

By Regd./Speed Post

F.No. L-11015/148/2011-L&M
Ministry of Agriculture
Department of Agriculture & Cooperation
(L & M Section)

OFFICE OF THE CENTRAL REGISTRAR OF COOPERATIVE SOCIETIES

Krishi Bhavan, New Delhi.

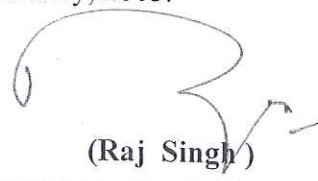
**CERTIFICATE OF REGISTRATION
OF
AMENDMENT**

In pursuance of the provisions of the Multi State Cooperative Societies Act, 2002, amendment to bye-law no. 9 of “ **Humara India Credit Cooperative Society Limited, Mangal Jyoti, 101, 227/2, AJC Bose Road, Kolkata-700020, West Bengal** ” is registered under section 11 of the Multi State Cooperative Societies Act, 2002 (39 of 2002).

All other provisions as are not provided for herein shall be decided according to terms of MSCS Act, 2002 and the rules made there under.

Given under my hand and seal this the 16th day of January, 2015.





(Raj Singh)
Joint Secretary to the Government of India
&
Central Registrar of Cooperative Societies

To,
Chairman
Humara India Credit Cooperative Society Limited,
Mangal Jyoti, 101, 227/2, AJC Bose Road, Kolkata-700020, West Bengal

HUMARA INDIA CREDIT CO-OPERATIVE SOCIETY LIMITED

Mangal Jyoti, 101, 227/2 AJC Bose Road, Kolkata, West Bengal-700020

Email Id: hiccsl.coop@gmail.com (Regd. No. - MSCS/CR/594/2012)

PROPOSED AMENDMENT TO BE SHOWN IN THE BYE-LAWS OF THE SOCIETY

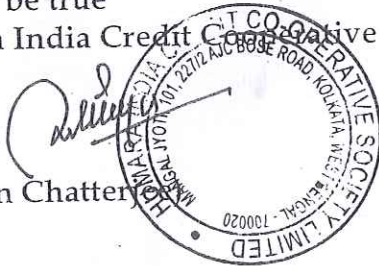
1. Clause No.9 - Share Capital

(1) The Authorized Share Capital of the 'Society' shall be Rs.250,00,00,000 divided into 25,00,00,000 shares of Rs. 10/- each.

Certified to be true

For Humara India Credit Co-operative Society Limited

(Neel Ratan Chatterjee)
Chairman



By Regd./Speed Post

F.No. L-11015/148/2011-L&M
Government of India
Ministry of Agriculture
Department of Agriculture & Co-operation

OFFICE OF THE CENTRAL REGISTRAR OF COOPERATIVE SOCIETIES

Krishi Bhavan, New Delhi

CERTIFICATE OF REGISTRATION

In pursuance of the provisions of the Multi State Cooperative Societies Act, 2002, a Society by the name of **Humara India Credit Co-operative Society Ltd., Flat No. 3 E, Baikunth Apartment, 114 NSC Bose Road, Kolkata, West Bengal-700040** has been registered as a Multi State Co-operative Society under section 7 of Multi State Co-operative Societies Act, 2002. (39 of 2002) and the rules framed there under. The Registration Number of the Society is **MSCS/CR/594/2012**. The area of operation of the Society shall be confined to the **States of Assam, Bihar, Jharkhand, Mizoram, Odisha, Sikkim, Tripura, Uttar Pradesh, Uttarakhand, West Bengal, Delhi, Chandigarh, Haryana, Himachal Pradesh & Punjab.**

The Bye-laws filed by the Society have also been registered.

Given under my hand and seal this the **30th** day of July, 2012.



(Rajendra Kumar Tiwari)
Joint Secretary to the Government of India
&
Central Registrar of Cooperative Societies.

To

The Chief Promoter
(Shri Ajit Sharma)
Humara India Credit Co-operative Society Ltd.,
Flat No. 3 E, Baikunth Apartment,
114 NSC Bose Road,
Kolkata-700040
West Bengal

10. The Registrar of Co-operative Societies
Government of West Bengal
New Sectt. Building,
4th Floor, Kiran Sankar Roy Road,
Kolkata -700001.
11. The Registrar of Co-operative Societies
National Capital Territory of Delhi
Parliament Street,
New Delhi-1
12. The Registrar of Co-operative Societies.
Union Territory of Chandigarh
Sector-09, Chandigarh.
13. The Registrar of Co-operative Societies,
Government of Haryana.
30-Bays Building, Sector-17,
Chandigarh-160017.
14. The Registrar of Co-operative Societies,
Government of Himachal Pradesh,
25, SDA Complex, Sekhar Bhawan,
Kasumpti,
Shimla-171 009 (Himachal Pradesh).
15. The Registrar of Co-operative Societies,
Government of Punjab
17-Bays Building, Sector 17,
Chandigarh-160017.
16. Office Copy/Guard file.

**PROPOSED BYE – LAWS OF
HUMARA INDIA CREDIT CO-OPERATIVE SOCIETY LIMITED (HICCSL)
Flat No.3E Baikunth Appartment, 114 NSC Bose Road. Kolkata-700040.**

CHAPTER I

PRELIMINARY

1. NAME OF THE SOCIETY

The name of the society shall be **HUMARA INDIA CREDIT CO-OPERATIVE SOCIETY LIMITED (HICCSL)** and the same shall be referred to here-in-after as 'Society'.

2. PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

The principal place of business and registered office of the 'Society' shall be at **Flat No.3E Baikunth Appartment, 114 NSC Bose Road. Kolkata, (W.B)**. Any change in the address of registered office of the 'Society' shall be intimated to the Central Registrar within 15 days of it's change and shall be made by an amendment of it's bye-laws after following the provisions of Sec. 11 of the Multi State Co-operative Societies Act, 2002 and procedures laid down in Rule 8 of the Multi State Co-operative Societies Rules, 2002.

3. AREA OF OPERATION:

The area of operation of the 'Society' shall be confined to the States of Assam, Bihar, Jharkhand, Mizoram, Orissa, Sikkim, Tripura, Uttar Pradesh, Uttarakhand, West Bengal, Delhi, Chandigarh U.T., Haryana, Himachal Pradesh, Punjab.

4. DEFINITIONS:

In these bye-laws, unless the context otherwise requires,-

- (1) '**Act**' means the Multi-State Co-operative Societies Act, 2002 as amended time to time;
- (2) '**Area of Operation**' means the area from where the persons are admitted as members of the 'Society';
- (3) '**Board**' means the board of directors of the 'Society', constituted as per it's bye-laws;



- (4) **'Bye-laws'** means the bye-laws of the 'Society' for the time being in force which have been duly registered or deemed to have been registered under the Act and includes amendments thereto which have been duly registered or deemed to have been registered under the Act;
- (5) **'Central Registrar'** means the Central Registrar of Co-operative Societies appointed under the provisions of Multi-State Co-operative Societies Act, 2002;
- (6) **'Chief Executive'** means the Chief Executive of the 'Society' appointed under Section 51 of the Act;
- (7) **'Committee'** means the Committee and Sub - Committee of the 'Society' formed in accordance with the provisions of the bye-laws and provisions of section 53 of the Act;
- (8) **'Co-operative Bank'** means a Cooperative Society undertaking banking business;
- (9) **'Co-operative Society'** means a Society registered or deemed to be registered under any law relating to co-operative societies for the time being in force in any State or Union Territory;
- (10) **'Defaulter'** means a member who has defaulted in payment of any kind of dues payable to the 'Society' as provided in these bye-laws;
- (11) **'Delegate'** means a person who is duly appointed, nominated or by a Member Society elected in accordance with its bye-laws as its representatives to the General Body of the 'Society';
- (12) **'General Body'** means all the members of the 'Society';
- (13) **'General Meeting'** means a meeting of the general body of the 'Society' and includes Special general meeting;
- (14) **'Member'** means a person joining in the application for the registration of the 'Society' and includes a person admitted to membership after the registration of the 'Society' in accordance with provisions of the Act, Rules and Bye-laws;
- (15) **'Multi State Co-operative Society'** means a Society registered or deemed to be Registered under the Multi-State Co-operative Societies Act, 2002;
- (16) **'Nominal Member'** means a person who has been admitted as a nominal or associate member under the bye-laws of the 'Society';
- (17) **'Officer'** means President, Vice-President, Chairperson, Vice-chairperson, Managing Director, Secretary, Manager, Treasurer, Liquidator, Member of the board, Administrator appointed under Section 123 and includes any person empowered under the Act or the rules or the bye-laws to give directions in regard to the business of the 'Society'.
- (18) **'Rules'** means the Multi-State Co-operative Societies Rules, 2002 as amended time to time;
- (19) **'Society'** means Humara India Credit Co-operative Society Limited (HICCSL);



(20) 'Year' means the year ending on 31st March of the year;

(21) 'Words and expressions defined in the Act and Rules and used but not defined in these bye-laws shall have the meaning respectively assigned to them in the Act and Rules respectively.

5. OBJECTS AND FUNCTIONS OF THE 'SOCIETY'

(A) Main Objects

To promote and protect the interests of all its members to attain their social and overall economic betterment through self help and mutual aid in accordance with co-operative principles specified in the first schedule of the Act.

(B) Other Objects and Functions

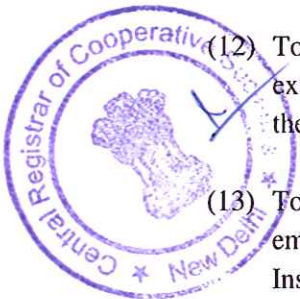
In furtherance of the main object, the society may undertake any or all the following objects, functions and activities:-



- (1) To develop the membership and issue shares to its regular members;
- (2) To accept the deposits, raise loans, receive grants and issue non-convertible debentures ~~or other instruments subject to the provisions of any law for the time being in force and~~ restrictions provided in the section 67 of the Act;
- (3) To make loans, advances and credit facilities to its members ~~& other co-operative institutions~~ and invest the surplus funds subject to the provisions of sections 66 of the Act;
- (4) To promote the saving habits of the members of the 'Society' and facilitate the members for collection of their savings;
- (5) To provide, manage, arrange, facilitate and avail necessary and appropriate education, information and trainings to the members and their family members, members of Board of Directors and the employees of the 'Society' with regards to Co-operative movement and principles, activities of the 'Society', social and economic betterment, development of skills and education;
- (6) To undertake welfare activities for the members and employees of the 'Society' for the promotion of their moral, education and betterment of their health;



- (7) To organize, conduct or participate in shows, exhibitions and fairs to promote the business of the 'Society', co-operative movement for economic betterment and development of skills;
- (8) To promote or operate recreations, sports, entertainments and games activities for the members and the employees of the 'Society';
- (9) To bargain jointly for and to supply, provide, arrange various services to society's members, employees and their family members at competitive and reasonable prices;
- (10) To open various offices, branches, centres, counters and satellite centres of the 'Society' as may be necessary for the furtherance of the objectives, for the information of members and employees of the 'Society' and for the marketing of all type of products in the local and International market;
- (11) To raise loans, advances, subsidies, financial assistance of any kind from all or any of financial institutions including State/National Co-operative Societies and Banks;
- (12) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, and other negotiable or transferable instrument for the business & purposes of the 'Society';
- (13) To bargain jointly and provide insurance covers and facilities to the members and employees of the 'society' at competitive & reasonable premiums and to do the Insurance business as a corporate agent;
- (14) To promote one or more subsidiary institutions registered under any law for the time being in force for the furtherance of the objects and incidental thereto;
- (15) To undertake consultancy work for the promotion of co-operative sector and for guidance of members of various co-operative societies;
- (16) To do all such other acts and things which are incidental and conducive to the promotion or advancement of the objects and business of the 'Society'.



6. SERVICES TO BE PROVIDED TO ITS MEMBERS

- (1) To accept thrift deposits from Members;
- (2) To provide loans to Members;
- (3) To provide necessary information, education and training to members;
- (4) To provide welfare activities for the Members and their families;
- (5) To provide other services as per objects of the 'Society'.

7. EDUCATIONAL COURSES FOR MEMBERS

The 'Society' shall organize or participate in co-operative educational programmes, refresher courses, conferences and seminar for its members, directors and employees and sufficient funds in this regard shall be earmarked as per provisions of the Act and requirement.

CHAPTER II

SHARE CAPITAL, RESERVE AND SURPLUS

8 CAPITAL AND FUNDS

The 'Society' may receive and raise funds from any or all of the following sources:-

- (1) Admission fees;
- (2) Share Capital;
- (3) Subscriptions;
- (4) Deposits;
- (5) Loans including Cash Credits and Overdrafts from financial Institutions;
- (6) Non-convertible bonds;
- (7) Grants- in- aid, donations and subsidies;
- (8) Contributions;
- (9) Profit.



9. SHARE CAPITAL

- (1) The Authorized Share Capital of the 'Society' shall be Rs.50,00,00,000 divided in to 1,00,00,000 shares of Rs.50/- each;
- (2) Each regular member shall subscribe minimum 1 (One) number of share and full value shall be paid at the time of application;
- (3) Value of shares shall be paid in full at one time and Share Certificates shall be issued on realization of the full value subscribed for;
- (4) No member other than the authorities referred to in clauses (c) to (g) of sub section (1) of section 25 of the Act, shall hold more than 1/5th of the total share capital of the 'Society';
- (5) The 'Society' at its General Meeting, may from time to time, increase the authorized share capital by creation of new shares of such number and amount as may be deemed expedient with the prior approval of the Central Registrar.

10. RESERVE FUNDS

- (1) In addition to sum prescribed under the Act, Rules and these Bye-laws, all admission fees, entrance fees, nominal membership fees, amount of forfeited shares/ unclaimed dividends and donations, if any, shall be carried to the Reserve Fund;
- (2) The Reserve Fund to meet unforeseen losses, shall be available by resolution of the General Body Meeting to cover deficiencies which may arise from unforeseen losses;
- (3) Any loss occurring as the net result of the year's working shall be recovered from the profits of the next ensuing year or years subject to clause (2) above.

CHAPTER III

MEMBERSHIP

11. MEMBERSHIP

The 'Society' shall have following categories of members:-

- (1) Regular Member
- (2) Nominal member



12. REGULAR MEMBER

- (1) Any person, competent to make contract under Sec. 11 of the Indian Contract Act, 1872 who resides or is gainfully engaged in any occupation within the area of operation of the 'Society' and genuinely needs the services provided by the 'Society' and whose interest does not conflict with the interest of the 'Society' and who is not prohibited by any provision of the Act and Rules, can become the regular member of 'Society';
- (2) Any multi – state co-operative society or any co-operative society;
- (3) No person shall exercise rights of membership unless he has made such payments to the 'Society' in respect of membership or acquired such interest in the 'Society' or has defaulted as per these Bye-laws;
- (4) Every person shall have to pay an admission fee of Rs. 10/- only;
- (5) No person shall be eligible for admission as a member, if he/she;
 - (a) Has not attained the age of 18 years;
 - (b) Has been adjudged by a competent court to be an insolvent or an un discharged insolvent;
 - (c) Has been sentenced for any offence, other than offence of a political character or an offence not involving moral turpitude and dishonesty and a period of five years has not elapsed from the date of expiry of the sentence.

13. CONDITIONS FOR REGULAR MEMBERSHIP

A person will be enrolled as regular member upon fulfilling the following conditions:

- a) Application is made in writing in the prescribed form;
- b) Admission fee of Rs.10/- is paid and acquired at least one share;
- c) Fulfilled all other conditions laid down in the Act, rules and these bye-laws;
- d) The Board of Directors of the 'Society' approves the application to admit as a member.

14. NOMINAL MEMBER

The 'Society' in the interest of promotion of the business of the 'Society', may admit a person as nominal member on payment of fee of Rs 5/- provided that such member will not be entitled to subscribe the share capital of the 'Society' and will not be allowed to have any interest in the management of the 'Society' including right to vote, contest election as director of the board or participate in the general body meetings of the 'Society'. The application for a nominal member may be accepted by any officer of the 'Society' authorised by the Chief Executive of the 'Society'.



15. APPLICATION FOR MEMBERSHIP AND ITS DISPOSAL

- (1) The application for regular membership of the 'Society' shall be submitted by the applicant to Chief Executive of the 'Society' in the prescribed form and at least face value of one share along with admission fee of Rs. 10/- shall be deposited by the applicant at the time of submission of application;
- (2) The application for regular membership of the 'Society' found complete in all respect, shall be disposed off within the period of four months from the date of receipt of the application by the 'Society'. If there is refusal, the same shall be communicated to the applicant within fifteen days from such decision. If the decision is not taken within 4 months or the decision taken is not communicated within 15 days, it is deemed to have been accepted by the 'Society'.

16. TRANSFER OF SHARES

- (1) A member may transfer his/her share/s after holding them for not less than one year to any another member subject to approval of the Board of Directors on compliance of such terms and conditions as may be prescribed by the Board of Directors;
- (2) The transfer of share of a member in the capital of the 'Society' shall be subject to such conditions as to maximum holding of transferee-member as specified in these bye-laws;
- (3) A member may, with the approval of the Board of Directors, transfer his/her share or shares to another member or to a non-member who is eligible for membership of the society. A transfer fee of Rs. 1/- per share subject to minimum of Rs. 10/-, shall be payable to the 'Society' for each such transfer;
- (4) The transfer shall not be complete until the name of the transferee has been duly entered in the register of share holders;
- (5) No such transfer shall be registered and approved by the Board of Directors within 30 days prior to the date of the Annual General Meeting.

17. DISQUALIFICATION FOR A MEMBER

No person shall be eligible to become or continue as a member of the 'Society' if -

- (1) Such member's business is in conflict or competitive with the business of the 'Society'; or
- (2) Such member has made any default in payment of any outstanding amount payable to the 'Society' including contributions and subscriptions if any, as per terms and conditions imposed by the Board of the 'Society' and has not made the payment even after receiving 15 days notice; or



- (3) Such member has not attended three consecutive general meetings of the 'Society' and such absence has not been condoned by the members in the general meeting of the 'Society'; or
- (4) Such member has used for two consecutive years the services below the minimum level specified in the Bye-law 18(e).

18. CONDITIONS FOR CONTINUATION OF MEMBERSHIP

- a) Membership of every member of the 'Society' shall remain continued till his resignation, death, withdrawal or cancellation or expulsion or transfer of shares;
- b) Membership of every member shall be continued only on holding full amount of shares as prescribed in these bye-laws;
- c) Membership of a member shall be ceased if any amount due from such member has not been paid by him/her within a period of one year from the due date and such amount has not been paid on receipt of notice for the payment of dues within 15 days of the notice;
- d) If a member incurs any disqualification as stated above, he shall be deemed to have been ceased to be a member of the 'Society' from date of incurring such disqualification.
- e) A member shall be disqualified if such member fails to have a minimum annual transaction of Rs.1,000/- for two consecutive years.

19. RIGHTS OF A MEMBER

Every regular member of the society shall have the following rights:-

- (1) Every such member shall have one vote in the General Body Meetings of the 'Society' but no member shall be permitted to vote by proxy;

Provided that a multi-state co-operative society or a co-operative society or any other institution or organization which is a member of the 'Society' may appoint its representative by a resolution passed by its Board to attend the General Body Meeting and vote on its behalf in the affairs of the 'Society';

- (2) Right to receive notice of General Body Meetings as per bye-laws of the 'Society';
- (3) Right to attend and take active part in the proceedings of the General Body Meeting;
- (4) To take part in the elections and contest for any post as per provision of the Act, Rules and bye-laws of the 'Society';



- (5) Inspect bye-laws, member registers, books of accounts or any other record and obtain certified copies of the resolutions or documents on a payment of fee as may be prescribed by the board.

20. VOTES OF MEMBERS AND MANNER OF VOTING

- (1) Every member of the 'Society' shall have one vote in the affairs of the 'Society';
(2) In case of equality of votes the Chairperson shall have the casting vote;

21. WITHDRAWAL OF A MEMBER

- (1) After a period of one year of its membership a member can withdraw his/her shares with the approval of the Board by giving at least 3 months notice of withdrawal and his/her share amount and deposits may be refunded after adjusting his/her dues to the 'Society';
(2) The withdrawal notice should be in writing of a member addressed to the Chief Executive and such withdrawal shall take effect from the date of acceptance by the Board;
(3) However, during any year, the aggregate withdrawal shall not exceed 10% of the total paid-up share capital as on 31st March of the preceding year;
(4) In case of death of a member his/ her membership shall cease ipso-facto;
(5) A member who withdraws the membership will not be allowed to become a member for a period of two years from the date of his/her withdrawal unless he/she repays the amount withdrawn by him/her from the 'Society'.

22. EXPULSION OF A MEMBER

- (1) The 'Society' may by a resolution passed by a majority of not less two third of the members present and voting at a general meeting held for the purpose, expel a member for his/her acts which are detrimental to the proper working of the 'Society', provided that the member concerned shall not be expelled unless he/she has been given a reasonable opportunity of making representation in the matter;
(2) On expulsion from the 'Society' in accordance with the provisions of the Act, Rules and these bye-laws, that person will cease to be a member and such expulsion may involve forfeiture of shares at the sole discretion of the 'Society';
(3) No member of the 'Society' who has been expelled, shall be eligible for re-admission as a member of the 'Society' for a period of one year from the date of such expulsion.



23. CESSATION OF MEMBERSHIP

The membership of a member of the 'Society' shall cease in case of:

- (1) Withdrawal of member duly approved by the Board of Directors;
- (2) Cancellation of registration of the member- society;
- (3) Transfer of all his/her shares to another member of the 'Society';
- (4) Redemption of Shares;
- (5) Expulsion of member by the general body;
- (6) On death;
- (7) Incurring any of the disqualifications for the membership as provided in the Act, Rules and bye-laws.

24. SHARE CERTIFICATE

- (1) Every person admitted as an regular member of the 'Society' shall be entitled to receive a Share Certificate stating the number of share/s and their distinctive number/numbers and the value thereof. The Chairman or Chief Executive or any Director or other Officer of the 'Society' duly authorized by Chairman or Chief Executive shall sign the Share certificates. The Share Certificates shall bear the seal of the 'Society'.
- (2) If any certificate is worn out, defaced, mutilated, destroyed or lost, new Share Certificate/s shall be issued in lieu thereof on payment of a fee as prescribed by the Board per Share Certificate upon the delivery of the original if worn out or defaced or mutilated, upon production of proper security and indemnity to the satisfaction of the Board in case of destroyed or lost and upon such terms and conditions as the Board of Directors may think fit.

25. NOMINATION

- (1) A member may nominate maximum two persons to receive member's share capital and interest in the 'Society' after his/her death on a predefined ratio. Nomination shall be made in a form prescribed by the board and the name of the nominee shall be entered in the register kept by the 'Society' for this purpose. Prior approval of the Board shall be necessary if the person to be nominated is an employee of the 'Society' on the date of nomination;



- (2) A member may, at any time, revoke or change such nominations after due intimation in writing to the 'Society' along with payment of a fee as prescribed by the Board of Directors for such each amendment in nomination.

26. TRANSFER OF INTEREST ON DEATH OF MEMBER

- (1) On the death of a member, the 'Society' shall transfer the share/s of the deceased member to the person nominated in accordance with the bye-laws made in this behalf and if there is no person nominated, to such person as may appear to the board to be the heir or legal representative of the deceased member, after setting off all the dues of the deceased member on execution of an appropriate deed of indemnity in the favour of the 'Society';
- (2) The 'Society' shall, unless within six months of the death of the member prevented by an order of a competent court, pay to such nominee, heir or legal representative, as the case may be, all moneys due to the deceased member from the 'Society';
- (3) All transfers and payments made by the 'Society' in accordance with the provisions of section 36 shall be valid and effectual against any demand made upon the 'Society' by any other person.

27. LIABILITY OF A MEMBER

The liability of a member shall be limited to the share capital subscribed by such member.

28. LIABILITY OF A PAST MEMBER AND ESTATE OF A DECEASED MEMBER

- (1) The estate of a deceased member shall be liable for past member's liabilities & the debts due to the 'Society' as they existed-
 - (a) in the case of past member, on the date on which he/she ceased to be a member and shall continue for a period of two years from such date;
 - (b) in the case of deceased member, on the date of his/her death and shall continue for a period of two years from such date;
- (2) However, where the 'Society' is ordered to be wound up under section 86 of the Act, the liability of a past member who ceased to be a member or of the estate of a deceased member who died within two years immediately preceding date of the order of winding up, shall continue until the entire liquidation proceedings are completed but such liability shall extend only to the debts towards the 'Society' as they existed on cessation of membership or death, as the case may be.



29. LIEN ON SHARES, DIVIDENDS AND DEPOSITS

The 'Society' shall have the first and paramount lien upon all the shares, dividends and deposits of any member or past member for all the moneys due from him/her to the 'Society'. The 'Society' may set off any sum credited by or payable to the member or past member against payment of any liability of such member or past-member.

CHAPTER IV

GENERAL BODY

30. GENERAL BODY

- (1) The General Body of the 'Society' shall consist of all the regular members of the 'Society';
- (2) Subject to the provisions of the Act, Rules and these Bye-Laws, the ultimate authority of the 'Society' shall vest in the General Body.

31. ANNUAL GENERAL MEETING OF THE GENERAL BODY

- (1) The Board of the 'Society' shall within six months after the close of the corresponding year, call the Annual General Meeting at the principal place of the 'Society' for the purpose of-
 - (a) consideration of the audited statement of accounts;
 - (b) consideration of the audit report and annual report;
 - (c) consideration of audit compliance report;
 - (d) disposal of net profits;
 - (e) review of operational deficit, if any;
 - (f) creation of specific reserves and other funds;
 - (g) approval of the annual budget;
 - (h) review of actual utilisation of reserve and other funds;
 - (i) approval of the long-term perspective plan and the annual operational plan;
 - (j) review of annual report and accounts of subsidiary institution, if any;
 - (k) expulsion of members;
 - (l) consider the list of employees who are relatives of members of the board or of the Chief Executive.;



- (m) amendment of bye-laws, if any;
- (n) formulation of code of conduct for the members of the board, officers and employees;
- (o) election of members of the board, if any;
- (p) appointment of auditors and to fix their remunerations;
- (q) any other matter laid before the general body with the permission of the Chairman.

- (2) At every Annual General meeting of the 'Society', the board shall lay before the general body a statement showing the details of the loans or goods on credit, if any, given to any of the members of the board or to the spouse or a son or daughter of a member of the board during the preceding year or outstanding against him/her or against such spouse or son or daughter of the member of the board.

32. SPECIAL GENERAL BODY MEETING

The Chief Executive may, at any time, on the direction of the Board, call a Special General Meeting of the 'Society' and shall also call such meeting within one month on receipt of a requisition in writing from the Central Registrar or 1/5th of total number of members of the 'Society' to transact the business as stated in the notice of the meeting.

33. INTERIM BOARD AND GENERAL BODY MEETING FOR THE FIRST ELECTION

The first general meeting of the 'Society' shall be held within Six months from the date of registration of the 'Society' by the promoter-members for the election of the Board of Directors. The interim board selected by the promoter members for the registration of the 'Society' shall hold office till the regular board is elected by the first general meeting.

34. NOTICE FOR ANNUAL GENERAL MEETING AND THE SPECIAL GENERAL MEETING

- (1) In case of Annual General Meeting, at least fourteen days written notice shall be given to members indicating the time, date and place of the meeting along with agenda for the meeting;
- (2) In case of Special General Meeting, at least seven days written notice shall be given to members indicating the time, date and place of the meeting along with agenda for the meeting;



- (3) The notice of the Annual General Meeting shall be accompanied by a copy of each of the audited balance sheet, profit & loss account and the report of the Board of Directors thereon, the auditor's report relating to the preceding year, notice of election for the Board of Directors if any and the proposed amendments to the bye-laws, if any;
- (4) The Notice of Annual General Meeting shall be sent to the members by any of the following modes, namely:-
- (i) By local delivery; or
 - (ii) Under Postal Certificate; and
 - (iii) By publication in newspaper having wide circulation and
 - (iv) By affixation on the Notice Board of the Society and its branches.

In addition to the above, the notice may also be sent by electronic modes such as SMS, E-mail etc.

35. QUORUM OF THE GENERAL BODY MEETINGS

- (1) The quorum for a General Body Meeting of the society shall be 1/5 (one fifth) of the total number of members or 50 whichever is less;
- (2) No business shall be transacted at any General Meeting unless there is a quorum at the time when the business of the meeting is due to Commence;
- (3) If within half an hour from the time appointed for the meeting, quorum is not present, the meeting shall stand adjourned;
- (4) If at any time during the meeting sufficient numbers of members are not present, to form the quorum, the meeting shall be adjourned;
- (5) Where a meeting is adjourned as per sub-clause (3) and (4) above the adjourned meeting shall be held either on the same day or on such date, time and place decided by the Chairperson or the member presiding over the meeting, but within seven days from the date of the adjourned meeting;
- (6) No business shall be transacted at adjourned meeting other than the business on agenda of the original meeting;
- (7) The adjourned meeting will transact its regular business even without the quorum being present at the meeting.



36. CHAIRPERSON OF THE GENERAL BODY MEETING

The Chairman of the 'Society' shall preside over General Body Meeting and the Vice-Chairman will preside over General Body Meeting in absence of the Chairman. However, if both the Chairman and Vice-Chairman are absent, the members of the Board of Directors shall elect one of the members to preside the general body meeting.

37. VOTING IN GENERAL MEETING

- (1) All resolutions which are put to vote at the general meeting shall be decided by a majority of the members present and voting shall be done by show of hands unless 1/5th of the members so present demand poll. In case of demand of poll is accepted, that resolution shall be decided by polling;
- (2) In the event of an equality of votes, the Chairperson of the meeting shall have a second or casting vote.

38. PROCEDURE FOR CONDUCT OF ELECTION

- (1) The election of members of the board shall be conducted by a returning officer appointed by the board in its meeting. The returning officer so appointed shall not be a member or an employee of the 'Society';
- (2) The election of the members of the board shall be conducted by secret ballot in the manner as specified in the schedule to the Rules.

39. MINUTES OF THE GENERAL BODY MEETINGS

Minutes of the general body meetings shall be entered in a minute book kept for the purpose within thirty days of the conclusion of the meeting and shall be signed by the Chief Executive and the Chairperson of the Meeting. The minutes so signed, shall be conclusive evidence of the correct proceedings of that meeting.

40. AMENDMENT TO BYE-LAWS

The amendment to the bye-laws of the 'Society' shall only be passed by a resolution of two third majority of members present provided not less than 15 clear days' notice for the consideration of such amendment has been previously given to members. Such amendment shall be effective after registration by the Central Registrar.



CHAPTER V

BOARD OF DIRECTORS

41. BOARD OF DIRECTORS

- (1) The affairs of the 'Society' shall be managed by the Board of Directors consisting of 12 members in addition to the Chief Executive.

Provided further that the board may co-opt two directors in addition to the maximum number of directors specified as above.

- (2) All the Directors except the Chief Executive and co-opted members shall be elected by the members in the General Body Meeting;
- (3) An elected Director shall hold office for a period of five years from the date of election;
- (4) If as a result of vacancies in the Board of Directors of the 'Society', the minimum membership in the Board falls below the limit specified in clause 41(1) of the bye-laws, the vacancies shall be filled by duly conducted election as per rule 19 of the Multi State Co-operative Societies rules, 2002.

42. POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS

- (1) The Board of Directors may exercise all such powers and functions as may be necessary or expedient for the purpose of carrying out the business and activities for the fulfillment of objects of the 'Society';
- (2) Without prejudice to the generality of foregoing powers, such powers shall include the powers –
 - (a) to admit members;
 - (b) to interpret the organisational objectives and set up specific goals to be achieved towards these objectives;
 - (c) to make periodic appraisal of operations;
 - (d) to appoint, suspend or remove the Chief Executive and such other employees of the 'Society' as are not required to be appointed by the Chief Executive;
 - (e) to make provisions for regulating the appointment of employees of the 'Society' and the scales of pay, allowances and other conditions of service of including disciplinary action against such employees;
 - (f) to place the annual report, annual financial statements, annual plan and budget for the approval of the general body;
 - (g) to consider audit and compliance report and place the same before the general body;



- (h) to acquire or dispose off immovable property;
- (i) to review membership in other co-operatives;
- (j) to approve annual and supplementary budget;
- (k) to raise funds;
- (l) to sanction loans to the members; and
- (m) to take such other measures or to do such other acts as may be prescribed or required under this Act or the bye-laws or as may be delegated by the general body;
- (n) to determine all policy matters of the 'Society' ;
- (o) to enter into all sorts of agreements, execute documents and do or get done compliance of all necessities for the purpose;
- (p) to authorize officers and employees to sign documents and to institute and defend suits and other legal proceedings on behalf of the 'Society';
- (q) to achieve the objectives of the 'Society' and to frame all sorts of schemes and execute the same in accordance with the provisions contained in the Act, the Rules and the 'Bye-laws' of the 'Society' for the betterment and development of the 'Society' and its members.

43. COMMITTEES AND SUB-COMMITTEES OF THE BOARD

- (1) The Board may subject to such condition as may be imposed, constitute an Executive Committee and other Committees or Sub-Committees as may be considered necessary. However, other committees including Sub-Committees other than the Executive Committee shall not exceed three at a given point of time;
- (2) The Executive Committee will consist of Chairman, two Directors and Chief Executive and the Chief Executive will be the member secretary of the Executive Committee;
- (3) The Chief Executive will be the member secretary of all the committees;
- (4) The quorum for the meeting of the committees shall be 1/3 of its total strength or two, whichever is higher.

44. DISQUALIFICATION FOR BEING A MEMBER OF THE BOARD

- (1) No member of the 'Society' shall be eligible for being chosen as, or for being, a member of the board of the 'Society', if such member-
 - (a) has been adjudged by a competent court to be insolvent or of unsound mind;
 - (b) is concerned or participates in the profits of any contract with the 'Society';
 - (c) has been convicted for an offence involving moral turpitude;



(d) holds any office or place of profit under the 'Society'.

Provided that the Chief Executive or such full time employee of the 'Society' as may be notified by the Central Government from time to time or a person elected by the employees of such society to represent them on the board of such society shall be eligible for being chosen as, or for being, a member of such board;

(e) has been a member of the 'Society' for less than twelve months immediately preceding the date of such election or appointment provided that this condition shall not be applicable for a member of interim and first elected board;

(f) has interest in any business of the kind carried on by the 'Society';

(g) has taken loan or goods on credit from the 'Society', or is otherwise indebted to the 'Society' and after the receipt of a notice of default issued to him by the 'Society', has defaulted-

(i) in repayment of such loan or debt or in payment of the price of the goods taken on credit, as the case may be, within the date fixed for such repayment or payment or where such date is extended, which in no case shall exceed six months, within the date so extended, or

(ii) when such loan or debt or the price of goods taken on credit is to be paid in installments, in payment of any installment, and the amount in default or any part thereof has remained unpaid on the expiry of six months from the date of such default:

Provided that a member of the board who has ceased to hold office as such under this clause shall not be eligible, for a period of one year, from the date on which he ceased to hold office, for re-election as a member of the board of the 'Society' or for the election to the board of any other Multi-State Co-operative Society;

(h) is a person against whom any amount due under a decree, decision or order is pending for recovery under this Act;

(i) is retained or employed as a legal practitioner on behalf of or against the 'Society', or on behalf of or against any other multi-state cooperative society which is a member of the 'Society'.

Explanation – For the purposes of this clause, "legal practitioner" has the same meaning as in clause (i) of sub-section (1) of section 2 of the Advocates Act, 1961 (25 of 1961):

(j) has been convicted for any offence under this Act;

(k) is disqualified for being a member under section 29;

(l) has been expelled as a member under section 30;



- (m) absents himself from three consecutive board meetings and such absence has not been condoned to by the Board;
 - (n) absents himself from three consecutive general body meetings and such absence has not been condoned by the members in the general meeting.
- (2) A person shall not be eligible for being elected as member of Board of the 'Society' for a period of five years if the Board of society fails-
- (a) to conduct elections of the Board under section 45; or
 - (b) to call the Annual General Meeting under section 39; or
 - (c) to prepare the financial statement and present the same in the Annual General Meeting.

45. REMOVAL OF THE ELECTED MEMBER OF THE BOARD BY THE GENERAL BODY

An elected member of the Board, who has acted adversely to the interest of the 'Society', may on the basis of a report of the Central Registrar or otherwise be removed, from the Board, upon a resolution of the General Body passed at it's meeting by a majority of not less than 2/3rd of the members present for voting at the said meeting provided that the member concerned shall not be removed unless he has been given a reasonable opportunity of making representation in the matter.

46. MEETINGS OF THE BOARD OF DIRECTORS

- (1) The majority of the members present and voting shall decide any question brought forward for discussion at the meeting of the Board of Directors;
- (2) The proceeding of the meetings of the Board shall be recorded in the minute book to be kept for the purpose;
- (3) The Chief Executive shall convene the meetings of the Board at the instance of the Chairman of the 'Society';
- (4) The Board of Directors shall meet at least once in every quarter;
- (5) The meetings of the Board of Director will normally be held at the registered office of the 'Society' but if circumstances so warrants, the meetings of the Board may be held at any other place as decided by the Board but within the area of operation of the 'Society';
- (6) The meeting of the Board of Directors shall preside over by the Chairman, or in his absence, the Vice-Chairman, and in the absence of both the Chairman and Vice-Chairman, the Directors present in the meeting, shall elect a Chairperson for the meeting amongst themselves;
- (7) Seven days notice shall ordinarily be necessary for the meeting of the Board of Directors;
- (8) The quorum of the Board Meeting shall be 5 Directors.



47. CHAIRMAN AND VICE-CHAIRMAN

There shall be a Chairman and a Vice-Chairman elected by the members of the Board from among themselves. The Chairman and in his absence, the Vice-Chairman shall preside over the meeting of the General Body and the Board of Directors.

The term of the office of the Chairman and Vice-Chairman shall be 5 years, unless Chairman or Vice-Chairman ceases to be Director earlier. In case of any vacancy within this period, the Board shall fill up the vacancy through re-election amongst themselves.

48. POWER AND FUNCTIONS OF THE CHAIRMAN

The Chairman shall have the following powers and functions:

- (1) He/She shall preside over the meeting of the General Body, Board of Directors, Executive Committee and any other Committees in which he/she is the member;
- (2) The Chairman shall sign the proceedings of all the meetings presided over by him/her;
- (3) To convene the meeting of the Board of Directors, Executive Committee and other committees of which he is the Chairman;
- (4) The Chairman may delegate any of his/her powers and functions to the Vice-Chairman;
- (5) Such other function/s as may be specifically delegated by the General Body in matters relating to exigencies in conformity with the provisions of the Act and the Rules framed thereunder.

49. PROHIBITION TO HOLD OFFICE OF CHAIRMAN OR VICE CHAIRMAN IN CERTAIN CASES

- (1) No member of the board shall be eligible to be elected as Chairman or Vice-Chairman of the 'Society' if such member is a minister in the Central or State Government;
- (2) No member of the Board shall be eligible to be elected as Chairman of the 'Society', after he has held office as such during two consecutive terms whether full or part provided that a member who has ceased to hold the office of the Chairman continuously for one full term shall be eligible for election to the office as such.

50. MINUTES OF PROCEEDINGS OF BOARD OF DIRECTORS AND COMMITTEES

The minutes of the meetings of the Board of Directors and Committees shall be recorded within period of 30 days in the minute book kept for the purpose and the pages of which shall be duly numbered. The Chairman of the meeting and the Chief Executive of the 'Society' shall sign the minutes of each such meeting.



CHAPTER VI
ADMINISTRATION AND MANAGEMENT

51. CHIEF EXECUTIVE

- 1) There will be a Chief Executive in the 'Society'. The Chief Executive shall be appointed by the Board of Directors of the 'Society'. The substantial power of the management shall be vested with such Chief Executive and he/she shall be a full time employee of the 'Society';
- 2) The Chief Executive shall also be a member of the Board and of the Executive Committees and such other committees or sub-committees as may be constituted under sub-section (1) of section 53;
- 3) The Chief Executive shall work under the guidance, supervision, control and direction of the Board of Directors of the 'Society'.

52. POWERS AND FUNCTIONS OF THE MANAGING DIRECTOR OR C.E.O.

The Chief Executive shall under the general superintendence, direction and control of the Board, exercise the powers and discharge the functions specified below, namely:

- (1) Day-to-day management of the business of the 'Society';
- (2) Opening and operating the accounts of the 'Society' with banks and be responsible for making arrangements for safe custody of cash ;
- (3) Signing on the documents for and on behalf of 'Society';
- (4) Making arrangements for the proper maintenance of various books and records of the 'Society' and for the correct preparation, timely submission of periodical statements and returns in accordance with the provisions of the Act, the Rules and this Bye-laws;
- (5) Convening meeting of the General Body, Board, Executive committee and other committees or Sub-Committees of the 'Society' and maintaining proper records for such meetings;
- (6) Making appointments for the various posts in the 'Society' as may be approved by the Board of Directors;
- (7) Assisting the Board in the formulation of policies, objectives and planning;



- (8) Furnishing to the Board periodical information necessary for appraising the operations and functions of the 'Society';
- (9) Appoint any person/s to sue or be sued on behalf of the 'Society';
- (10) Present the draft annual report and financial statements for the approval of the Board within 30 days of closure of the financial year;
- (11) Arrange the safe custody of agreements, documents, cash securities, debentures etc;
- (12) Issue receipts for all moneys received in the 'Society' and authorize for all payments to be made;
- (13) Prepare or get prepared the Annual Statements and other returns that may be prescribed by the Act , Rules or Central Registrar;
- (14) Draw accept and endorse all the negotiable instruments including bills of exchange and cheques etc. for or on behalf of the 'Society';
- (15) Sanction expenditure or advance up to a limit prescribed by the Board;
- (16) Performing such other duties, and exercising such other powers, as may be specified and entrusted by these bye-laws and the board of directors of the 'Society';
- (17) Delegate his such powers, functions and responsibilities to his subordinates which are allowed to be delegated by the various provisions of Act, Rules and these Bye-Laws and the decisions or instructions or guidance of Board of Directors. However, such delegation and authorization shall be made in writing only.

53. CASH BALANCE

As per the business needs, the Board shall have the power to decide the cash management and retention limit for each office and to authorise the person who shall be responsible for such cash in hand.

54. COMMON SEAL

The 'Society' shall have a common seal which will remain in the custody of the Chief Executive or any employee of the 'Society' as may be authorized by the board and shall be affixed under the authority as per specific resolution of the Board of Directors.



CHAPTER VII
DEPOSITS AND BORROWINGS



55. BORROWING LIMIT

- (1) The society may receive deposits, raise loans and receive grants from external sources to such extent and under such conditions as may be specified in the bye-laws, *MCS Act, 02. Section 69 of*
PROVIDED that the total amount of deposits and loans received during any financial year

shall not exceed ten times of the sum of subscribed share capital and accumulated reserves.

PROVIDED FURTHER that while calculating the total sum of subscribed share capital and accumulated reserves, the accumulated losses shall be deducted.

- (2) Subject to the provisions of sub-section (1), a society may accept funds or borrow funds for the fulfilment of its objects on such terms and conditions as are mutually contracted upon.
- (3) The society may issue non-convertible debentures or other instruments subject to the provisions of any laws for the time being in force to raise resources for the fulfilment of its objects to the extent of twenty-five per cent of its paid-up share capital.

56. DEPOSITS

Deposits may be received or accepted from the members of the 'Society' as daily, recurring, cumulative deposits and under any other scheme/s subject to the schemes, guidelines, instructions and orders issued by the Board of Directors with reference to rate of interest, quantum, period and other terms & conditions in general and for special cases.



LOANS AND INVESTMENTS

Loans, advances and credit facilities may be granted to members of the 'Society' on security or securities as prescribed or approved by the Board of Directors and shall be granted subject to the schemes, guidelines, instructions and orders issued by the Board of Directors with reference to rate of interest, quantum, period, securities and other terms & conditions in general and for special cases.

58. INVESTMENTS OF FUNDS

- (1) Co-operative Banks;
- (2) Any Bank;
- (3) Securities specified in Section 20 of the India Trusts Act, 1882;
- (4) Shares or securities of any other Co-operative Society;
- (5) Shares, securities or assets of society's subsidiary Institution if any or any other institution;



59. DISPOSAL OF NET PROFIT

- However, such payment shall be paid only out of net profit and in no case, the capital or the reserve shall be distributed or utilised.

60. DIVIDENDS

- (1) The dividend declared shall be paid to the person whose name stands as the registered shareholder for not less than 12 months in the books of the 'Society' on the last day of the year to which the dividend relates;
- (2) Any dividend remaining unclaimed for three years after its declaration and remittance, shall be forfeited and shall be carried to the Reserve Fund of the 'Society';
- (3) Unpaid dividend shall be payable on application of the share holder provided the same has not been forfeited.



CHAPTER X

BOOKS OF ACCOUNTS AND AUDIT

61. ACCOUNTS AND RECORDS

Proper books of accounts and records of the 'Society' shall be maintained in the form and format prescribed or approved by the Board of Directors and by the Act and Rules. Any member of the 'Society' may inspect during office hours any of the registers or records in so far as it relates to his/her own business transactions.

62. AUDIT

- (1) The Accounts of the 'Society' shall be audited by Auditors appointed from the panel of auditors approved by the Central Registrar or from a panel of auditors prepared by the 'Society' at least once in each year and the remuneration of auditors shall be fixed by the Central Registrar or the 'Society', as the case may be, as per the provisions of Section 70 of the Act.
- (2) The appointment of the auditor and his remuneration shall be approved in the General Body Meeting of the 'Society' as per provisions of section 71 of the Act.
- (3) The qualifications/ disqualifications, powers and duties of the auditor shall be as prescribed under section 72 and 73 of the Act.

63. COPY OF BYE-LAWS ETC. TO BE OPEN FOR INSPECTION

The 'Society' shall keep a copy of the rules and its bye- laws and also a list of members open at its registered office for inspection free of charge at all reasonable times.



CHAPTER XI
MISCELLANEOUS

64. PROVIDENT FUND

The 'Society' shall maintain a Contributory Provident Fund for the benefits of its employees in accordance with the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and any other future enactment.

65. SERVICES RULES

The 'Society' shall have Service Rules for regulating the service conditions of its employees as formulated and amended by the Board from time to time.

66. WINDING UP

The Society, if deemed necessary, under provision of section 86 of the Act may be wound up as per the provisions of the Act and rules.

67. ASSOCIATION OF EMPLOYEES IN THE MANAGEMENT DECISION MAKING PROCESS

The 'Society' shall devise such procedure through administrative instructions for the association of employees in the management decision making process.

68. OTHERS

- (1) No act of the General Body or the Board of Directors shall be deemed invalid by reason of any defect in the election of a member thereof or by reason of any vacancy therein.
- (2) If any doubt arises in the interpretation of these bye-laws, the same shall be referred to the Central Registrar for his advice and his decision shall be final.
- (3) The matters which have not been provided for here-in-above shall be dealt with and decided in accordance with the provisions of the Act and Rules.

