BYE-LAWS

of

THE JAMSHEDPUR CO-OPER. HOUSE BUILDING SOCIETY, LTD.



REGISTERED UNDER THE B & O CO-OP, SOCIETIES

Act (VI of 1935)
Registration No. 8-SB. of 1950

Price: Rs. 11-50

Jamshedpur Co-operative House Building Society, Ltd

BYE-LAWS

INTRODUCTION

The annexed bye-laws are result of protracted labour is a little over 3 years, from 1946 to 1949. In view of the special conditions of land tenure in Jamshedpur and its environs, and in order to make it possible for all categories of income groups to participate, the constitution of the Society is particularly of a Multi Purpose type It envisage the following systems as may be decided by the Society, from time to time, depending upon the terms of acquirement and other factors then prevailing:

- (a) Co-partnership Tenancy: Here the land and the tenement remain the property of the Society; and the member, his successor or assigns gets the permanent right of tenantship and enjoys the privilege as that of a landlord co-partner in a joint enterprise.
- Tenant Ownership: Under this system, the land remains the property of the Housing Society and the ownership of the tenement rests with the member, his successor or assigns; after the building loan is cleared.
- Hire Purchase system: Here the title for both the land and the tenement is passed on to the member after payment of the building loan subject to a minimum of 10 years.
- (d) Cash Loans: For building purposes on member's own sites.

Detailed rules under these different systems, have been printed as a separate booklet and is priced - Rs. 11.50/- each.

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BYE-LAWS

OF THE

Jamshedpur

Co-operative House Building Society, Ltd.

PRELIMINARY

The name of the Society which is registered under Bihar and Orissa Co-operative Societies Act (VI OF 1935) shall be the Jamshedpur Co-operative House Building Society Ltd, and its registered office shall be at Jamshedpur. In the event of any change in the address, notice of the same shall be given to the Registrar of Co-operative Societies, Bihar, to the Financing Banks, if any, and to the Bihar Co-operative Federation within 15 days of such change.

2. The area of operation shall be confined to Jamshedpur and its immediate vicinity within a radius of ten miles.

OBJECTS

3. The objects of the Society shall be

 to buy or acquire land by purchase (either direct or through Government), mortgage, lease. exchange, gift or otherwise;

b) to lay out land to suit the requirements of the Society in the shape of roads, parks, playgrounds, schools, hospitals, water works, markets, post offices, and other social amenities, etc.

c) to lay out land as house sites, for the benefit of the members of the Society;

d) to construct or cause to be constructed buildings or other works of common utility through the Society:

e) to build or allow to be build by plot-holders themselves individually residential houses or other buildings with sanitary, electrical and water connections:

- c) by deposits from members and with previous approval of Registrar. Co-operative Societies, from non-members also.
- d) by donations;
- e) by contributions towards the cost of houses and land, maintenance of roads, water supply, lighting, and sanitation in the colonies formed by the Society;
- f) by subscriptions towards social, medical, recreative and educational institutions in the colonies formed by the Society;
- g) by contribution from municipal committee or charitable and philanthropic institutions fro the construction and maintenance of roads, parks, schools, hospitals or other public institutions.
- (ii) Provided that the total amount under (b) and (c) shall not at any time exceed fifteen times the paid upshare money plus the reserve fund.
- The Society may invest or deposit its funds:
 - a) in a Government Savings Bank; or
 - b) in any of the securities specified in Section (20) of the Indian Trusts Act, 1882 (2 of 1882); or
 - c) with the general or special sanction of the Registrar of Co-operative Societies, Bihar, and on such conditions as he may impose—
 - (i) in the shares or on the security of any other registered society; or
 - (ii) with any bank or person carrying on the business of banking approved for this purpose by the Registrar;
- d) in any other mode permitted by the Rules.

MEMBERSHIP

6. Every person who has signed the application for registration and every person accepted subsequently by the committee shall be members, provided that-(a) his age

is eighteen years or more; (b) he is a resident of the area of operation as mentioned in bye-law 2 hereof. (c) he is not paid employee of the Society or of an affiliating Society (d) he is not of unsound mind; (e) he has not applied to be adjudged a bankrupt or an insolvent or is not at uncertificated bankrupt or is not an undischarged insolven, (f) he has not been sentenced for any offence other than an offence of a political character or an offence not involving moral delinquency, such sentence not having been reversed or the offence pardoned. This disqualification shall not however, apply where more than five years have elapsed from the date of the expiration of such sentence; (g) he is not a member of another Co-operative House Building Society working in the same area unless the Registrar has approved of his membership in this Society;

All Registered Co-operative Societies, the Tata Iron & Steel Co. Ltd, and other Associated Companies in the area of jurisdiction shall be eligible for admission as a member. But no individual or institution can claim admission as a matter of right. Every member shall pay Re 1/- on applying for admission and in return he shall receive a copy of the bye-law. In cases where the membership is refused, the

entrance fee shall be returned to the applicants.

7. Every application for admission must be made in writing and signed by the applicant and shall be considered by the Committee at its first meeting after the application is received or so soon thereafter as is practicable.

8. Every member must hold at least one share in the

Society.

A member shall cease to be a member if he subsequently incurs any of the disqualifications specified in bye-law 6 except specification (b) thereof in the case of plot holder member. A person all of whose shares have been transferred, repaid, forfeited or cancelled shall cease to be a member.

10. The Committee may after open investigation, fine. suspend or expel a member -

for any serious breach of the bye-laws and rules

of the Society;

be

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b) for being in default to the Society after due notice has been given and/or

for any conduct which is considered by the Committee to be improper or is calculated to bring it into disrepute or is otherwise detrimental to the interests of the Society.

All cases of fine, suspension and/or expulsion shall be is reported to the next general meeting for confirmation. An appeal against the decision of the General Meeting shall lie with the Registrar whose decision shall be final and conclusive.

el Note:(1) The following factors will be considered as improper conduct under Sub clause (c) above :-

Wilfully eiving the Society by false statements?

(ii) becoming bankrupt or legally disabled

(iii) being convicted of an offence involving

moral turpitude;

(iv) gravely misusing the dwelling rented by him from the Society or habitually acted in it in a disgraceful manner which has caused serious offence to his neighbour; or

(v) wilfully disobeying any decision of the Committee or any properly appointed officer

of the Society.

The Committee shall give a member 15 days' written

notice of the proposal to expel him.

To a member so expelled, shall be refunded the (3) amount (less a deduction therefrom of 5%) received by the Society in respect of the shares held by him on the date of the resolution of his expulsion.

Re-admission of expelled member — No expelled (4) member shall be re-admitted as a member of the

Society within a period of two years from the date of his expulsion. But after the said period, he may be readmitted by a vote of two-thirds of the member present and voting at any general meeting on a motion of which notice has been given. Provided that at expelled member may be re-admitted as a member it the Registrar has, in special circumstances, sanctioned re-admission of an expelled member within the aforesaid period of two years after giving the Society at opportunity of being heard.

- In the event of a plot holder member ceasing to be 11. member of the Society in pursuance of the provision of bye-law Nos 9 & 10, it shall be lawful for the Societies to enter upon the premises demised into him or an part thereof in the name of the whole and thereupol the lease or the sub-lease granted by the Society to the member shall stand terminated or at the discretion of the Society it may, by three calendar months notice writing terminate the lease and on the expiration of such notice, the lease shall forthwith be determined In the event of the lease being determined by the Society entering upon the demised premises or by the aforesaid notice, the Society shall pay to the erstwhile member the value of his interest in the property (excluding the site thereof) at the date of such entry or such notice (such value to b- determined by a value) to be appointed by the Committee of Manage ment after deducting there-from 5% of the amount of valuation and any monies then due to the Society.
- 12. (1) The liability of a member for the debts of the Society shall be limited to the face value of the shares.
 - (2) The liability of a past member or the estate of deceased member for the debts of the Society as they existed on the date of his ceasing to be a member or of. his decease, as the case may

be, shall continue for a period of two years from such date.

TRANSMISSION OF INTEREST

- (1) How nomination is to be made: A member may, by a writing under his hand, deposited with the Society during his life-time or by a statement made in any book kept threat, nominate any person to whom his share or interest in the Society or so much thereof, as is specified in such nomination shall be transferred at his decease or the moneys or so much thereof as is specified in such nomination shall be paid.
- (2) How it is revoked or varied: A nomination so made may be revoked or varied by any similar writing or statement under the hand of that nominator, deposited or made as aforesaid.
- (3) Fee on Nonfination or Revocation: A nomination made at the time of applying for membership, shall be recorded free of charge. But for the recording of every nomination subsequently made or of a revocation or variation a fee of Rupee One shall be paid.

PROCEEDINGS ON THE DEATH OF A MEMBER

(1) If nomination made : --- On receiving satisfactory proof of the death of a member, the Society may transfer the share or interest of the member in the capital of the Society and in the plot of land held by him from the Society and in the buildings standing thereon, to the person nominated in accordance with the rules made in this behalf or if there is on person so nominated, to such person as may appear to the Committee to be the heir or legal representative, or to pay such a sum representing the value of such nominator's share or interest as ascertained in accordance with the rules or bye-laws after deducting all sums due to the Society from the nominator. Provided that the Society shall transfer the share or interest of the nominator to such nominee, heir or legal representative, as the case may be, being accordance qualified in

on his application within one month of the death of the nominator to any person specified in the application who is a qualified.

provided further that where there are more than on nominee heir or legal representative, one of them may be admitted as a member and the nomination may indicate the name of the nominee whom he desires to be admitted as member.

The question as to who should be the member exercising the rights of membership, shall be decided amon themselves by the nominees (in the absence of any indication by the nominator) heirs or legal representative as the case may be and their decision shall be communicated to the Managing Committee. In case they fall to do so with reasonable time, the matter shall be decided by the Managing Committee. An appeal shall rest with the Registrar of Comperative Societies whose decision shall be final.

(ii) The Society may pay all other moneys due to the nominator from the Society, to such nominee, her or legal representative as the case may be.

(iii) All transfers and payments made by the Society in accordance with the bye-laws shall be valid and effectual against any demand made upon the Society by any other person.

(iv) In case where the nominee, heir or legal representative is a minor on the date of nomination by a member, the member shall have option of appointing a guardian at the same time or at a later date to act on behalf of the minor. The nominato member shall state in the nominating the date of birth of the minor. The member shall also have the option of revoking or varying the appointment of guardianship.

SHARES

15. The authorised share capital of the Society shal

for the present, be Rs. 25,00,000/- made up of 25,000/- shares of Rs. 100/- each and shall be held entirely by members of the Society.

(1) The full amount of all the share money shall be Payable on allotment or by such instalments as may, from time to time, be fixed by the Committee.

(2) Failure to pay calls: If a member fails to pay the amount of any call on a share within 30 days after notice thereon, the Committee may forfeit the share. A forfeited share shall become the property of the Society.

No individual member other than a Registered Society shall hold more than one fifth of the total share capital or ten shares whichever is less in value.

(1) Any share held by a member of the Society may, subject to bye-law 16, be sold to any other member, provided that no such sale may take place without the previous sanction of the Committee, who shall have full discretion in granting or with holding such sanctic. Transfers may be in the from approved by the Committee.

(2) Registration of shares: Until the transfer of a share is registered, no right shall be acquired against the Society by the transferee, nor shall any claim of the Society upon the transfereer, be affected.

(3) Without prejudice to Bye-law 12, any member may bs permitted to surrender his shares in the Society if any provided:

(a) he has given valid reasons which are accepted by the Committee of Management;

(b) he has completely discharged his liabilities to the Society, if any;

(c) he does not hold a plot of land from the Society (in which case he should hold the minimum number of shares required in accordance with the bye- laws or regulations made for the same).

(d) he has held shares in the Society for a period of

- not less than one year from the date of allotment and has given at least three months notice of withdrawal;
- (4) A member may also be permitted to surrender his share/s to the Society, on his ceasing to be qualified under Bye-law 6, subject of course, to the conditions laid down in Bye-law 17 (3) (a) (b) &(c).
- 18. The Committee shall keep a share register in which there shall be entered the name, occupation and address of the member to whom each share was originally allotted and of each successive holder of the share with the date of sanction of transfer under bye-law 17 and when the share is repaid, forfeited or cancelled, the date of such repayment, forfeiture or cancellation.
- 19. Upon each transfer of any share or shares, there shall be paid to the Society such fee not exceeding Re. 1/- as the General Body may fix from time to time.

RECOVERY OF DEBTS DUE TO THE SOCIETY

- 20. The Society shall have the first charge upon the share or interest in the capital and one the deposits of a member or past member and upon any dividend, bonus or profits payable to a member or past member in respect of any debt due from such member or past member to the Society and may set off any sum credited or payable to a member or past member in or towards payment of such debts.
- 21. Set off in respect of Shares or interest of member. If the debt of any member or past member shall at any time be equal to or exceed the amount credited or payable to such member or past member, the Committee may, if they so decide under special circumstances, serve a notice upon such member or past member requiring him to pay the sum within 14 days from the service of such notice at a place or-places to be named in the notice. If the requirements of such notice are not complied with, the Committee may set off the shares. Interest, deposits, dividend

bonus or profits of such member or past member and any dividend and interest declared but not paid, shall upon thus being declared by the Committee as set off, become the property of the Society The Secretary or Manager shall, within seven days of the date of the meeting at which any set off is declared, give notice of such set off to the member or past member concerned whose share or interest, deposits, dividends, bonus or profit are set off. The Committee may, at any time, within two calendar months from the date of the meeting at which any set off shall have been declared, upon cause shown which they shall deem sufficient, annul the set off and re-instate the member or past member in the possession of his set off rights.

- 22. Liability of a member after share or interest has been set off: If, after any rights of a member or past member have been set off as stated in bye-law 21 and the amount paid or credited thereon and the dividend, if any, has been credited to the Society, there shall remain any sum due from such member or past member to the Society, the member or past member shall be liable to pay such balance as debt due to the Society and the committee may take such steps as they deem necessary to enforce payment thereof.
- 23. For the purpose of enforcing the lien of the Society, the Committee may instead of forfeiting the forfeited rights under bye-law 21, sell such forfeited rights or any of them in such manner as they shall think fit, but no sale shall be made until such time as the moneys are presently due and until a demand and notice in writing stating the amount due and demanding payment and giving a notice of intention to sell in default of payment, shall have been sent by registered post to the registered address of such member or past member or the person (if any) entitled by transmission of the forfeited rights and default in pay ment, shall have been made by him or them for seven days after such notice.
- 24. Upon any sale for enforcing a lien in purported exercise of the powers herein before given, the Committee

may cause the purchaser's name to be entered in the register in respect of the forfeited rights sold and the purchaser shall not be bound to see to the regularity of the proceeding or the application of the purchase money, and after his name has been entered in the register in respect of such forfeited rights, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale, shall be in damage only and against the Society exclusively

25. The net proceeds of any sale shall be applied toward the satisfaction of the amount due to the Society and the residue (if any) paid to the member or past member

LOANS

- 26. (a) Subject to bye-law No. 4, the Committee may from time to time, obtain advances of monsy for the purposes of the Society from any person whether a member of the Society or not with or without security upon such terms & conditions as the may think fit at such rates of interest as may be fixed by the General Body from time to time.
 - (b) A separate register shall be kept of all mortgages and charges on any land of the Society.
- 27. Any bond of the Society may be made a specific charge upon any lands of the Society specified therein or any schedule annexed thereto.

REPAYMENT OF LOAN AND DEPOSITS

- 28. Subject to the payment of or a sufficient provision for all subsisting claims on the Society, the Committee may from time to time, apply any moneys which, in their opinion, they cannot profitably invest for the purposes of the business of the Society or the benefit of the members in repaying loans and deposits.
- 29. When a member ceases to be a tenant, or ceases to be a member under Bye-laws 10 & II, the Committee

shall have the right at any time to pay off the amount paid on his shares, after deducting the amount due by him to the Society, but in the event of the Committee being unwilling to exercise this right, the holder shall have the power of transferring them, subject to bye-laws 16 and 17.

- 30. The Secretary or Manager shall give to the holder notice of the resolution of the Committee determining to repay the amount paid upon any such holder (less such deduction as aforesaid) and shall state in such notice the time and place when and at which such repayment will be made, and thereupon the holding in respect of which such notice is given, shall be extinguished. The holder shall not be entitled to any dividend or interest on moneys credited on such share after the date for repayment mentioned in such notice.
- Any amount expended in the repayment of any shares, shall not exceed any sum placed at the disposal of the Committee, from time to time, for that purpose by the General Meeting of the Society and shall be regularly stated in the accounts of the Society.

GENERAL MEETING

- The supreme authority in all matters relating to the administration of the Society shall be General Body of the members who shall meet from time to time and at least once a year to conduct the work of the Society.
- 33. The General Meeting shall be of the three kinds:
 - (a) Annual or Ordinary
 - (b) Extraordinary
 - (c) Special
- The Managing Committee shall, within six month of the close of the Co-operative year, convene an Annual General Meeting at which all items of business as prescribed in this bye-law shall be transacted provided that if the Audit Report is not ready, the consideration of it by the General Meeting and disposal of proceeds shall be held

- over till an extraordinary General Meeting is convened for the said purpose or till the next Annual General Meeting.
- An Extra ordinary General Meeting may be convened at any time by the Managing Committee or on the requisition of V 3rd of the members of the Society and in the letter case, the Managing Committee shall call the Extraordinary General Meeting within a month from the date of receipt of requisition.
- A Special General Meeting shall be called at the written request of the Registrar, Co-operative Societies or the person authorised by him and it shall be incumbent on the Managing Committee and the Secretary to convene Special General Meeting within 21 days of the receipt of the order of the Registrar or the person authorised by him.
- Notice of General Meetings mentioning the place, date and hour of the Meeting and the business to be transacted thereat shall be given to all members at least 10 clear days before the date on which the meetings are to be held. No meeting shall be invalid by reason of the fact that any member or members did not receive the notice; but reasonable care shall always be taken by the Secretary of the Society to give notice to all members.
- 38. Every member shall have only one vote irrespective of the number of shares held by him. The Chairman of the meeting shall have a casting vote in addition to his ordinary vote.
- members, whichever is less shall form a quorum. If within an hour of the time appointed for the meeting, the quorum is not present, the meeting shall stand adjourned to a date not earlier than seven days and not later than 21 days as may be decided at the meeting. Provided that if the meeting has been called on a requisition under bye-law No. 35, it shall, in the absence of quorum within an hour of the appainted time stand dissolved No quroum shall be necessary for an adjourned meeting. All questions before the General Meeting shall

be decided by majority of votes and in the event of equality of votes the Chairman of the meeting shall have the casting vote.

- 40. The Chairman of the meeting may, with the consent of the meeting, adjourn any meeting from time to time but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- The President of the Society shall preside at every General Meeting. In his absence the Vice-President shall preside and in the absence of both of them, the members present shall choose one of them to be the Chairman of the meeting.
- hands or by ballot when the Registrar so directs on his own motion on the application filed by the Society. The Chairman of the meeting shall be the sole judge of the validity of every vote tendered alsuch meeting and no objection can be taken to his ruling.
- 43. The functions of an Ordinary General Meeting Shall be:-
 - (a) to receive and consider the Report of the Committee of Management of the working of the Society for the preceding year.
 - (b) to receive and consider the audited accounts of the Society for the previous year, and to declare the rate of dividend for year under review.
 - (c) to elect for the ensuing year members to serve on the Committee of Management.
 - (d) to elect, if necessary, for the ensuing year an internal auditor or auditors of the Society who shall not be members of the Managing Committee and to fix up their remuneration.
 - (e) to sanction the budget of expenditure for the ensuing year.

(f) to consider any amendment or repeal of any existing bye-laws of which due notice had been given.

(g) to hear and consider appeals against the decision

of the Committee of Management.

(h) to fix the rate of interest to be paid on advances of money obtained by the Society under bye-law 26(a).

(i) to transact any other business that may be brought

up.

- 44. (a) No resolution can be brought at a general meeting disturbing the election of the Office-Bearers with in 6 month of the date of such election.
 - (b) No resolution can be brought in a general meeting for cancelling a previous resolution of the general body unless six (6) clear months have expired after the passing of the original resolution.

COMMITTEE OF MANAGEMENT

45. Subject to such resolutions as the General Body may from time to time pass, the executive management of the Society shall vest in a Committee of Management. The said Committee of Management shall consist of 12 members of whom.

i) The President and 4 other members will be nominated by the Tata Iron & Steel Co. Ltd-, every

year;

(ii) One member shall be nominated by the Registrar of Co-operative Society, every year;

(iii) and the remaining 6 members shall be elected from among the share-holder members of the Society; Provided that no person shall be eligible for election to the Managing Committee, if:-

(1) he is in default to the Society in respect of any loan taken by him for such period as is prescribed in the bye-laws or in any case for a period exceeding three months or is in default to the Society in respect of

any other dues or is in default to any other registered society on the date of the election : or

- (2) he has, directly or indirectly, any interest in any subsisting contract made with the Society or in any property sold or purchased by the Society or in any other transaction of the Society, except in any investment made in or any loan taken from the Society;
- (3) any proceeding for surcharge or an enquiry relating to any transaction of the Society is pending against him.
- 46. A member of the committee of management shall cease to hold office, if-
 - (1) he cease to be a member of the Society, or
 - (2) he incurs any of the disqualifications mentioned in bye-laws Nos. 6 & 45.
- 47. At each Annual General Meeting of the Society, all the elected members of the Committee of Management shall retire, but they will be eligible for re-election.
- Members of the Committee shall continue in office after the expiry of their term of office, until by election another Committee is constituted.
- 19. Nominations for election of members on the Committee of Management must be in writing and received at the registered office of the Society not less than 72 hours before such annual general meeting. Every nomination must state clearly the full name, address, and occupation of every member nominated and b signed by member nominated signifying his willingness to accept the nomination.
- 50. A casual vacancy on the Committee may be filled up by the Committee and the member so appointed shall hold office for the unexpired period of office of the member whose place he fills.

- office at any time by a resolution carried by two-thirds of the votes given thereon at an extraordinary general meeting which may thereupon proceed to fill his place by a resolution carried by a majority of the votes given thereon.
- 52. Soon after every Annual General Meeting, the Committee of Management shall elect, from among themselves, a Vice-President.
- month or oftener if necessary to conduct the affairs of the Society. Fifty percent of the members of the Committee shall form a quorum. All questions before the Committee shall be decided by a majority of votes. Should there be an equality of votes, the President or other presiding member shall have a casting vote. No member of the Managing Committee shall be present at a meeting of the Committee of Management when any matter in which he is personally interested is being discussed.
- 54. Should a member of Managing Committee absent himself from four consecutive meetings of the Committee, he shall cease to be a member of the Committee but may be re-instated by the Committee
- 55. The Committee of Management may appoint a Secretary from amongst themselves as they may deem it necessary.
- 56. Subject to such resolutions as the Committee may pass from time to time, the several officers of the Society shall have the powers mentioned below:—
 - (a) The President shall have a general control over all the affairs of the Society.
 - (b) The Vice-President shall exercise all the powers of the President when the latter is absent.
 - (c) (i) All documents creating a charge or obligation

on the Society shall be signed by the President and the Secretary, if any, and if there is no Secretary, by the President and one member or in the absence of the President by three members of the Committee of Management.

- (ii) The Secretary or Manager and President and one of the elected members jointly shall sign cheques or pay orders of any value as the Committee may by resolution fix.
- (iii) All receipts for deposits and loans shall be signed by the President or Secretary or by the Manager if he is specially authorised in this behalf.
- (iv) The Manager can sign cheques and pay orders upto such amount as the Committee may, by fesolution fix.
- (d) The duties of the Secretary shall be as under:
- (i) He shall summon and attend all meeting of the Society and of the Committee and of any Sub committee.
- (ii) He shall be responsible for the executive administration of the Society, subject to the control of the President. He shall exercise such powers as may be delegated to him by the Committee from time to time.
- Without prejudice to the foregoing, the duties of Committee of Management shall be :-
 - (a) to accept new members:
 - (b) to raise funds subject to the provisions of these bye-laws;
 - (c) to check the accounts and to examine the registers and account books and to take steps for the recovery of sums due to this Society.

- (d) to sanction the working expenses, count the cash balance and to see that the cash book is written up promptly and duly signed by the Secretary or Manager.
- (e) to hear and deal with complaints;
- (f) to enter into all contracts for the Society and settle the terms thereof.
- (g) to make, revoke, and alter from time to time and at all times enforce such regulations, terms and conditions relating to the tenants of the Society and the property of the Society and the letting (including restrictions as to subletting) and sale thereof (including making and guaranteeing advances to members) as the Committee may think fit, provided that all such regulations thereof, or addition thereto, shall be previously approved in writing by the Registrar and shall not be acted on until so approved.
- (h) to compromise and settle or contest either in a court of law or by arbitration any suit, debt, liability or claim by or against the Society.
- (i) to convene all meetings of the Society according to the bye-laws;
- (j) If to appoint, suspend, remove or discharge all salaried officials, including solicitors, managers, architects, surveyors, accountants, agents, servants and employees of every descriptions and fix up their duties and remuneration and require them to give security to the approval of the Committee;
- (k) to deal with applications for loans and to determine the security to be taken;
- (1) to deal with applications for renting of houses;
- (m) to let out, lease or otherwise dispose of plots, lands and other holdings to members;

(n) to appoint a Sub-Committee or Sub-Committees consisting of such members of their body or otherwise, as they may think fit or and delegate any of their powers to such sub-committee or sub committees as may be deemed necessary and to revoke such delegation, if necessary, and

(0) to do all such acts and things as are incidental to or which the Committee may think conducive to

the attainment of the objects of the Society.

MINUTES

The proceedings of the Committee of Management or any meeting of Sub-Committee shall be recorded in a Minute Book to be kept for the purpose and shall be signed by all members including the Chairman of the meeting. In case of every resolution, on an item of business involving a money transaction, the voting of each member present whether for or against the resolution shall be recorded. It shall be open to inspection by all members.

PURCHASE OF LAND AND CONSTRUCTION OF HOUSES

Subject to such resolutions as the General Body of members may from time to time pass, the Committee of Management shall have full powers to do all things which they deem necessary or expedient for the accomplishment of ail the objects specified in bye-law 3, including power to purchase, hold, sell, exchange, rent, lease, sub lease, surrender and accept surrenders of land or houses and to construct houses.

PURCHASE AND ALLOTMENT OF LAND AND HOUSE SITES

60. It shall be competent for the Committee of Managements:-

- (a) to buy lands either from or through Government
- (b) to render the lands so purchased fit for habitation (c) to lay down streets, roads and to parcel out the
- (d) to sell or lease or otherwise dispose of land houses, house sites, buildings and all other properties, movable or immovable, as they may
- (e) to provide and maintain facilities for water supply drainage, lighting and similar works of common utility,
- The lands acquired by the Society shall be laid out by 61. the Committee of Management in consultation with local Town Planning Authority reserving portions for public purpose it necessary, Plots shall be allotted by the Committee. No member shall be allotted more than one plot. No. plot shall be allotted to a member if he has already a plot in the area of jurisdiction within radius of 10 (ten) miles from any other source (even in he has got such a plot in the name of his wife/husband father/son. Further no plot will be allotted unless he fulfils the following conditions (a) & (b)
 - (a) he has to his credit the requisite numbers of fully paid shares according to the nature of the house proposed to be constructed by him, and
 - (b) he authorises the Society to construct the house on his behalf or agrees to construct the houses himself as per plan approved by the Managing Committee.

Provided that a member holding a plot of land from another source within the aforesaid area may be provisionally allotted a plot of land by the Society on the member giving an undertaking to the Society to the effect that he shall dispose of the holding within a period of one year. The provisional allotment in favour of such a member

heall be cancelled on his failure to satisfy the Managing Committee within one year of the provisional allotment that he has disposed of the holding.

<u>AUDIT AND DISTRIBUTION OF PROFITS</u>

- The Statutory Audit of the Society will be done in accordance with the Bihar and orissa Co-operative Societies Act (VI of 1935) and the rules framed there under.
- In addition to the Statutory Audit, the accounts of the Society shall be audited by the internal auditor or auditors of the Society if such internal auditor or auditors are appointed in accordance with bye-law No. 43 (d).
- The business year of the Society shall close on the 30th June of every year. After statutory Audit, the net profits of the year shall be disposed of as follows:
 - (1) 35% (percent) or such other percentage as may be prescribed under the B. & O. Co-op. Societies Act or Rules framed thereunder shall go to the Reserve Fund.
 - (b) 10% (percent) of the balance shall go to a bad and doubtful debt fund;
 - (c) 10% (percent) of the balance shall be placed to the credit of a common good fund for the benefit of the Society;
 - (d) Bonus. if any to be sanctioned by the General Meeting to the employees of the Society subject to one month's pay; if a higher bonus is to be given, previous sanction of the Register, Co-operative Societies, will be necessary.
 - (e) Payment of dividends to the share-holder not exceeding 6 percent on the paid up share money. Such dividends shall be paid to the registered holder of such shares according to the books of the Society.

on the last day of the year concerned on shares which have been held for over six months, and (f) the balance, if any, shall be carried over. The dividends not drawn within one year from the Note: date of declaration, shall be placed to the credit of the member in his Provident Deposit Account RESERVE FUND (1) The Reserve Fund shall consist of:-65. 35% of the net profit or such other percentage (a) as may be prescribed under the B. & O. Cooperative Societeis Act or Rules framed thereunder annually placed in the fund under byelaw No. 64 (a). any other sums allocated to it out of profit (b) or otherwise; entrance fees after deducting, of the (c) preliminary expenses incurred in constituting the Society; the value of the shares forfeited to the Society; and (e) lapsed dividends. (2) The Reserve Fund shall belong to the Society and It shall be indivisible amongst the members. ordinarily be invested in Government Securities, Post Office Savings Bank, Bihar Provincial Co-operative Bank, or in any other manner as may be laid down by the Registrar of Co-operative Societies, Bihar. (3) the Reserve Fund shall be available for any or the (a) to cover any losses arising from any pro unforeseen circumstances, such drawings rogu upon it being reimbursed to the fund from the Eve accruing profit in the subsequent year,

- (b) to meet any call on the Society which cannot be met otherwise, such payments being reimbursed to the fund when fresh collections are made, and
- (c) to serve as security for any loans which the Society may have to contract.
- In the case of dissolution of the Society, the Reserve Fund shall be applied to such purposes as may be determined with the approval of the Registrar of Co-operative Societies. Bihar, by a majority of members at a special meeting convened for the purpose.

ALTERATION OF BYE-LAWS

- No bye-law shall be made, altered or abrogated unless
- (a) proposal to do so has been communicated to all members ten days beforehand;
- (b) the resolution is passed by not less than two-thirds of the members, present and voting at the General Meeting; and
- (c) the making, alteration or abrogation is approved and registered by the registrar.
- The Registrar of Co-operative Societies may cause any special amendment to be registered under powers conferred on him as per Section 26 of the Bihar & Orissa Co-operative Societies Act (VI of 1935).

GENERAL

Interest due on arrears: A member in arrear after thirty days from the date of demand shall pay interest at the rate of 6.25% on the amount overdue from him in cases where the rate of interest has not been provided in the respective subleases, agreements and regulations.

Every member shall be taken to have due notice of every meeting, resolution, or other matter of which notice

is required by the rules or the bye-laws of the Society to given, if the same is made known by posting or sending notice to the registered address of such member.

- allowed to inspect his own account at all reasonab hours at the registered Office of the Society or at a place where the same is kept subject to surregulations as to the time and manner of surinspection as may be made from time to time by the Committee.
- 70. The seal of the Society: The Society shall have common seal which shall be in the custody of the secretary or Manager.
- 71. The Society shall be affiliated to the Bihar Conservative Federation Ltd, Patna.
- 72. The Society shall be wound up, with the approval the Registrar of Co-operative Societies, if three fourth of the members present at a General Meeting, specially convened for the purpose, vote for it and in accordance with the provisions of the Bihar and Orissa Co-operative Societies Act (VI of 1935).
- 73. All matter, not specially provided for, shall be decide according to the provisions of the Bihar and Oriss Co-operative Societies Act (VI of 1935) and the Rule framed under Section 66 of that Act.