officers required to be specified in Rule 44 notwithstanding anything contained the Byelaws of the Society. The following officers shall be responsible for keeping accounts, records etc. indicated against each, namely:-

(a) Treasurer;

He shall keep or cause to be kept all the books of accounts and vouchers and shall prepare or cause to be prepared annual profit and loss account, receipt and disbursement account and the balance sheet. Whosoever may be writing these books of accounts, they shall always deemed to be in his custody, possession, power and control. He shall be responsible for their safe delivery to his successor after making a list of documents handed and taken over.

(b) Secretary,

He shall keep or cause to be kept all other records of the Society and shall be responsible for preparation and submission of various returns to the Registrar. Whosoever may be keeping these records shall always deemed to be in his custody, possession, power and control. He shall be responsible for their safe delivery to his successor after making a list of documents handed and taken over.

(c) Cash,

Cash balance in hand shall always remain in the hands of the Treasurer or with any other officer appointment by committee.

32. Every Co-operative Society shall from time to time determine in a meeting of the Committee the minimum members of paid staff required for the business. The Committee shall prescribe their qualifications and experience and emoluments and shall frame service Rules. The Committee shall be competent to appoint, dismiss or remove any paid staff.

IX REGISTERS

33. The following registers and papers shall be maintained and shall be open for inspection of any one interested in its funds, except that no one shall be allowed to see the deposits accounts of any person, without that person's consent in writing;
- (1) A register of members showing the name, address and occupation of every members the number of shares held by him, date of his admission to membership, date of termination of membership and the name of nominee appointed;
 - (2) A cash book showing the income, expenditure and balance on each day on which business is done;
 - (3) A ledger account for each member, depositor and creditor, miscellaneous and contingent income and expenditure ;
 - (4) An account showing monthly deposits and contribution;
 - (5) A property Register showing all the properties purchased and disposed/ leased out by the Society;
 - (6) A Register showing the monthly installments for payment of loans;
 - (7) A Pass Book for each member and depositor;
 - (8) A Book of bonds for all loans issued;
 - (9) The Register of application for membership containing the name and address of the applicant, the date of receipt of application, number of shares applied for and in case of refusal, the date of communication of the decision refusing admission to the applicant.
 - (10) Property Register; and
 - (11) Any other register prescribed by the Registrar.
34. Copies of the Byelaws and the balance sheet shall be supplied free on demand to any member. The last balance sheet shall be open to public inspection during office hours.

35. The Committee shall appoint one of its members or one of the officers of the society to take hold and keep in safe custody all the register prescribed in Bye-law 33 and other papers in use of the Society.

X. COMPULSORY DEPOSITS

36. (i) Every member shall subscribe to deposits for specific objects.
- (ii) Such deposits shall be governed by rules to be framed by the Society subject to the approval of the General Body Meeting of the Society.
- (vii) With the sanction of the Committee, a member may be exempted from the obligation of deposit for any period during which his circumstances does not permit of such payment.

XI. LOANS

37. No loan shall be advanced by the Society except for payment of premium of repair of house /flat leased out to the members and other allied needs.
38. All loans shall be granted within the maximum credit limit of a member at the discretion of the property mortgaged to the Society. In additions to the tangible security, the borrower shall furnish at least two personal sureties who must be members of the society/ such loans shall be granted subject further to any general or special restriction or conditions which may be imposed by the Registrar from time to time. The borrower shall execute a bond before payment of loan to him by the Society.
39. Loan shall be payable in equal monthly installment spread over five years. The Committee may suspend repayments of any installment for one or more months on sufficient cause being shown and may thereby extend the time of total payment by a period not exceeding three years.
40. The property given by a borrowing member as surety shall remain under first mortgage with the Society till the borrower pay off the whole dues.
41. House 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 will pay the premium and debit the amount to the member's account.

42. If the Committee finds that the Security for an outstanding loan has become insufficient or that borrower's material position has weakened, they shall call on the borrower to provide satisfactory security and in default shall call back in the loan at once. The loan shall also be recalled if the Committee finds that it has not been applied to the purpose for which it was taken.

43. A member's commitments as surety shall not exceed an additional amount equal to his maximum credit limit. Unavailed portion of the members credit limit may be added to increase the limit upto which may stand as surety. When a members has stood surety for an additional amount owing to his maximum credit limit not being fully drawn, he may not draw further his maximum credit limit, until his liabilities as surety has been correspondingly decreased.

Permanent sureties may be taken subject to rules and regulations as approved by the Registrar, but provision regarding unavailed portion of maximum credit limit, as mentioned above shall not apply in cases.

The limit to which a member can stand surety in accordance with the Byelaws may be exceeded at discretion of the Committee in case where collateral security is also taken.

44. Interest on loans to members shall be charged at a rate to be fixed by the Committee provided that the margin between the borrowing and lending rate is of at least 2% per annum. In case of default, penal rate may be prescribed by the General Body Meeting under Byelaw 20 (8) subject to maximum of 3% per annum on loan.

45. All documents creating a charge or obligation on the Society shall be signed by the President or Vice President and by other members of the Managing Committee appointed for the purpose provided that in the case of receipt and cheque upto Rs. 2000/- and receipt for deposits and repayment of loan, the president or Secretary or any other officer or office bearer of the Society authorised for the purpose.

46. Society shall not allot any property including plots, houses or flats to any person except to its own members. No member shall be allotted on lease or rent more that one plot of house of flat by the Society.

XII. AUDIT

47. The accounts of the Society shall be audited at least once a year by an auditor appointed by the society out of the panel approved by the Registrar in the Prescribed manner within the period of one hundred twenty days from the prescribed date for making up its accounts for the year. The Society shall pay such audit fee to the Auditor which may be from time to time fixed by Registrar, Co-operative Societies, Delhi

XIII. DISTRIBUTION OF PROFITS

48. (a) The following shall be first charge on profits;
- (i) Any loss undergone by the Society.
 - (ii) Necessary deduction for depreciation of machinery, building etc.
 - (iii) All insurance Charge;
 - (iv) All payments of salaries, Provident funds and working expenses;
 - (viii) Interest on debentures, loan, deposits etc.
 - (ix) Contribution to audit fee as may be fixed from time to time by the Registrar.
- (b) The balance shall be the net profit of the Society.
- (1) Not less than 25 percent of the net profit shall be carried to the Reserve Fund which shall indivisible and no member shall be entitled to any share in it.
 - (2) The Society shall credit a sum calculated at two percent of its net profit subject to a maximum of Rs. 50,000/- every year for contribution to the Co-operative Education Fund to be administered by the Registrar. The Registrar may frame regulation for the utilization and the administration the Fund. This fund shall be kept with the State Bank of India. Any such amount payable by the Society, shall be a charge on the funds of the Society.

(2) Divided on shares may be paid not exceeding 18% per annum.

(4) Not more than 20% of the balance may be distributed as bonus to all employees whether members of the Society or not.

(5) The remaining amount, if any, may be allotted ot any or all of the purposes detailed below or may be carried over to :-

(a) Bad debt fund;

(b) Members welfare fund;

(c) Common goods fund according to section 54 of the Act.

(d) Divided equalisation fund;

(e) Share transfer fund; and

(f) If any fund required for the business of the Society.

49. If no dividend claimed for period of three years from the date of the declaration, a notice shall be issued by the Society at the registered address of the members at his cost calling upon him to take the amount within one month of the receipt of the notice. If the dividend is not claimed during the period it shall be credited to the Reserve Fund.

50. Bonus shall be paid according to the rules approved by the General Body Meeting and subject to any restriction imposed by the Registrar.

51. No bonus in addition to the dividend shall be distributed on shares of the members;

52. Divided shall not be paid while any claim due from the Society to a depositor or creditor remarks unsatisfied.

53. Allocation and distribution of profit shall be made only after the annual audit. Members shall have no right to the dividend unless declared and approved by the General Body. The dividend shall be paid to all the members within three months of the approval by the General Body.

XIV. RESERVE FUND

54. The reserve fund is indivisible and no member is entitled to claim a specified share in it. It shall be invested in Government Securities or otherwise as directed by the Registrar under section 56 of the Act.

XV. DISPUTES

55. If any dispute touching the constitution or business of the Society arises between members or past members of the Society or persons claiming through a members or past members of the Society (past or present) or between the Society or its committee and any officer, member or servant of the Society (past or present) it shall be referred to the Registrar as provided in the Act and the Rules made there-under.

XVI. GENERAL

56. All matters not specially provided are to be decided in accordance with Co-operative Society Act and the Rules made there-under.
57. The Managing Committee with the approval of the General Body Meeting may frame Rules of business for carrying on the work of the Society and may make additions or alternations in them from time to time.

XVII. LIQUIDATION

58. (i) The Society shall be wound up and dissolved only by an order of the Registrar under section 95 & 96 of the Delhi Co-operative Society Act, 2003 and rules framed there-under.

59. After meeting the liabilities including the paid up share capital the surplus assets, if any shall not divided among the members, but shall be utilized towards any object of public utility determined by the General Body Meeting of the Society within three months of the date of the final liquidation and approved by the Registrar. Registrar may with the approval of the General Body Meeting or the Society, place the said surplus in deposit with the Delhi State Cooperative Bank Ltd. Until such time a new society with similar conditions is registered, when with the consent of the Registrar such surplus may be credited to the Reserve Fund of the new Society or assign the surplus either wholly or in part to an object of public utility of local interest or a charitable purpose as defined in section 2 of Charitable Endowments Act, 1890 (6 of 1890) or to the Coop. Education Fund.

ANNEXURE -A

Regulation relating the Houses/Flats leased out by Group Hosing Society to its members.

1. Residential Flats will be allotted the Society to its member who fulfill the prescribed conditions and agree to abide by these regulations.
2. The residential Flats will be allotted by the Society to its members by draw of lots.
3. Each sub- leasee shall be required to execute an agreement with the Society and the Government as may be found necessary before entering in the Flat allotted to him.
4. No sub-leasee shall at any time, quarry any stone, dig out stand or soil or do any act which may be harmful to the building or the estate of the Society.
5. No sub-leasee shall make any alternation in or addition to the Flat allotted to him without the approval of the committee in writing and subject to the Municipal Byelaws.
6. Each sub-leasee shall be required to get the Flat insured against fire or damage and shall be liable to annual premium regularly. If for any reason the Sub- lease fails to pay the premium in time, if shall be paid by the Society, which will be debited to the account of the sub-lease concerned and shall be byelaws of the Society.

7. Each sub-leasee shall be pay 100% of the cost of land on which the Flat has been constructed, calculated by the Society and approved by the General Body Meeting as each sub- lease shall pay ground rent as may be fixed by the General Body Meeting of the Society or by Government in additions to the contributions levied for the maintenance of the Society.
8. Each sub – lease shall be responsible for the internal repairs of the flat allotted to him. The outer white washing and other repairs is the responsibility of the Society.
9. Each sub-leasee shall permit the Society and all authorized persons and workmen to enter upon the Flat to examine its condition from time to time.
10. Each Sub-leasee will not do anything which in the society's opinion may cause a nuisance, annoyance or inconvenience to the occupants adjacent or in the neighbourhood or to be prejudicial to the Society.
11. No Sub-leasee shall be allowed to transfer his rights over the Flat allotted to him without the consent of the Society in writing or the Government as the case may be.
12. No Sub-leasee shall be allowed to sub-let any portion of the Flat to any one without the approval of the Society in writing.
13. If at any stage it is found that the information given by the sub- lease differs in accordance with the terms of lease, the Society shall have right to forfeit his right over the Flat allotted to him without any refund and to get the Flat vacated immediately.
14. If the Society fails to recover the ground rent from any of the Sub-leasees concerned in accordance of the terms of lease, the Society shall have the right to forfeit his right over the Flat allotted to him without any refund and to get the Flat vacated immediately.
15. Each sub-leasee shall always abide by the rules and regulations and other instructions issued by the Registrar, Co-operative Societies, Delhi or the Government on this behalf from time to time.
16. These Regulations are subject to such modifications by the General Body Meeting of the Society with the approval of the Registrar, Co-operative Societies, as may be deemed fit.