

BYE-LAWS
OF
A COOPERATIVE GROUP HOUSING SOCIETY LTD.



1. PRELIMINARY

1. The Name of the Society is "The MANA LAXMI Cooperative Group Housing Society Ltd." and its registered address is B-4/21 YASCHAM VIHAR N. DELHI 63

Any change in the address shall be notified to the Registrar within 14 days.

2. In these bye-laws unless there is any thing repugnant to the subject or context, the expression "the Act" means the Delhi Cooperative Societies Act, 1972 (No.35 of 1972). "The Rules" means the Delhi Cooperative Societies Rules, 1973 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

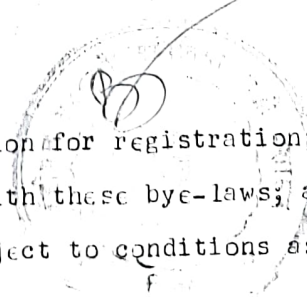
3. Its objects shall be:-

- 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 always 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 repairs of houses of its members when necessary
- iv) to borrow loans for running the business of the Society and to arrange for its repayment;
- v) to advance loans to its members for payment of premium or repairs of the house/flat leased out to them and other allied needs;
- vi) to arrange 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 things as are incidental or conducive to the attainment of any or all of the above objects.

III. MEMBERSHIP

4. The members shall consist of:-

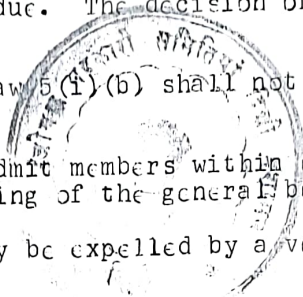
1. persons who join in the application for registration;
2. persons admitted in accordance with these bye-laws; and
3. nominal or associate members subject to conditions as laid down in Rule 26.



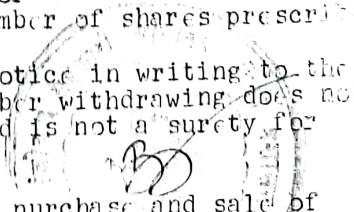
5. (i) Any persons shall be eligible to be a member of the Society provided:- *U.T. of Delhi*
- a) he is domiciled in ~~Delhi/New Delhi~~ *Delhi* Cantonment;
 - b) his written application for membership has been approved by a majority of the Managing Committee;
 - c) his age is more than 18 years, except in the case of minor heir of a deceased member;
 - d) he is not a member of any other house building/group housing 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 house/flats or land for construction of house/flats either himself or through any of his dependents;
 - g) he has carried out the provisions of these bye-laws.
- ii) 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 and all the liabilities will be borne jointly and severally by them as provided in the Act, Rules and bye-laws;
- iii) In accordance with the procedure laid down in the bye-laws and the Rules for admission of any member, the society may admit minors and persons of unsound mind inheriting share interest of deceased members as its members through their legal representatives or guardians respectively. The member so admitted will enjoy such rights and liabilities as are laid down in these bye-laws and which are consistent with the Act and Rules.
- iv) Every person seeking membership of the Society shall sign a declaration to the effect that he or his wife (she or her husband) or any of his/her dependents does not own a dwelling house or plot in Delhi/New Delhi/Delhi Cantonments and that he/she is not a member of any other cooperative 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'.
- v) Every member on admission shall pay Rs.10/- as admission fee which shall not be refunded in any case.
- vi) 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 rights and incurred all the obligations and liabilities of a member of the society as laid down in the Act, the Rules made there under and these bye-law;
- vii) (1) Application for admission as member and for allotment 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 after recording reasons for such refusal.

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- ii) Any person whose application has been refused by the Managing Committee may prefer an appeal to the Registrar, Cooperative Societies within thirty days from the date of communication of the decision of refusal by registered AD letter acknowledgement due. The decision of the Registrar shall be final.
- 6. a) The provisions of bye-law 5 (i) (b) shall not apply to the original members.
- b) The society shall not admit members within one month prior to the date of the meeting of the general body.
- 7. A member of the society may be expelled by a vote of the General Meeting:-
 - 1. if he makes default in the payment of instalments of his shares; or
 - 2. he has applied to be adjudicated an insolvent or is an undischarged insolvent; or
 - 3. he has been sentenced for any offence other than an offence of a political character or an offence involving moral turpitude and dishonesty; or
 - 4. he undertakes any profession similar to the objects of the society; or
 - 5. he intentionally does any act likely to injure the credit of the society or fails to observe proper discipline in regard to the work of the society; or
 - 6. for any action which may be held by the Managing Committee or the General Meeting to be dishonest or contrary to the stated objects of the society or to the interest of cooperation; or
 - 7. incurs any of the disqualifications as contained in Rule 24
 - A. Opportunity shall be given to a member before expulsion from membership to represent his case to the General Body and expulsion shall not be effective unless it is approved by the Registrar.
- 8. A person ceases to be a member:-
 - i) on death; or
 - ii) for lack of confirmation of membership as per bye-law 5 (iv), or
 - iii) when his resignation is accepted by the Managing Committee or
 - iv) on expulsion under bye-law 7; or
 - v) ceasing to hold the minimum number of shares prescribed in these bye-laws; or
 - 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
 - vii) on undertaking the business of purchase and sale of houses or land for construction of houses either directly or indirectly or on purchasing house or a plot or land for construction of houses either in his own name or in the name of any of his dependents through any other



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source and the member shall, within one month of his undertaking the said business of purchase of a house or a plot of land shall inform the Society about this. Under such circumstances, lease of rent deed executed will automatically become in-effective.

9. 1) A member or the nominee or successor of an ex-member may transfer his shares to another member or applicant qualified under bye-law 5 and approved by the Committee or to a share transfer fund created by the Society out of its profits and shall than be paid the value of his share, less any sum due from him to the Society. No transfer of share or interest shall, however, be made unless a member has held such shares for not than one year but the condition of bye-law 5 will not be applicable to the nominee or legal heir of the deceased member.
- 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 provident fund any other funds or property of the 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, lands, maintenance of roads, drains and parks;
- e) other funds;
- f) realised profits.

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

11. a) 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 section 49 of Act.
- b) Every member shall purchase atleast one share and no member shall hold shares of which the nominal value exceeds Rs.20,000/- or exceeds 1/5th of the total share capital actually subscribed. 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. A member will not be entitled to pay towards his second and subsequent share until the first or previous one has been paid in full.
12. a) Shares may be paid up in a single payment.

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- 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 authorised for this purpose.
13. If a share certificate is lost or destroyed, a duplicate certificate shall be issued on payment of Rs. 2/-.
14. Share shall not be withdrawn or repaid or transferred otherwise than as provided in bye-law 9.
15. Every member may nominate a person or persons to whom on death his shares shall be transferred but no member may nominate more than one person, unless the amount to be paid to such nominees, whether by way of whole shares or by fixed proportion of the amount available for transfer, as the case may be is duly specified when the nominee is appointed and he shall attest the nomination by putting his signature or thumb impression in the register of members. If not admitted to membership the nominee or nominees shall be paid the value of the shares or interest subject to the provision of bye-law 9. If any deduction has to be made from the shares of the deceased and there are more than one nominees, the amount to be deducted shall be set off against the amount due to each nominee in proportion to his interest.
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 ~~twice~~ 2 times the face value of their subscribed shares.

VI. GENERAL MEETING

18. The first general meeting of the members shall have the same powers as are herein given to the annual meeting.
- (a) The preliminary general meeting shall be called with in a period of not less than one month and not more than three months from the date of its registration. In this meeting the following business shall be discussed and decided:-
- i) Approval of allotment of shares, amount collected and amount spent in connection with the registration of the society before registration;
 - ii) Election, if any, of the members of the Committee other than nominated member; subject to the provision of section 31 (1);
 - iii) Approval of programme in the ensuing year;
- (a) The annual general meeting shall be called within a period of 3 months of the close of Cooperative year. A special General 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, Cooperative Societies or any person authorised by him.
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- c) In case of the Annual General meeting, date, time and place of the meeting shall be announced atleast 14 days clearly in advance and in case of Special General Meeting atleast 7 days in advance, by a written notice published on the notice board of the society and circulated to the members. The election shall be by show of hand unless otherwise decided by the general meeting.
- d) The agenda proposed for the Annual General Meeting and Special General Meeting shall be despatched to all members 14 days and 7 days respectively before the date of the meeting, giving date, time and place of meeting.
- e) The presence of the 1/3rd of the total number of the members subsisting as such on the date of notice of the meeting subject to a minimum of 10 members shall be necessary for disposal of any business at General Meeting. Each member shall have one vote irrespective of the share held by him. The chairman shall have a casting vote in addition; no proxy shall be allowed. No member shall have the right to vote who is in arrear with his share instalment.
19. i) Provided that the Registrar may by general or special order extend the period for holding such meetings for a further period not exceeding 3 months.
- ii) Provided further that if such meeting is not held by the society within the extended period, if any, granted by the Registrar, he or any person authorised by him may call meeting in the manner prescribed and that meeting shall be deemed to be a general meeting duly called by the society and the Registrar may order that the expenditure incurred in calling such a meeting shall be paid out of the funds of the society or by such person who, in the opinion of the Registrar were responsible for the refusal or failure to convene the general meeting.
- iii) If within an hour from the time appointed for the meeting quorum is not present, the meeting shall stand adjourned ordinarily to the same day in the next week, at the same time and place but if the meeting is called upon the requisition of the members (non the Registrar) it shall stand dissolved provided that at the adjourned meeting, no quorum shall be necessary.
- iv) If at any time during the meeting, sufficient number of members is not present to form a quorum, the chairman/President of the meeting on his own motion or on his attention being drawn to this fact shall adjourn the meeting at such convenient time, date and place as he thinks the business to be transacted at the adjourned meeting shall be transacted in the usual manner even if, no quorum is present.
- v) No matter shall be discussed at any meeting which has not been included in the agenda of the meeting provided that the chairman may in case of emergency permit the discussion of such matter when the majority of members present, so desire.
- vi) The President or the Vice President or in their absence one of the other members elected for the purpose shall preside.

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

1. to elect, suspend or remove members of the Managing Committee, including a President and one or more Vice-Presidents and if the number of members in the society exceeds 20, to elect a Committee of Control;
2. to receive from the Committee a report on the proceeding year's working of the society together with a statement showing the receipts 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 bylaws;
5. to discharge any member of the Managing Committee on the Recommendation of the Committee of Control which may for this purpose call a general meeting at any time;
6. to consider the report of the Committee of Control together with comments, if any of the Managing Committee thereon and the action to be taken on the recommendation contained and in regard to any matter emerging from that report;
7. 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's instruction on the subject but this may be exceeded with the special sanction of the Registrar to be obtained in each case;
8. to fix subject to the approval of the Registrar the maximum liability to be incurred during the following year, in loans or deposits from non-members;
9. to amend the bylaws, subject to the sanction of the Registrar;
10. to expel member;
11. to fix the terms and rates at which penal interest shall be charged by the Managing Committee on overdue instalments of loans;
12. to fix the rate of contribution to be made by the member for of the estate of the society;
13. to decide the manner in which development and construction work will be carried out by the society;
14. to decide the terms and conditions on which the houses/flats will be leased to the members;
15. to frame the rules of business subject to the approval of the Registrar; and
16. to consider any other business brought forward.

General

21. All business discussed or decided at a General Meeting shall be recorded in a proceedings book which shall be signed by the Chairman of the meeting.

22. Amendments to the bylaws shall only be carried out by a majority of not less than two third of the members present in a General Meeting in which due notice of the intention to discuss such amendments shall be forwarded to the Registrar for registration within a period of 3 months from the date of meeting.

General

All other questions before the General Meeting shall be decided by a majority of votes.

- a. If it appears to the Registrar that an amendment of a bylaw of a cooperative society is necessary or desirable in the interest of such cooperative society, he may call upon the cooperative 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 sixty days.

- c. After the expiry of the period specified in the notice under sub-rule (2) and if the society fails to make the amendment, the Registrar after giving the cooperative society an opportunity of being heard, may register the amendment and issue to the cooperative society a copy of such amendment certified by him with a certificate signed by him. With effect from the date of registration the amendment is binding on the cooperative society and its members subject to appeal, if any.
- d. All amendments of the byelaws relating to the same Cooperative Society when registered by the Registrar shall be assigned a consecutive number in chronological order and shall be noted in index to the byelaws to be maintained by the Cooperative Society in the registration file.

VII. MANAGING COMMITTEE.

23(a)(i) The Managing Committee shall consist of not less than 5 members of the society and not more than 15 over the age of 21 including a President and one or more Vice Presidents or in their absence one of the other member elected for the purpose shall preside. President of the Committee shall have a casting vote, in addition.

(ii) Committee members shall be elected and hold office for one year and shall be eligible for re-election, but no member shall be eligible for holding the office of the President, Vice President, Chairman, Vice Chairman, Managing Director, Secretary, Joint Secretary and Treasurer more than two consecutive terms whether full or part. These office bearers shall also not be eligible to hold such offices on a Committee of another cooperative society of the same type or on the Committees of more than three different types of the Societies.

(iii) The election of the Managing Committee shall be by show of hands in the manner given in schedule III of the Delhi Cooperative Societies Rules 1973, unless a poll is demanded in which case it shall be held by secret ballot. In case the membership of the society exceeds five hundred, the election shall be held by secret ballot in the manner given in Schedule II of the Delhi Cooperative Societies Rules, 1973.

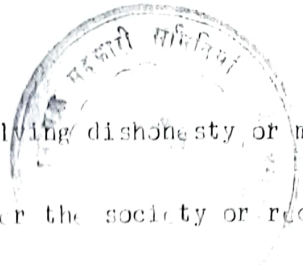
(iv) The meeting of the Committee shall be held when necessary and shall be called by the Secretary on receipt of a requisition from three or 1/3rd members of the managing committee, whichever is more or from the Registrar, Cooperative Societies or any person authorised by him. The Managing Committee shall cause minutes of all proceedings of its meetings to be entered in the book for the purpose in hand written at the spot in the 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 in any resolution. At the end of the minutes, each member present and voting shall sign them. If the minutes are not made and recorded in this manner, they shall not be considered valid and it shall be deemed that no such meeting was duly called and held.

b) The meeting shall be held as often as required but a meeting shall be held atleast once in every month.

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

- 1) ceases to be a member of the society; or
- 2) applies for insolvency or is declared insolvent; or

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- 3) becomes of unsound mind; or
- 4) is convicted of any offence involving dishonesty or moral turpitude, or
- 5) accepts any office of profit under the society or receives any honorarium; or
- 6) carries on business on his own account similar to that as specified in bye-law 3(i);
- 7) resigns and his resignation is accepted by the Committee;
- 8) is a defaulter in payment of dues of the society.

25. (a) The Committee shall exercise all the powers of the Society except those reserved for the General Meeting subject to any regulations, restrictions laid down by the Society in a general meeting or in the bye-laws and in particular shall have the following powers and duties:-

- 1) to observe in all their transactions, the Act, the rules made thereunder and these bye-laws;
- 2) to maintain true and accurate account of all money received and expended and all stock bought or sold;
- 3) to keep a register of members correct and upto date;
- 4) to keep true account of assets and liabilities of the Society;
- 5) to prepare and lay before the General 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 and of any other person authorised to inspect by the Registrar or financing institution and take necessary action.
- 8) to elect new members and issue new shares and transfer old shares;
- 9) to arrange for the recovery of dues of the society;
- 10) to summon General Meetings in accordance with bye-law 19;
- 11) to contract loans subject to any restriction imposed by the Registrar or General Meetings and to make necessary arrangements for its repayments;
- 12) to decide the terms on and the period of which loans are to be given, to approve, reject the security, to arrange for the recovery of loans and interest and to impose and recover penal interest on overdue instalments as laid down by the General Meeting and to sanction renewals when necessary;
- 13) to decide the terms on the period for and the rates of 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 purposes for which they were made;

- 15) to assist in the inspection of the books, other documents and papers of the society by any person authorised to see them;
- 16) to appoint, suspend, punish and dismiss employees subject to the provisions of these bye-laws and to fix their remuneration;
- 17) through any member 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 Cooperative Societies;
- 19) to fix the rate of interest on loans to members subject to bye-law;
- 20) to arrange for the custody of books and to appoint one of its members or one of the officer of the society resident in the area of operation to take charge of all the registers and papers prescribed in these bye-laws;
- 21) to invest the surplus funds of the society in accordance with Section 2 49 of the Act;
- 22) to acquire and hold property and to enter into contracts 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 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 credit limit of a member of the Committee shall be brought before the general Meeting in a separate detailed resolution and shall not be included in the proposal for maximum credit limits of other members.
- 24) to decide the manner of execution of work and its allotment to members and employees;
- 25) to appoint a treasurer to keep the money of the society and require him to give such security as it may deem sufficient;
- 26) to appoint a Secretary and to fix his remuneration, if necessary;
- 27) to distribute the duties between the Secretary and Manager, if necessary;
- 28) to carry out of the development, construction in the manner as may be decided by the General meeting and allotment of house flat to members in accordance with the rules framed by the Society with the approval of the Registrar;
- 29) to appoint a custodian of the property of Society and to keep it in good state of repair;
- 30) to coopt members against the vacancy caused by the resignation or disqualification of any from members of the managing committee; and
- 31) generally to carry on the business of the Society

In the conduct of the Business of the society, the 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 Act, the Rules made thereunder and these bye-laws;

26. No member of the Committee shall receive any remuneration 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 as a borrower nor shall he stand surety for a loan to another member of the Committee.

27. All business discussed or decided at a meeting of the Committee shall be recorded in minutes book which shall be signed by the Chairman of the meeting and all members of the Committee present.

28. The Committee may appoint from amongst its own members a sub-committee and may delegate to it or any officer of the Society 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 respects to these bye-laws and to the instructions given by the Managing Committee.

VIII. SECRETARY AND/OR MANAGER

29. The Committee of the society shall specify 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.

30. Provided that a person charged with the keeping of accounts shall not be the incharge of cash.

If the Committee of a cooperative society has not specified the officers required to be specified in sub-rule (1) notwithstanding anything contained in the bye-laws of the society, the following officers shall be responsible for keeping accounts, record 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 & disbursement account and the balance sheet, whosoever may be writing these books of accounts, they shall always be 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, these shall always be deemed to be in his custody, possession, power and control. He shall be responsible for making over the charge of this record to his successor under proper charge report to be signed by the relieving and the relieved officers.

c) Cash :

Cash balance in hand shall always remain in the hands of the President.

31. Every cooperative society shall from time to time determine at a meeting of the Committee the minimum numbers of paid staff required for its business. The Committee shall prescribe their qualifications and shall be competent to appoint, dismiss or remove any paid staff.

32. The minimum paid staff for the cooperative bank and any cooperative society with a working capital or annual transaction of rupees five lakhs or over shall be:

- i) One Secretary;
- ii) One Accountant; and
- iii) One Cashier.

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 deposit account of any person without that person's consent in writing:-

1. a register of members showing the name, address and occupation of every member, the number of shares held by him, the date of admission to membership date of termination of membership and the nominee appointed under byelaw 15;
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, creditor and miscellaneous and contingent income and expenditure;
4. a register showing the maximum credit of each member;
5. an account showing monthly deposits and contributions;
6. a register showing all the properties purchased and disposed/leased out by the society;
7. a minute book;
8. a register showing the monthly instalments for payment of loans;
9. a pass book for each member and depositor;
10. a book of bonds for all loans issued;
11. the register of application for membership containing the name and address of the applicant, the date of receipt of application, the number of shares applied for and in case of refusal, the date of communication of the decision refusing admission to the applicant, and any other register prescribed by the Registrar.
- 12.
34. Copies of the byelaws and 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 member or one of the officer of the Society to take hold and keep in safe custody all the registers prescribed in byelaw 33 and other papers in use of the Society.

X COMPULSORY DEPOSITS.

36. (1) Every member subscribe to deposits for specific objects.
- (2) Such deposits shall be governed by rules to be framed by the Society subject to approval of the General Meeting of the Society.
- (3) With the sanction of the Committee, a member may be exempted from the obligation to deposit for any period during which his circumstances donot permit of such payments.

XI. LOANS.

37. No loan shall be advanced by the society save for payment of premium or repair of house/flats leased out to the members and other allied needs.

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38. All loans shall be granted within the maximum credit limit of a member at the discretion of the Committee. Such loans shall not exceed 60% of the premium paid or payable to the Government of the property mortgaged to the society. In addition to the tangible security, the borrower shall furnish at least two personnel sureties who must be members of the Society. Such loans shall be granted subject further to any general or special restrictions 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 instalments spread over five years. The Committee may suspend repayments of any instalment for one or more months on sufficient cause being shown and may thereby extend the time of total payment by a period not exceeding six years.

40. The property given by a borrowing members surety shall remain under first mortgage with the society till the borrower pay off the whole dues.

Such mortgages shall always be in addition to personnel sureties who must be members of the Society, provided that the amount for which a member stands surety shall not exceed the balance of his maximum credit limit, after deducting the amount he himself owes on a mortgage.

41. 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 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 the borrower's material position has weakened, they shall call on the borrower to provide satisfactory security and in default shall call in the loan at once. The loans shall also be recalled if the Committee find 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 member's credit limit may be added to increase the limit upto which he may stand as surety. When a member has stood surety for an additional amount owing to his maximum credit limit not being fully drawn, he may not draw further against his maximum credit limit until his liability as surety has been correspondingly decreased.

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

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

44. Interest on loans to members shall be charged at a rates or rate to be fixed by the Committee provided that the margin between the borrowing and lending rate is of atleast 2% per annum. In case of default, penal rate may be prescribed by the General Meeting under byelaw 21(11).

45. All documents creating a charge, obligation on the society shall be signed by the President or Vice President and two other members of the Managing Committee appointed for the purpose provided that in the case of receipts and cheque upto Rs.200/- and receipt and for deposits and repayments of loan the, President and Treasurer may sign. All important documents of the Society shall be sealed with the society's seal. The seal shall be kept in the custody of the 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 than one plot or house or 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 Registrar. The Society shall pay such Audit fee as may from time to time fixed by the Registrar, Cooperative Societies, Delhi.

XIII. DISTRIBUTION OF PROFITS.

48. (a) The following shall be first charges on profits;

- i) any loss undergone by the society;
- ii) necessary deduction for depreciation of machinery, building etc;
- iii) all insurance charges;
- iv) all payments of salaries, provident fund and working expenses;
- v) interest on debentures, loans, deposits etc.
- vi) contributions 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 per cent of the net profit shall be carried to the Reserve Fund which shall be 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, 2,500/- every year for contribution to the Cooperative Education Fund to be administered by the Registrar. The Registrar may frame regulation for the utilisation and the administration of the Fund. This fund shall be kept with the financing Bank. Any such amount payable by the society, shall be a charge on the funds of the society.
- 3) Dividend on shares may be paid not exceeding 10% per annum.
- 4) Not more than 20% of the balance shall be distributed as bonus to all employees whether members of the society or not.
- 5) The remaining amount, if any, may be allotted to any or all of the purposes detailed below or may be carried over to:-
 - a. bad debt fund;
 - b. rebate on goods purchased by the members;
 - c. common goods fund according to Section 47 of the Act;
 - d. dividend equalisation fund;
 - e. share transfer fund; and
 - f. any other fund required for the business of the Society.

49. If no dividend be claimed for a period of three years from the date of the declaration, a notice shall be issued by the Society at the registered address of the member 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 this period it shall be credited to the Reserve Fund.

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

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

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

53. Allocation and distribution of profits 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 members within three months of the approval by the General Body.

6. Each sub-leasee shall be required to get the house insured against fire or damage and shall be liable to annual premium regularly. If for any reason the sub-leasee fails to pay the premium in time, it shall be paid by the society, debited to the account of the sub-leasee concerned and shall be recovered from him in accordance with the provisions of the Delhi Cooperative Societies Act, 1972 as extended to the Union Territory of Delhi, the rules made thereunder and the byelaws of the society.
7. Each sub-leasee shall pay ___% of the cost of the land on which that house has been constructed, calculated by the Society and approved by the General Meeting as each sub-leasee shall pay ground rent as may be fixed by the General Meeting of the Society or by Government in addition to the contribution levied for the maintenance of the estate of the society.
8. Each sub-leasee shall be responsible for the internal repairs of the house allotted to him. The outer white washing and other minor repairs is the responsibility of the Society.
9. Each sub-leasee shall permit the society and all authorised persons and workmen to enter upon the house to examine its condition from time to time.
10. No sub-leasee will 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 right over the house/flat allotted to him without the consent of the society in writing or the Govt. as the case may be.
12. No sub-leasee shall be allowed to sub-let any portion of the house 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-leasee concerned at the time of application or subsequently were incorrect, the society shall have the power to forfeit his rights over the house allotted to him without any refund and to get the house vacated immediately.
14. If the society fails to recover the ground rent from any of the sub-leasee concerned in accordance with the terms of lease, the society shall have the right to forfeit his rights over the house allotted to him without any refund and to get the house vacated immediately.
15. Each sub-leasee shall always abide by the rules and regulations and other instructions issued by the Registrar, Cooperative Societies, Delhi or the Government on his behalf from time to time.
16. These regulations are subject to such modifications by the General Meeting of the society with the approval of the Registrar, Cooperative Societies, as may be deemed fit.

LIST OF PROMOTER MEMBERS TO BE APPENDED WITH THE BYE-LAWS AT THE TIME OF REGISTRATION.
 Co-operative Societies,
 Delhi Administration, Delhi.

(See Rule 13)

The following promoters were present in the general meeting of the
MAMA LAXMI Co-operative Group Housing Society Ltd., B-4/21, Parkside Vihar
 on 7-9-78 at 11 Am in the presence of
 Shri M.K. Chabra Inspector/Sub-Inspector of Co-operative Department, Delhi Administration and have gone through the Model Bye-laws and the same were adopted unanimously.

S.No.	Name of the Promoter Member	Father's/Husband's Name	Signature.

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 49 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 person claiming through a member or past member or between members or past members or persons claiming and any officer, agent or servant 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 thereunder.

XVI. GENERAL.

56. All matters not specially provided for are to be decided in accordance with the Act and the Rules made thereunder.

57. The Managing Committee with the approval of the General Meeting may frame rules of business not inconsistent with the Act, the Rules made thereunder and these by-laws for carrying on the work of the Society and may from time to time make additions or alteration of them.

XVII. LIQUIDATION.

58. (1) The Society shall be wound up and dissolved only by an order of the Registrar under Section 63 of the Delhi Coop. Societies Act, 1972 and Rules made thereunder.

(2) After meeting the liabilities including the paid up share capital the surplus assets, if any, shall not be divided among the members but shall be utilised towards any object of public utility determined by the General meeting of the Society within three months of the date of the final liquidation and approved by the Registrar; or the Registrar may with the approval of the General Meeting of the society, place the said surplus on deposit with the Delhi State Cooperative Bank Ltd., until such time a new society with similar conditions is registered with the consent of the Registrar. Such surplus may be credited to the Reserve Fund of such 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 the Charitable Endowments Act, 1890 (6 of 1890).

ANNEXURE.

REGULATIONS RELATING TO THE HOUSES/FLATS LEASED OUT BY THE GROUP HOUSING SOCIETIES TO THEIR MEMBERS.

1. Residential houses will be allotted by the society to its members who fulfil the prescribed conditions and agree to abide by these regulations.
2. The residential houses shall 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 house allotted to him.
4. No sub-leasee shall at any time, quarry any stone, dig out stand or soil or do anything which may be harmful to the building or the estate of the society.
5. No sub-leasee shall make any alteration in or addition to house allotted to him without the approval of the Committee in writing and subject to the Municipal by-laws.