

I. PRELIMINARY

1. The name of the society is AIR CORPORATIONS EMPLOYEES' CO-OPERATIVE THRIFT & CREDIT SOCIETY LTD. and its registered address is Air India Ground Support Department Building, IGI Airport, Terminal-2, New Delhi-110037.

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

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

II. OBJECTS

3. The objects of the Society are to promote the economic, social and cultural interest of the members and more particularly to arrange:
 - (i) To create funds to be lent to its members for various purposes.
 - (ii) To undertake Thrift and Credit Business by mobilizing deposits from members.
 - (iii) To own lands and buildings or to take them on lease or rent for the business of the Society.
 - (iv) To undertake welfare activities particularly for the members and employees and their children for the promotion of their moral, education and physical improvements.
 - (v) To undertake other measures designed to encourage in the members' the spirit and practice of thrift, self-help and mutual help.
 - (vi) To do all such things as are incidental or conducive to the attainment of any or all of the above objects.

III. MEMBERSHIP

4. The members shall consist of:
 - (i) The persons joining with the application for registration.
 - (ii) Persons admitted in accordance with these Bye-Laws.
 - (iii) Nominal of Associate Members subject to conditions as laid down in the Act and Rules.

5. No person shall be a member unless:
- a) He is employed in Air India Ltd. at Delhi or any station following under the administrative control of Headquarters or Delhi Region of Air India Ltd., and has been confirmed by Air India Ltd. In case of transfer of a member from Delhi Region to any other station in India/abroad covered by Air India, he/she shall continue to remain the member of the Society, if he/she desires so.
 - b) His written application for membership has been approved by the Managing Committee.
 - c) He is competent to contract under Section 11 of the Indian Contract Act 1872.
 - d) He is not a member of any other primary society dispensing credit.
 - e) A period of six months has elapsed between the settlement of Account on resignation from membership and the date of application for re-admission as member.
 - f)
 - (i) he has carried out the provisions of Bye-Law 11,
 - (ii) Every member on admission shall pay Rs. 100/- as admission fee which shall not be refunded in any case.
 - (iii) When a person's application has been accepted by the committee and he has paid his admission fee and share money of twenty shares of Rs.100 each, he shall be deemed to have acquired all the rights and incurred all the obligations and liabilities of the member of the society as laid down by cooperative societies Act, the Rules made there under and these Bye-Laws.
 - (iv) A Shareholder/Member of the Society who superannuates, retires, takes voluntary (VR or VRS) / premature retirement and ceases to be a permanent employee of Air India after 01-12-2022, may continue to be a Shareholder /Member of the Society by keeping Rs.5,00,000/- (Rupees Five Lakh Only) as Fixed Deposit with the Society with lock-in period of three years. Such Shareholders/Members will continue with all the rights and benefits of the Society, besides the interest on the Fixed Deposit at the rate of interest of 6.00% per annum payable annually.
6.
 - (a) Original promoter members are exempted from the provisions of Bye-Law 5(b).
 - (b) The society shall not admit members within 30 days prior to the date of the meeting of the General Body.

7. A member of the society may be expelled by the managing committee with a majority of $\frac{3}{4}$ members present at the meeting held for this purpose. Provided that member concerned shall be served Registered Notices, listing cause of expulsion and member concerned shall be given opportunity to represent the case before the Managing Committee. The expulsion shall be final only after the approval of the Registrar. The member can be expelled on the following grounds.
 - i. If he makes default in the payment of his shares; or
 - ii. If he has applied to be adjudicated as insolvent or is an undischarged insolvent; or
 - iii. If he has been sentenced for any offence other than an offence of political character or an offence involving moral turpitude and dishonesty; or
 - iv. If he undertakes any profession similar to the objects of the society; or
 - v. If he intentionally does any act likely to injure the credit of the society or fails to observe proper discipline in regard to the work of the society; or
 - vi. For any action which may be held by the Managing Committee to be dishonest or contrary to the stated objects of the society or to the interest of cooperation;
 - vii. Incurs any of the disqualifications as contained in Rules and Bye-Laws.
8. A person ceases to be a member:
 - i. On death;
 - ii. For lack of confirmation of membership as per Bye-Law 5(f)(iii);
 - iii. When his resignation is accepted by the Managing Committee;
 - iv. On expulsion under Bye-Law 7;
 - v. On withdrawal after one month's notice in writing to the Secretary, provided that the member withdrawing does not owe any dues to the Society and is not a surety for an unpaid debt. Withdrawal will take effect from the date of acceptance of resignation by the Managing Committee;
 - vi. On ceasing to hold the minimum number of shares prescribed in these Bye-Laws;
9. 1. A member or the nominee or successor of an ex-member may transfer his shares to another member or applicant qualified under Bye-Laws 5 and approved by committee or to a share transfer fund created by the society out of its profits and shall then be paid the value of his shares less any sum due from him to the society.

2. Shares shall be returned within one month after acceptance of resignation provided he is not indebted to the society and is not surety for an unpaid loan.
3. The value of share shall not in no case be more than the sum received by the society in Payment thereof.
4. A member on withdrawal, whether voluntarily or through the action of the society shall, subject however; to the rules have no claim on the funds or property of the society of any kind. Once the final settlement of the member/shareholder is undertaken, he would not have any claim / interest in any funds/assets/property / matter of the society.

IV. CAPITAL

10. The capital shall be composed of:
 - (a) Undermined number of shares of the value of Rs. 100/- each;
 - (b) Deposits from members;
 - (c) Loans from financing institutions;
 - (d) Donation and grants; and
 - (e) Realised profits.

Provided, that the acceptance of loan from financing institutions shall be subject to such restrictions which the Registrar may impose.

V. SHARES

11. Every member shall purchase at least twenty shares and no member shall hold shares of which nominal value exceeds $1/10^{\text{th}}$ of the total shares capital actually subscribed subject to maximum of Rs.20,000/- (Twenty Thousand Rupees) as prescribed in Rules. If any member may by inheritance or otherwise becomes possessed of more than the maximum holding permitted by the Act, Rules, the Managing Committee shall have power to sell the excess number or buy them on behalf of the society and to hold proceeds at its disposal.
12. Shares may be paid up in a single payment or installments of not less than Rs. 500/-. The installment shall be paid up at the time of admission of a member by the committee.
13. Share shall not be withdrawn, repaid or transferred otherwise than provided in these Bye-Laws.
14. Every member may nominate a person to whom on his death, his share shall be transferred, but no member may nominate more than one person unless he holds more than one share and in any case unless the

amount to be paid to such nominee whether by way of whole shares or by fixed proportion of the amount available for transfer, as the case may be, is duly specified when the nominee is appointed, and he shall attest the nomination by his signature or thumb impression in the register of members. If not admitted to membership the nominee or nominees shall be paid the value of the shares or interest subject to the provision of Bye-Law 9. If any deduction has to be made from the shares of the deceased, and there are more than one nominee, amount to be deducted shall be set off against the amount due to each nominee in proportion to his interest.

15. The society shall have the right to set off any money due to a member or past member or person claiming through him in payment of any sum which he owes to the society or for which he stands surety.

VI. LIABILITY

16. The liability of the members for any deficit in the assets of the society on liquidation shall be limited to ten times of the face value of their subscribed shares.

VII. GENERAL BODY MEETING

17. The first General Body Meeting of the members shall have the same powers as are prescribed in Rules.
18. (a) The first General Body Meeting shall be held within 180 days from the date of its registration by the promoters to hold elections. In this meeting the following business shall also be discussed and decided.
 - (i) Approval of allotment of shares, amount collected and amount spent in connection with the registration of the society before registration.
 - (ii) Election of members of the Managing Committee.
- (b) The society shall within a period of 180 days next after the date fixed for making of its accounts for the year under the rules for the time being in force, call Annual General Body Meeting of its members for purpose of:
 - (i) Approval of the programme of the activities of the society prepared by the committee for the ensuing year;
 - (ii) Election, if any, of the members of the committee other than nominated members, subject to the provisions of Section 35;
 - (iii) Consideration of the Audit Report and the Annual Report;
 - (iv) Disposal of net profit ; and
 - (v) Consideration of any other matter which may be brought forward by the Committee in accordance with the Bye-Laws;

“Provided further that if such meeting is not held by the society within 180 days, the Registrar or any person authorised by him may call such meeting in the manner prescribed and that meeting shall be deemed to be a General Body Meeting duly called by the society and the Registrar may order that the expenditure incurred in calling such a meeting shall be paid out of the funds of the society or by such persons who in the opinion of the Registrar, were responsible for the refusal or failure to convene the General Body Meeting”.

- (c) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for fifteen minutes and shall be held without any quorum at the same place with same Agenda but if the meeting is called upon the requisition of the members not the (Registrar)it shall stand dissolved. Provided that at the adjourned meeting, no quorum shall be necessary.
- (d) The presence of the 1/3rdof the total number of the members subsisting as such on the date of Notice of the meeting subject to a minimum of 10 members shall be necessary for the disposal of any business at General Body Meeting. Each member shall have one vote irrespective of the shares held by him. The President shall have a casting vote in addition. No proxy shall be allowed. No person shall be allowed to vote who is in arrear with his share of installment or against whom there is an Award of who is a defaulter.
- (e) The President or the Vice-President or in their absence one of the other member elected for the purpose shall preside over the meeting.
- (f) The minutes of the General Body Meeting shall be entered into the proceeding register within four working days after the date of meeting which shall be signed by President, Vice President, Secretary or Joint Secretary.

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

1. To elect, suspend or remove members of the Managing Committee including a President and one or more Vice-President;
2. To receive from the Committee a report of the preceding year’s working of the society together with a statement showing the Receipts and Expenditure, Assets and Liabilities and Profit and Loss for theyear;
3. To consider the audit note, inspection note of the Registrar, or Financing Agency and any other communication from the Registrar;
4. To dispose of profit in accordance with the Act, Rules and Bye-Laws;
5. To lay down for the guidance of the Managing Committee, a general policy for the conduct of business and activities to be undertaken by the society;

6. To determine the nature and extent of the welfare activities to be undertaken by the society;
7. To fix the maximum credit limit of the members of the committee and to approve a maximum credit limit for each member for loans on personal surety;
8. To fix subject to the approval of the General Body, the maximum liability to be incurred during the following year in loans from financing institutions;
9. To amend the Bye-Laws, subject to the approval of the Registrar;
10. To fix the terms and the rates at which penal interest shall be charged by the Managing Committee on overdue installments which shall not exceed 3% over the normal rate of interest;
11. To consider any other business brought forward for which the Managing Committee is not authorised or is unable to transact;
12. To approve Welfare Schemes for members;
13. To write off Debt of members out of Bad Debt Fund;
14. To fix the rate of interest on the loans with the approval of the Registrar;
15. To expel members;
20. All business discussed or decided at a General Body Meeting shall be recorded in a proceeding book which shall be signed by the President and Secretary of the Society.
21. Amendments to the Bye-Laws shall only be carried out by a majority of not less than 2/3rd of the members present in a General Body Meeting in which due notice of the intention to discuss such amendments has been previously given. Such amendments shall be forwarded to the Registrar for registration within a period of thirty days from the date of meeting.
22. (a) If it appears to the Registrar that an amendment of a Bye-Law of the cooperative society is necessary or desirable in the interest of the cooperative society, he may call upon the cooperative society to make the amendments by calling the General Body Meeting.
(b) The Registrar may by serving a notice call upon the society to make an amendment within a period not exceeding sixty days.
(c) After the expiry of the period specified in the notice if the society fails to make the amendment, the Registrar after giving the cooperative society a opportunity of being heard, may register the amendment and issue to the cooperative society a copy of such amendment certified by him with a certificate signed by him. With effect from the date of registration, the amendment is binding on the cooperative society and its members subject to appeal, if any.

- (d) All amendments of the Bye-Laws relating to the same Cooperative Society when registered by the Registrar shall be assigned a consecutive number in chronological order and shall be noted in index to the Bye-Laws to be maintained by the Cooperative Society in the registration file. All other questions before the General Body Meeting shall be decided by a majority of votes.

VIII. MANAGING COMMITTEE

23. (a) The Managing Committee shall consist of at least 5 members of the society and not more than 12 over the age of 21 including a President and one Vice- President. President shall preside over the meetings and in his absence, Vice President shall preside. Each member of the Committee shall have one vote but the President shall have a casting vote, in addition. Two seats shall be reserved for womenmembers.

- (b) Managing Committee shall be elected and hold office for three years and shall be eligible for re- election. These office bearers shall not be eligible to hold such office on a Committee of another cooperative society of the same type or on the Committee of more than three different type ofsocieties.

The election of the Managing Committee shall be:

- (i) by secret ballot in the manner given in Schedule (II) of the Delhi Cooperative Societies Rules 2007.
- (c) The meeting of the Committee shall be held when necessary and shall be called by the Secretary or President on receipt of a requisition from three or 1/3rdmembers of the Managing Committee, whichever is more or from the Registrar Cooperative Societies, or any person authorised by him. The Managing Committee shall cause minutes of all proceedings of its meetings to be entered in the book for the purpose in hand written at the spot in the presence of members present and voting. The minute of each meeting shall contain the name of the members if any, dissenting from or not concurring in any resolution. At the end of the minutes, the proceedings shall be signed by the President, Secretary or Joint Secretary of the Society. The Notice for the Managing Committee shall be given of 5 days and for emergent meeting 24 hours notice is sufficient by personalservice.
- (d) The meeting shall be held as often as required but a meeting shall be held at least once in everymonth.

24. The member of the Committee shall cease to hold office ifhe:

1. Ceases to be a member of thesociety;
2. Applies for insolvency and is declared insolvent;

3. Becomes of unsoundmind;
 4. Is convicted of any offence involving dishonesty or moral turpitude;
 5. Lends money on his own;
 6. Carries on business on his own account similar to that as specified in Bye-Law 3(iii)
 7. Resigns and his resignation is accepted by the Committee;
 8. Fails without showing satisfactory reasons to the Committee to attend three consecutive Committee meetings;
 9. Default in the payment of his share or loan installment for two consecutive months;
 10. Holds any place of profit under the Society or receives an honorarium;
25. The Committee shall exercise all the powers of the society except those reserved for the General Body Meeting, subject to any regulations or restrictions laid down by the society in a General Body Meeting or in the Bye-Laws and in particular shall have the following powers and duties:
1. To observe in all their transactions, the Act, Notified Rules and these Bye-Laws.
 2. To maintain true and accurate account of all money received, expended and all stock brought or sold.
 3. To keep a Register of members correct and up-to-date.
 4. To keep true account of assets and liabilities of the society.
 5. To prepare and lay before the General Body Meeting the annual profit and loss account and audited balance sheet, audited by a Chartered Accountant appointed by the society out of the approved panel of the Registrar.
 6. To examine the account, sanction contingent and other expenditure and supervise the maintenance of the prescribed registers.
 7. To consider the inspection notes of the Registrar, financing agency and Assistant Registrar and take necessary action.
 8. To admit new members and issue new shares and transfer old shares to new members.
 9. To arrange for the recovery of shares, loan installment and of interest on overdue installments.
 10. To summon General Body Meeting in accordance with the Bye-Laws.

11. To contract loans subject to any restrictions imposed by the Registrar or General Body Meeting.
12. To decide the terms on and the periods for which loan, secured or unsecured are to be given, to approve or reject the security, to arrange for the recovery of loans and to impose and recover penal interest on overdue installments as laid down by the General Body Meeting.
13. To decide the terms and the periods for and the rate of interest at which deposits are to be received and to arrange for the payment of such deposits.
14. To watch that the loans are applied to the approved purposes for which they were advanced.
15. To assist in the inspection of the books by any person authorised to see them.
16. To appoint, suspend, punish and dismiss employees.
17. Through any member or officer or employee of the society or any other person specially authorised, to institute, conduct, defend, compromise, refer to arbitration or abandon legal proceedings by or against the society or committee or the officer or employees concerning the affairs of the society.
18. To acquire on behalf of the society, shares in other Registered Cooperative Societies.
19. To arrange for the custody of books and to appoint one of the members or one of the officer of the society, resident in the area of operation; to take charge of all the registers and papers prescribed in the Bye-Laws.
20. To invest the surplus funds of the society in accordance with Section 56 of the Cooperative Societies Act and Rules framed thereunder.
21. To acquire and hold property and to enter into contracts on behalf of the society.
22. To fix the maximum credit limit for each member with the approval of the General Body Meeting. The limit will be fixed only when a member has made a declaration giving the amount of his debts, secured and unsecured with the rate of interest. The proposal for the maximum credit limit of members of the committee shall be brought in the General Body Meeting in separate detailed resolution and shall not be included in the proposal of maximum credit limit of other members,
23. To fix the pay scales and other service conditions of the employees.
24. To appoint a Treasurer to keep money of the society and to require him to give such security as it may be sufficient.

25. To elect a Secretary from amongst the members of Managing Committee and to entrust him with such duties as deemed necessary.
26. To distribute the duties between the Secretary and Manager, if necessary.
27. To fix the rate of interest on loans, with the approval of General Body.
28. To arrange for the safe custody of the property of the society and to maintain it in a good state of affairs and where necessary to arrange for its insurance.
29. To arrange for the internal checking of the accounts.
30. To co-opt members against the vacancy caused by the resignation or disqualification of any member of the Managing Committee.
31. Generally to carry on the business of the society.

In the conduct of the business of the society, the committee shall exercise the prudence and diligence of ordinary man of business and shall be responsible for any loss sustained through acts contrary to law, the notified rules and these Bye-Laws.

26. No member of the Committee shall receive any remuneration for his work as a member of the Committee. No member of the Committee shall vote in any application for a loan in which he himself is interested as a borrower, nor shall be stand surety of a new loan to another member of a Committee.
27. All business discussed or decided at a meeting of the Committee shall be recorded in a proceeding book which shall be signed by the President, Secretary or Joint Secretary of the society.

IX. TREASURER / SECRETARY

28. 1) The Committee of the society shall specify which of the officers of a society shall:
 - (a) Keep the books of accounts;
 - (b) Keep other books and registers; and
 - (c) Prepare returns and statements.
- 2) If the committee of a co-operative society has not specified the officers required to be specified in sub-rule (1) notwithstanding anything contained in the Bye- Laws of the society, the following officer shall be responsible for keeping accounts record etc. indicated against each namely:-
 - (a) **Treasurer:**

He shall keep or cause to be kept all the books of accounts and vouchers and shall prepare or cause to be prepared annual Profit and Loss Account, Receipts and Expenditure Account and the Balance Sheet, whosoever may be writing these books of accounts, they shall always be deemed to be in his Custody, possession, power and control.

He shall be responsible for their safe delivery to his successor after making a list of documents handed and takeover.

(b) Secretary:

He shall keep or cause to be kept all other records of the society and shall be responsible for preparation and submission of various returns to the Registrar. Whosoever may be keeping these records; these shall always be deemed to be in his custody, possession, power and control. He shall be responsible for making over the charge of these records to his successor under proper charge report to be signed by the relieving officers.

The powers and duties of the Secretary shall be as follows:-

- (1) To maintain correctly and up to date the prescribed papers and registers.
- (2) To procure from borrowers the due execution of bonds with security when required under Bye-Laws.
- (3) To prepare all receipts, vouchers and documents required by the notified rules or the Bye- Laws or the committee.
- (4) To sign on behalf of the society and conduct its correspondence.
- (5) To summon and attend general meetings and meetings of the committee.
- (6) To record the proceedings of such meetings and have them duly signed.
- (7) To prepare the annual statements and submit them to the Registrar, within the period prescribed by him.
- (8) To control the staff.
- (9) To certify copies of entries in the books.
- (10) To incur contingent expenditure subject to the sanction of the committee.
- (11) Generally to conduct the current business of the society and perform all duties entrusted to him by the committee.

(c) Cash :

Cash balance in hand shall always remain in the hand of the Treasurer or any other officer authorised by the Committee.

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

X. REGISTERS

30. The following registers and papers shall be maintained and shall be open to the inspection by anyone interested in its funds, except that no one shall be allowed to see the deposit account of any person without person's consent in writing:
- 1) A Register of members, showing his name, address and occupation of every member, the number of shares held by him, the date of his admission to membership, date of termination of membership and the nominee appointed under the Bye-Laws;
 - 2) A cash book showing the income, expenditure and balance on each day on which business is done;
 - 3) A ledger account for each member, depositor, creditor, miscellaneous and contingent income and expenditure incurred by the society;
 - 4) A register showing the maximum credit of each member;
 - 5) An account showing the monthly installment of shares and deposits;
 - 6) A minutes book;
 - 7) A register showing the monthly installment for payment of loans;
 - 8) A book of bonds for all loans issued;
 - 9) A share allotment register;
 - 10) A surety register;
 - 11) A pass book for each member and depositor;
 - 12) A register for stock and securities;
 - 13) A Register of application, for membership containing the name and address of the Applicant, the date of receipt of application, the number of shares applied for and in case of refusal, the date of communication of the decision refusing admission to the applicant; and
 - 14) Any other register prescribed by the Registrar.
31. Copies of the Bye-Laws and Balance Sheet shall be supplied free on demand to any member. The last Balance Sheet shall be open to public inspection during office hours.
32. The committee shall appoint one of its members or one of the officers of the Society to take hold and keep in safe custody all the registers prescribed in Bye-Laws 30 and other papers in use of the society.

XI. COMPULSORY DEPOSITS

33. 1. Every member shall subscribe at least Rs. 800/- per month towards compulsory deposit which may be reduced or increased by the General Body from time to time. Members may also contribute towards saving deposits.
2. Such deposits shall be governed by rules to be framed by the society subject to approval of the General Body.
3. With the sanction of the Committee a member may be exempted from the obligation to deposit, for any period during which his circumstances do not permit of such payment.
4. A member may withdraw an amount not more than 60% of his Compulsory Deposit (subject to remaining balance of Rs.50,000/-) when required for the purpose of expenditures towards education or marriage of his dependents, home renovation/repairs.

XII. LOANS

34. Loans may be granted to a member for various purposes but they shall not be granted for extravagant or speculative purpose. Loans for productive purposes shall receive preference over others. No loans shall be made to a member within a month of his admission but this does not apply to the transfer of existing loans of a past member to his nominee on his admission or other successor in interest who is or is admitted as member of a society. No loan shall be advanced to a member who is not making monthly compulsory deposit. All applications for loans shall be submitted to the Secretary with a clear and true statement of the purpose for which they are required, and they shall be dealt with by the committee at their next meeting according to their discretion. The committee is not bound to give any reason for rejection of a loan application.

The borrower shall execute a bond and shall furnish Surety or sureties as laid down by the Managing Committee. All sureties must be members of the society and must have furnished the declaration required in Bye-Laws 25 (22).

Bye Law 34
Regular Loan

The Committee may at their discretion to fulfillment of the following condition/limitation grant Regular Loan to any member who is a permanent employee in terms of service rule of Air India Ltd. and is contributing towards Provident Fund.

MEMBERSHIP WITH SOCIETY	MAXIMUM AMOUNT OF THE LOAN
02-05 years	125,000
05-10 years	200,000
10- 20 years	250,000
20 years and above	300,000

The Committee shall take surety in all cases where loans are advance. The rate of interest on Regular Loan is 9.60% on reducing basis. The limit of loan advance as above is further subject to any general or special restrictions or conditions as may be imposed by RCS office from time to time.

Bye Law 34 (a)
Consumer Loan

The Managing Committee may grant Consumer Loan to a member of the Society and the amount will be as under:-

MEMBERSHIP WITH SOCIETY	MAXIMUM AMOUNT OF THE LOAN
02-05 years	60,000
05-10 years	200,000
10-15 years	250,000
15 years and above	300,000

The Managing Committee depending upon the availability of funds grant the consumer loan which will be subject to above referred entitlement and will be recoverable in 24/36/48/60 months on request of members at the time of application for loan against the hypothecation of the article in favor of the Society. The rate of interest will be 9.60% on reducing basis.

Bye Law 34 (b)

Loans against Fixed Deposits

A loan not exceeding 80% of the amount of a Fixed Deposit may also be granted by any one of the President, Vice-President or Secretary against an unattached Fixed Deposit of a member without any surety subject to confirmation in the next Committee Meeting. The amount and period of such loan shall not exceed the amount of an un-expired period of the Fixed Deposit. In such a case, a member shall be required to give at least 15 days' notice to the Society for such a loan. He shall also endorse the Fixed Deposit Receipt in favor of the Society. This will be permissible only in case the member has not drawn any other loan against the security of the said Fixed Deposit. Interest on such loans shall be charged at a rate of 2% higher than the rate of interest payable on Fixed Deposit against which the loan is advanced. The interest shall be calculated on the basis of number of days and with a minimum of one month or part thereof. The repayment of such loan would be within 36 months.

Bye Law 35
Emergency Loan

35. In emergent cases, the Committee may grant to any member a loan, within his maximum credit limit without security not exceeding Rs. 50,000/- in aggregate provided the amount thus advanced is covered by the amount of shares and savings deposits on the member's credit. Such loans shall be repaid within 36 installments. The limit of emergent loan may be raised by the General Body from time to time.
36. Loans shall be repaid in such number of monthly installments as may be fixed by the committee. The committee may suspend repayment of any installment for one or more months on sufficient cause being shown and may there by extend the time of total payment by a period not exceeding six months.
37. If the Committee find that the security for an outstanding loan has become insufficient or that the borrowers material position has weakened, committee shall call in the borrower to provide satisfactory security and in default shall call in the loan at once, the loan shall also be called back if the Committee find that it has not been applied to the purpose for which it was taken.
38. A member's commitment as surety shall not exceed two times of his maximum credit limit. Unavailed portion of a member's credit limit may be added to increase the limit up to which he may stand as surety. When a member has stood surety for an additional amount owing to his maximum credit limit, not being fully drawn, he may not draw further against his maximum credit limit until his liability as a surety has correspondingly decreased.

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

The limit to which a member can stand as surety in accordance with this Bye-Law may be exceeded at the direction of the Committee in cases where collateral security is also taken.
39. Interest on loans from members shall be charged @ 9.60% per annum on reducing balance or rates to be fixed by the Committee with the previous sanction of the General Body. In case of default, penal rate shall be charged as may be prescribed by the General Body Meeting vide-Bye-Laws 25(12) which shall not excess 3% above normal rate of interest.
40. The society may undertake Bills of Collections or Demand Draft business for its members with the prior sanction of the Registrar.
41. All documents creating a charge or obligation of the society shall be signed by the President / Vice- President, Secretary and Treasurer provided that in the case of receipt and cheques and receipt for the deposits and repayments

of loans, President or Secretary or Treasurer may sign. All important documents of the society shall be sealed with the Society's seal. They shall be kept in the custody of the Secretary/Treasurer.

42. The accounts of the society shall be audited at least once a year by an Auditor appointed by the society from the panel of CA's approved by the Registrar. The society shall pay fee to the Auditor as may be fixed by the Registrar, Cooperative Societies, Delhi from time to time.

Rate of Interest on Deposits and Loans

Deposits	Rate of interest
Saving Deposit	3.00 %
Recurring Deposit	5.50 %
Fixed Deposit (365 days basis)	6.00 %
Loan	9.60 %

Self-Insurance Benefit Scheme (on Death)

MEMBERSHIP WITH SOCIETY	MAXIMUM AMOUNT OF THE INSURANCE COVER
01-02 years	30,000
02-03 years	65,000
03-05 years	75,000
05-10 years	170,000
10-15 years	220,000
15-20 years	270,000
20 years and above	295,000

Self-Insurance Benefit Scheme (on Retirement)

MEMBERSHIP WITH SOCIETY	MAXIMUM AMOUNT OF THE RETIREMENT BENEFITS
05-10 years	8,000
10-20 years	10,000
20 years and above	15,000

XIII. DISTRIBUTION OF PROFITS

43. The following shall be the first charge on profit:
- (i) Contribution to the Audit Fee as may be fixed from time to time by the Registrar;
 - (ii) Any losses undergone by the society;
 - (iii) Necessary deduction for depreciation of machinery, building etc.;
 - (iv) All payments of salaries, provident fund and working expenses;
 - (v) Interest on loans, deposits etc.
44. (i) Not less than 25% of the net profit shall be carried to the Reserve Fund which shall be indivisible and no member shall be entitled to any share in it.
- (ii) The Society shall credit a sum calculated at 2% of its net profit subject to maximum of Rs. Fifty Thousand every year for contribution to the Cooperative Education Fund to be administered by the Registrar in accordance with the provisions of Rules 2007. This fund shall be kept with the State Bank of India. Any such amount payable by the society shall be a charge on the funds of the society.
- (iii) Dividend on shares be paid not exceeding 18% per annum only upon earning profit by the society
- (vi) Not Less than 2% of the balance shall be credited to the Bad Debt Fund.
- (v) The remaining amount if any may be allotted to any or all of the purposes detailed below or may be carried over:
- a) Building fund;
 - b) Invest depreciation fund;

- c) Common good fund according to Section 54 of the Act. Expenditure out of this fund shall be incurred with the approval of the General Body.
 - d) Dividend equalization fund;
 - e) Share transfer fund;
 - f) Any other fund for the business of the society.
- (vi) Dividend may also be paid to members on loan borrowed from and the deposit made with the society by each member.
- (vii) Members shall have no right to the dividend unless declared and approved by the General Body.
45. If no dividend is claimed for a period of three years from the date of declaration a notice be issued by the society at the registered address of the member and calling upon him to take the amount within one month of the receipt of the notice. If the dividend is not claimed during this period it shall be credited to the Reserve Fund.
46. Rebates on business shall be paid according to the rules approved by General Body Meeting and subject to any restriction imposed by the Registrar.
47. No bonus, in addition to the dividend shall be distributed to members on shares.
48. No dividend shall be paid while any claim due from the society to a depositor or creditor remains unsatisfied.
49. Allocation and distribution of profits shall be made only after the Annual Audit.

XIV. RESERVE FUND

50. The Reserve Fund is indivisible and no member is entitled to claim a specified share in it. It shall be used in the business of the society as per provisions of Rules 2007.

XV. DISPUTES

51. If any dispute touching the constitution or business of the society arises between members or past members of the society or persons claiming through a member or past member or between members or past members, persons so claiming and any officer, agent or servant of the society (past or present) or between the society or its Committee, any officer, agent, member or servant of the society (past or present) it shall be referred to the Registrar under Sec. 70, 71 of the Act.

XVI. GENERAL

52. All matters not specially provided for, are to be decided in accordance with the Cooperative Societies Act, and the Rules framed there under.
53. The Managing Committee with the approval of the General Body Meeting may frame Rules of business not inconsistent with Cooperative Societies Act, and the Rules and these Bye-Laws for carrying on the business of the society and make additions or alterations in them from time to time.
54. In case of any dispute about the meaning or interpretation of any provision of the Cooperative Societies Act, Rules and these Bye-Laws, the decision of the Registrar shall be final.

XVII. LIQUIDATION

55. The society shall be wound up and dissolved only by order of the Registrar under Section 95, 96 of the Cooperative Societies Act, 2003.

After all the liabilities including the paid up share capital have been met, the surplus assets shall not be divided among the members but shall be devoted to an object of public utility determined by the General Body Meeting of the society within three months of the date of final liquidation approved by the Registrar in whole or in part to any or all of the followings:

- a) A subject of public utility of local interest;
- b) A Charitable Purposes as defined in Section (2) of the Charitable Endowment Act;
- c) Coop. Education Fund maintained by the Registrar.