Regn. No. 558/GH

For Maurya Co-op Group Housing Society Ltd.

President/ V.President/ Treasurer/ Secretary

TRUE COPY

BYE-LAWS

OF

MAURYA CO-OPERATIVE GROUP HOUSING SOCIETY LIMITED

Powers to Coop member of M.C. to fill vacancy - cl. 28(hh)

Regn. No. 258 CH

BYE-LAWS OF MAURYA CO-OPERATIVE GROUP HOUSING SOCIETY LIMITED

I. PRELIMINARY

1. The Name of the Society is Maurya Co-operative Group Housing Society Limited and its registered address is **95, Patpar Ganj, New Delhi-110092,** and the business of the society shall be conducted from there and at such other Places the society may from time to time determine.

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

2. In these bye laws unless there is anything repugnant to the subject or context the expression "the Act" means Delhi Co-operative Soceities Act, 1972 (No. 35 of 1972) 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 said Act & "Rules". The Rules means the Delhi Co-operative Societies, Rules, 1973.

II. OBJECTS

3. Its objects shall be :

(a) To acquire, either through outright purchase or on lease, land for :

(i) the construction of flats for giving to members either on hire purchase system or by out-right sale.

(ii) allotment to its members, on such terms and conditions as may be fixed by the society in accordance with these bye-laws, for the construction of flats by the society for use of members;

(b) to arrange loans for its members at interest upon obtaining some security for building of flats for residential purpose on the plot on such terms and conditions as the society may think fit.

(c) to provide tube well water, light and similar other facilities and other services for the welfare of the members and all that residing in the complex and for maintenace and cleanliness of the complex.

(d) 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 :-

(a) The person joining in the application for registration.

(b) Person admitted in accordance with these bye-laws.

(c) The society may admit joint members provided they make a declaration in writing that the person whose name stands 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 By-laws.

(d) 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 sound mind inheriting share of 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.

5. (a) Any person shall be eligible to be a member of the Society provided, all the conditions are fullfilled.

(i) he is resident or intends to acquire a flat in the Union Territory of Delhi. — Legal POA

(ii) his written application for membership has been approved by a majority of the Managing Committee;

(iii) his age is more than 18 years, except in the case of minor heir of deceased member:

(iv) he is not a member of any other house building society ;

(v) he or his wife (she or her husband in case of a woman) or any of his/her dependants does not own a dwelling house or a plot for building a house in Delhi "or has share in an undivided Joint Hindu Family property (residential house or plot) in the Union Territory of Delhi".

(vi) He does not directly or indirectly deal in purchase or sale of house or land for construction of houses either himself or through any of his dependents ; Property Agent disqualified

(b) 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 and that he/she is not a member of other Cooperative House Building Society. "Or has share in a undivided joint Hindu Family Property (residential house or plot) in the Union Territory of Delhi."

(c) Every member on admission shall pay Rs. 10/- as admission fee which shall not be refunded in any case.

(d) When a person's application has been accepted by the Committee and he has paid his admission fee & first instalment of his share, 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 Co-operative Society Act, the Rules made thereunder and these bye-laws.

(e) Application for admission as member and for allotment of shares shall be made to the Secretary in the form, if any, prescribed by the Society for the purpose.

Every such application shall to disposed off by the Managing Committee who shall have power to grant admission or to refuse it after recording reasons for such refusal.

(f) The Society shall not admit members one month prior to the date of the General Body Meeting.

6. Original members are exempted from the provisions of bye-laws No. 5. (a) (ii).

Expulsion

7. (a) A member of the Society may be expelled by a 3/4th majority of votes of the members present at a general meeting which shall be called by the Managing Committee for this purpose, within one month of the date of suspension of the member concerned,

(i) if he makes persistent default in the payment of instalment of his share ; or

(ii) if he applies for bankrupcy ; or

(iii) if he joins any other house building society ; or

(iv) if he is convicted of a criminal offence involving dishonesty and moral turpitude ; or

(v) if 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

(vi) for any action which may be held by the Managing Committee or a general meeting to be dishonest or contrary to the stated objects of the society ; its activities or to the spirit and interest of cooperation.

(vii) Incurs any of the disqualifications as contained in Rule 25.

(b) "A member shall be given an opportunity before approving his expulsion from the membership to represent his case to the general body and expulsion shall take effect only after it is approved by the Registrar."

(c) "Subject to the provisions of the Act and the Rules a member for the reasons stated therein may be permitted to resign on such terms and conditions as may be laid down by the Society."

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 Secretary provided that the member withdrawing does not owe anything to the Society and is not a surety for an unpaid debt.

Property Dealer
Cessation of membership

(vii) 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 of land for construction of houses 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 of purchase of a house or a plot of land shall inform the society about this.

7

7. (1) A member or nominee or successor of an Ex-member may transfer his share to another member or a person qualified to become a member of society under bye-law No. 5 and duly approved by the Committee, or to a share transfer fund created by the society of its profits and shall then be paid the value of his shares, 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 less than one year but the condition of bye-law 5 will not be applicable to the nominee or legal heir or the deceased member.

Provided further the purchaser of the share of a member nominee or successor of an ex-member as the case may be shall not be entitled to allotment of residential flat if on the date of such transfer the member nominee or a successor of an ex-member has suffered any disqualification under these Bye-Laws to hold a flat in society.

(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 or on any other funds or property of the society of any kind.

IV. CAPITAL

10. (a) The capital shall be composed of a determined number of shares of the value of Rs. 100/-each ;

(b) Receipts of capital nature shall be composed of

(i) loans and deposits from non-members ;

(ii) donations and grants ;

(iis) contributions towards the cost of flats, land, maintenance of roads, drains and parks ;

Capital Receipt

(iv) other funds ;

(v) realised profits.

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

Surplus funds

The capital of the society shall he 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.

V. SHARES

11. Every member shall purchase one share of Rs. 100/- if the shares capital of the society to be increased, no member shall hold shares of which the nominal value exceeds Rs. 10,000/-, or exceeds 1/5th of the total share capital actually subscribed, if any member by inheritance otherwise become 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. Shares may be paid up in a single payment or in monthly instalments of not less than Rs. 25/-. The first instalment shall be paid within 7 days from the admission of a member

by the Committee and the subsequent instalment on or before the 10th of each calender month.

13. (a) A share certificate shall be issued under the seal of the society after the full amount of share money in respect of a share has been paid. The share certificate shall be signed by the president, one other member of the Committee authorised by the Committee for the purpose and the Secretary of the society.

(b) If a share certificate is lost or destroyed, a duplicate certificate shall be issued on payment of Rs. 2/-.

14. If the payment due on account of shares remains unpaid for more than 3 months, the Committee may declare such shares forfeited together with all payments made thereon and the rights of member-ship attaching to these shares shall there upon be extinguished. The Committee may allow such shares to be restored provided :—

(a) that all arrears, together with such penal interest as the Committee may demand are paid up and ;

(b) that ordinarily such payments be made within three months of the date of forfeiture.

(c) the amount of forfeited shares shall be credited to the Reserve Fund of the society.

15. Shares shall not be withdrawn, repaid or transferred otherwise than provided in bye-law 10.

16 "Every member may nominate a person or persons to whom on death his share shall be transferred. In case a member nominates more than one person, they will hold the share jointly provided they make a declaration in writing that the person, whose name stands first in the share certificate shall have the right to vote and all liabilities will be borne jointly and severally by them as provided in Act, Rules and Bye-laws." "If not admitted to membership the nominee or nominees shall be paid the value of the shares of the deceased, and if there is more than one nominee, the amount to be deducted

shall be set off against the amount [illegible] each nominee in proportion to their interest."

17. 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.

VI. LIABILITY

18. The liabilty of the members for any deficit in the assets of the society on liquidation shall be limited to five times the face value of their subscribed shares.

VII. GENERAL MEETING

19. The first general meeting of the members shall have the same powers as are herein given to the annual meeting.

20. (a) The preliminary general meeting shall be called within 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 members, subject to the provisions of section 31 (1).

(ii) Programme of activities and budge[illegible] ensuing year:

(b) The annual general meeting shall be called within a period 6 months of the close of cooperative year, in accordance with section 29 of the Act. 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 1/5 of the total number of members or from the Registrar of Cooperative Societies or any person authorised by him.

Notice

(c) In case of the Annual General Meeting, time and place of the Meeting shall be announced at least 14 days clearly in advance and in case of special General Meeting at least 7 days in advance, by a written notice published on the notice board of the society and circulated to the members.

(d) 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 the disposal of any business at General Meeting. Each member shall have one vote irrespective of the shares held by him. The Chairman shall have a casting vote in addition.

(e) Provided that the Registrar may, by general or special orders, extend the period, for holding such meeting not exceeding 3 months.

(f) Provided further that if such meeting is not held by the Society within the extended period, if any granted by the Registar, he or and person authorised by him may call such 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.

(g) If within an hour from the time appointed for the meeting a 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 (not the Registrar) it shall stand dissolved provided that at the adjourned meeting, no quorum shall be necessary.

(h) 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 fit and the business to be transacted in at the adjourned, meeting shall be, transacted in the usual manner even if. no quorum is present.

Agenda

(i) 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. 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 matters, when the majority of members, present, so desire,

(j) The President or the Vice President or in their absence one of the other member elected for the purpose shall preside.

21. The duties and powers of the General Meeting are :—

(a) to elect, suspend or, remove members of the Managing Committee including a President and a Vice President ;

(b) to receive from the Committee a report on the preceding year's working of the society together with a statement showing the receipts and expenditure, asset and liabilities and profit and loss for the year ;

(c) to consider the audit note, inspection note of the Registrar, or any other person authorised to inspect by the Registrar or financing institution and any other communication from the Registrar ;

(d) to dispose off profits in accordance with the Act, Notified Rules and these Bye-laws ;

(e) to fix the maximum credit limit for each member provided that such maximum shall not be more than that laid down in the Registar's instruction on the rubject but this may be exceeded with special sanction of the Registrar to be obtained in each case ;

(f) to fix, subject to the approval af the Registrar, the maximum liability to be incurred during the following year, in loans or deposits from non-members ;

(g) to amend the bye laws, subject to the sanction of the Registrar ;

(h) to expel members ;

(i) to fix the terms of and the rates at which penal interest shall by charged by the Managing Committee on overdue instalments ;

(j) to consider any other business brought forward.

Minutes 22. 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.

23. Amendments to the bye-laws shall only be carried out by a majority of not less then 2/3rd of the members present in a general meeting in which due notice of the intention to discuss such amendments has been previously given. Such amendments shall be forwarded to the Registrar for registration within a period of 3 months from the date of meeting.

The amendments of the bye-laws 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 bye-laws to be maintained by the Cooperative Society in the registration file.

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

VIII. MANAGING COMMITTEE

24. (a) The managing Committee shall consist of atleast 7 member and not more than 11 members over the age of 21 years including President or Vice President. The President or Vice President or in their absence one of the other member elected for the purpose shall preside. Each member of the Committee shall have one vote but the President shall have a casting vote, in addition.

V. Imp. (b) 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, Secretary, Joint Secretary and Treasurer for more than two consecutive terms whether full or part. These office bearers shall also not be eligible to such offices on a Committe of another cooperative society of the same type or on the Committee of more than three different types of the societies.

(c) The election of the Managing Committee shall be by show of hands in the manner given in schedule III of the Delhi Co-operative Societies Rules 1963, unless a poll is demanded by the members in which case it shall be held by secret ballot.

(d) 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 1/3 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 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 meetings shall contain the names of the members, if any, dissenting from or not concuring in any resolution. At the end of the meetings each member present and voting shall sign them. If the minutes are

All to sign

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.

least once a month.

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

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

(a) Ceases to be a member of the society ; or

(b) applies for insolvency or is declared insolvent ; or

(c) becomes unsound mind ; or

(d) is convicted of any offence involving dishonesty or moral turpitude ; or

honorarium

(e) accepts any office of profit under the society or receives any honorarium ; or

(f) carries on business on his own account similar to that as specified in bye-law 3 (i), or

(g) resigns and his resignation is accepted by the Committee,

Imp. →

(h) fails to attend three consecutive meetings without obtaining leave of absence.

26. The Committee shall exercise all the powers of the society except those reserved for the Meeting, subject to any regulations or 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 :—

(a) to observe in all their transactions, the act, the notified Rules and these bye-laws ;

(b) to maintain true and accurate accounts of all money received, expended and all stock bought or sold :

(c) to keep a register of members correct and upto date ;

(d) to keep true account of assets and liabilities of the society ;

(e) to prepare and lay before the General Meeting the annual profit and loss account and audited balance sheet ;

(f) to examine the accounts, sanctions contingent and other expenditure and supervise the maintenance of the prescribed registers ;

(g) to consider the inspection notes of the Registrar, and any other person authorised to inspect by the Registrar or financing institution and take necessary action ;

(h) to elect new members and issue new shares and transfer old shares :

(i) to arrange for the recovery of instalments ;

(j) to summon general meetings in accordance with bye-law 21 ;

(k) to contract loans subject to any restrictions imposed by Registrar or general meeting and to make necessary arrangements for its repayments ;

(l) to decide the terms on and the periods 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 penal interest on overdue instalments as laid down by the General Meeting and to sanction renewals ; when necessary ;

(m) to decide the term on the periods, for and the rates of interests at which deposits are to be received, and to arrange for the payment of such deposits ;

(n) to observe that loans are applied to the approved purposes for which they were made ;

(o) to assist in the inspection of the book, other documents and papers of the society by any person authorised to [illegible] see them ;

(p) to appoint, suspend, punish and dismiss employees subject to the provisions of these bye-laws and to fix their remuneration.

(q) through any member or officer or employee of the society or any person specially authorised to institute, conduct, defend, compromise, refer to arbitration or abandon legal proceedings by or against the society or committee or the officers or employees concerning the affairs of the society ;

(r) to acquire on behalf of the society shares in other registered cooperative societies ;

(s) to fix the rate of interest on loans to members subject to bye-law No. 48.

Imp.

(t) to arrange for the custody of books and to appoint one of its members or one of the officers of the Society, resident in the area of operation, to take charge of all the registers und papers prescribed in these bye-laws.

(u) to invest the surplus funds of the society, in accordance with Section ~~49~~ of the Cooperative Societies Act.

(v) to acquire and hold property and to enter into contracts on behalf of the society ;

(w) to fix the maximum credit limit of each member in accordance with the instructions of the Registrar, subject to the approval of General Meeting. This limit will be fixed only when a member has filled a declaration giving the amount of his debts secured and unsecured with the interest. The proposals for maximum credit limits of members of the Committee shall be brought before the General meeting in a separate detailed resolution and shall not be included in the proposals for maximum credit limits of other members ;

(x) to decide the manner of execution of work and its allotment to member and employees ;

(y) to appoint a treasurer, to keep the money of the society and to require him to give such security as it may deem sufficient ;

(z) to select/appoint a Secretary and to fix his remuneration, if necessary ;

(aa) to distribute the duties between the Secretary and manager, if necessary ;

(bb) generally to carry on the business of the society ;

(cc) To look after, Manage and Supervise Management of the Society and affairs thereof and the club, schools, educational and other institutions and properties of the society and to spend monies required for that purpose

(dd) to grant or reject application for membership of the club.

(ee) to determine from time to time the admission fee payable by a person for becoming a member of the club and susbscription fee payable by a member of the club,

(ff) to make and from time to time, repeal or alter rules and regulations as to the Management of the club, the admission and removal of member thereof and other matters relating thereto.

(gg) to arrange for the safe custody of the property of the society to maintain it in good state of repairs and when necessary to arrange for its insurance.

Registered under Asstt. Registrar Coop. Society Delhi letter No. F, 1369 (H)/1230 dated 7.3.69.

Power to Coop member in case of resignation

(hh) to Coop. Members against the vacancy caused by the resignation or disqualification of any from member of the Managing Committee.

(ii) Generally to carry on the business of the society.
In the conduct 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 law, the Notified Rules and these Bye-laws.

(ii) to employ and dismiss the officers, servants, employees, agents and retainers in connection with the affairs of the Society.

27. 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 loan to another member of the Committee.

Minutes to be signed by all

28. All business discussed or decided including dissent or non-concurrance of any member at meeting of the Committee be recorded in a proceedings book which shall be signed by the President/Chairman of the meeting and all the members of the Committee present.

29. The Committee may appoint from amongst its own members a subcommittee and may delegate to it or any officer of the society such of its own power as it may consider desirable for the better-conduct of society's affairs. The subcommittee or officer, shall in the discharge of the functions entrusted to them, confirm in all respects to these by-laws and to the instructions given by Managing Committee.

XI. SECRETARY AND/OR MANAGER

30. 31. & 32. (a) The Committee of the society shall specify which of the officers of a society shall :

(i) Keep the books of accounts ;

(ii) Keep other books and registers ;

(iii) Prepare returns and statements ; and

(iv) Keep cause or the cash to be kept.

Provided that a person charged with the keeping of accounts shall not, if the Committee of a cooperative Society has not specified the officers required to be

specified in Rule 48 sub-rule (1) not withstanding anything contained in the bye-laws of the society, the following officer shall be responsible for keeping accounts, record etc. indicated against each namely.

(b) President

He shall keep or cause the cash to be kept as per direction of the committee from time to time.

(c) 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, whosever 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.

(d) Cash

Cash balance in hand shall always remain in the hands of the treasurer or with any officer appointed by committee.

(e) 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 those 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.

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

The minimum paid staff with a working capital of annual transaction of Rs. 5 lacs or above shall be :

(i) One Secretary or Manager.

(ii) One Accountant, and

(iii) One Cashier.

REGISTERS

33. The following registers and papers shall be maintained and shall be open to the 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 :—

(a) 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 bye-laws 16 ;

(b) a cash book showing the income, expenditure and balance on each day on which business is done ;

(c) a ledger account for each member depositor, creditor, and for miscellaneous and contingent income and expenditure ;

(d) a register showing the maximum credit of each member ;

(e) an account showing monthly instalments of share and deposits ;

(f) a minute book ;

(g) register showing the monthly instalments for payments of loans ;

(h) a book of bonds for all loans issued ;

(i) a passbook for each member and deposit ; or

(ii) 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 ;

(k) any other register prescribed by the registrar.

34. Copies of the bye-laws 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 officers of the society to take hold and keep in safe custody all the registers in bye-law 33 and other papers in use of the society.

COMPULSORY DEPOSITS

36. (1) Every member shall subscribe to deposit for specific objects.

(2) Such deposits shall be governed by rules to be framed by the society subject to the approval of the General Meeting of the society.

(3) With the sanction of the Committee, a member be exempted from the obligation to deposit for any period during which his circumstances do not permit of such payments.

37. Cash loans shall not be made to any person other than a member of full age. No loans shall be made to a member within a month of his admission but this does not apply to

the transfer of existing loan of a past member to his nominee or other successor in whose interest he is admitted as a member of the society; All applications for loans shall be submitted to the Secretary with a clear and true statement of the purposes for which they are required, and they shall be dealt with by the Committee at their next meeting according to their direction.

The borrower shall execute a bond and shall furnish surety or sureties as laid down in bye-law 46.

All sureties must be from members of the society and must have furnished the declaration required in bye-law 26 (23). No loans shall be made to a member whose instalments of share are in arrears or who is presistent defaulter.

38. All loans shall be granted within the maximum credit limit of a member at discretion of the Committee. Such loans shall not exceed 70% of the value of the property mortgaged to the society. In addition 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 restrictions or conditions that may be imposed by the Assistant Registrar or Deputy Registrar from time to time.

39. Loans shall be payable in equated monthly instalments spread over 12 years. The Committee may suspend repayments of any instalments for one or more months on sufficient cause being shown and may thereby extend the time of total payment by a period not exceeding 14 years.

40. The property given by a borrowing member surety shall remain under first mortgage with the society till the borrower pays of the whole dues.

Such mortgages shall always be in addition to personal sureties who must be members of the society, Provided that

the amounts 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 mortage.

41. Flat 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 accounts.

42. If the Committee finds that the security for an outstanding loan has become insufficient or that the borrower's material position weakened, they shall call on the borrower to provide satisfactory security and in default shall call 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 commitment as surety shall not exceed an additional amount equal to his maximum credit limit. Unavailed portion of a 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 a surety has been correspondingly decreased.

Permanent sureties may be taken subject to rules and regulations approved by the Registrar, but the provisions 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 bye-law, may be exceeded at the discretion of the Committee in the case where collateral security is also taken.

44. Interest on loans to members shall be charged at rates 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 bye-law 21 (i) ;

45. All documents creating a charge or obligation on the society shall be signed by the President or Vice-President and 2 other members of the Managing Committee appointed for the purpose provided that in the case of receipts and cheques up to Rs. 200/- and receipt for deposits and repayments of loans, the President or Secretary 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 or transfer by sale or otherwise any property including plot and houses to any person except to its own members. No member shall be allotted by sale or otherwise more than one flat by the society.

47. No member shall be permitted to transfer, sell or mortgage his flat to any person other than the members of the society or the society itself, "Provided that a member may subject to the condition of lease, mortgage his interest in the flat for the purpose of raising loan for the construction of a flat to the Life Insurance Corporation of India, Schedule Bank or Financial Institution recognised by the Government of Delhi State."

48. The plans of all buildings constructed by the society with an advance from the society or financial institution must first be passed by the Managing Committee. The Committee shall pay due attention to principles of sanitation and hygiene. This is in addition to any principal or other bye-laws in force which shall be observed.

49. The accounts of the society shall be audited at least once a year by an Auditor appointed by Registrar. The Society shall pay such Audit fee as may from time to time be fixed by the Registrar, Cooperative Societies, Delhi.

DISTRIBUTION OF PROFITS

50. The following shall be the first charges on profits :—

(a) any losses undergone by the society.

(b) necessary deduction for depreciation of machinery, building, furniture, fitting etc.,

(c) all insurance charges ;

(d) all payments of salaries, provident fund and working expenses :

(e) interest on debentures, loans deposit etc ;

(f) contributions to audit fee as may be fixed from time to time by the Registrar.

51. 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) Dividend on shares may be paid not exceeding 6 percent per annum.

(3) The remaining amount, if any, may be allotted to any or all of the purposes detailed below or may be carried over ;

(i) bad debt fund ;

(ii) rebate on goods purchased by the members ;

(iii) common good fund according to section 41 of the Act ;

(iv) dividend equalisation fund ;

(v) share transfer fund ;

(vi) any other funds required for the business of the society ;

52. If no dividend be claimed for a period of three years from the date of 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 Reserve Fund.

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

54. No bonus, in addition to the dividend shall be distributed to member on shares.

55. No dividend shall be paid while any claim due from the society to a depositor or creditor remains unsatisfied. 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 General Body.

56. Allocation, distribution of profit shall be made only after the annual audit.

57. 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.

58. 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 member or past member or between members or past member or persons so claiming and any officer, agent, 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 cooperative Societies Act and the rules framed there under.

GENERAL

59. All matters not specially provided for, are to be decided in accordance with the Co-operative Societies Act and the Rules notified thereunder.

60. The Managing Committee with the approval of the General Meeting may frame rules of business not inconsistent with the Cooperative Societies Act, the Rules and these bye-laws for carrying on the work of the society and may make additions or alterations in them from time to time.

LIQUIDATION

61. The society shall be wound up and dissolved only by order of the Registrar under section 63 of the Cooperative Societies Act.

After all the liabilities including the paid up share capital have been met, the surplus assets will not be divided among the members but shall be devoted to any object of public utility determined by the General Meeting of the Society approved by the Registrar, or they may in consultation with them either be assigned by the Registrar in whole or in part to any or all of the following ;—

(a) An object of public utility of local interest ;

(b) A charitable purpose as defined in Section (2) of the Charitable Endowment Act ;

(c) Or may be placed on deposit with any Nationalised Bank until such time as a new society with similiar conditions is registered when, with the consent of the Registrar, such surplus may be credited to the Reserve Fund of such new society.

ANNEXURE

Regulations relating to the flats leased out/alloted by the Co-operative Group Housing Society to its members :—

1. The flats will be allotted by the society to its members who fulfil the prescribed conditions and agree to abide by these regulations.

2. The flats will be alloted by the society to its members by draw of lots except the four founders members who will have a choice of one flat and a garage for each one of them.

3. Each allottee will be required to execute an agreement with the society and the Government as may by found necessary before entering in the flat alloted to him/her.

4. No allottee shall at any time or do any act which may be harmful to the building or the Estate of the Society.

5. No allottee shall make any alteration in or addition to the flat alloted to him/her without the approval of the Committee in writing and subject to the Municipal by-laws.

6. Each allottee 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 allottee fails to pay the premium in time, it shall be paid by the society, which will be debited to the account of the allottee concerned and shall be recovered from him/her in accordance with the provisions of Delhi Cooperative Act, 1972 as applicable to the Union Territory of Delhi, the rules made thereunder and the bye-laws of society.

7. Each allottee shall pay ground rent as may be fixed by the General Meeting of the Society or by Government in addition to the contributions levied for the maintenance of the estate of society.

... be responsible for the internal repairs of the flat alloted to him/her. The outer white washing and other minor repairs is the responsibility of the society.

9. Each allottee shall permit the society and all authorised persons and workmen to enter upon the flat to examine its condition from time to time.

10. No allottee 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 allottee shall be allowed to transfer his/her 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 allottee 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 allottee differs in accordance with the terms of lease, the society shall have right to forfeit his/her right over the flat allotted to him/her without any refund and to get the flat vacated immediately.

14. If the society fails to recover the ground rent from any of the allottees concerned in accordance of the terms of lease, the society shall have the right to forfeit his/her rights over the flat allotted to him/her without any refund and to get the flat vacated immediately.

15. Each allottee shall always abide by the rules and regulations and other instructions issued by the Registrar Cooperative Societies, Delhi or the Government on this behalf from time to time.

16. The four founder members and the Executive Committee shall have the full rights to decide about all disputes/ transactions of flats and allied matters and their decision will be final. The decisions will be within the frame work of the existing rules and regulations issued by the Registrar, Cooperative Societies.

17. 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.

MAURYA COOPERATIVE GROUP HOUSING SOCIETY LTD.

For Maurya Group Housing Society Ltd.

President/ V. President/ Treasurer/ Secretary

Regn. No. 553(GH)